IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

SHELLYE PECHULIS, ANNA MARIE FALCONE, and JODIE HOLICH, individually, and on behalf of all others similarly situation,	)	Case No.: 19-cv-06089
Plaintiffs,	)	Judge Sharon Johnson Coleman
v.	)	
PIPELINE HEALTH SYSTEMS LLC, a Delaware Corporation,	)	
Defendant.	)	

PIPELINE HEALTH'S MEMORANDUM OF LAW IN SUPPORT OF ITS FEDERAL RULE 12(b)(6) MOTION TO DISMISS THE PLAINTIFFS' COMPLAINT

I. INTRODUCTION

This action raises the unique question of an employer's obligations under the Federal Worker Adjustment and Retraining Notification Act ("WARN Act" or "Act") for allegedly failing to provide employees with additional notice of a Hospital's closing beyond the original 60-day notice when, prior to filing a Chapter 7 bankruptcy, the employer was enjoined by the State Court from taking any action to close the Hospital. The facts are simple. According to the Complaint, the defendant Pipeline Health Systems LLC ("Pipeline Health" or "Defendant")[1] provided a 60-day notice to its employees on April 9, 2019 that it was closing the Hospital between June 9 and

[1] As required on a Federal Rule of Civil Procedure ("Federal Rule") 12(b)(6) motion to dismiss, Defendant accepts the allegations of the Complaint as true solely for purposes of this Motion. Plaintiff alleges that Pipeline Health is by operation of law the "single employer" of the Plaintiffs because it allegedly controlled all of the decisions of the Plaintiffs' actual employer, Pipeline-Westlake Hospital LLC d/b/a Westlake Hospital ("Hospital"). (Dkt. #1 ¶¶ 2, 6.) The named Defendant, Pipeline Health has never employed any of the Plaintiffs. It is not the managing member of the Hospital, it is not the owner of the Hospital, and it disagrees with the concept that it controlled the decisions of either the Hospital's managing member, SRC Hospital Investments II, LLC ("SRC"), or the Hospital. Nonetheless, the Defendant accepts the allegations of the Complaint as true for purposes of this Motion.

June 23, 2019. On May 7, 2019, the Defendant was enjoined by the state court from engaging in any act to close the Hospital. The Hospital remained open until it filed a Chapter 7 bankruptcy petition on August 6, 2019. The Chapter 7 Trustee was appointed, closed the Hospital, and by letter dated August 19, 2019, terminated the Plaintiffs' employment effective August 16, 2019. This lawsuit followed against Pipeline Health, not the Hospital that employed the Plaintiffs or the Chapter 7 Trustee that closed the Hospital and terminated the Plaintiffs' employment.

On these facts as alleged by Plaintiffs, the Court should dismiss the Complaint with prejudice because: (1) the Chapter 7 Trustee – not the Defendant – made the decision to close the Hospital and terminate the Plaintiffs' employment; (2) the Defendant was not an "employer" within the meaning of the Act at the time of the terminations; and (3) the notice that the Hospital did provide on April 9, 2019 along with the supplemental notice the Trustee sent on August 19, 2017 satisfied the Act's notice requirements.

II. BACKGROUND FACTS

Prior to its closure in August 2019, the Hospital was a full-service hospital located in the Village of Melrose Park. (Dkt. #1 fn.3.) The Hospital employed the Plaintiffs. According to the Plaintiffs' allegations, Pipeline Health should also be considered their employer because of its control over the Hospital. (Dkt. #1 ¶ 2.)

On February 21, 2019, Defendant filed its application with the Illinois Health Facilities and Services Review Board ("Review Board") for authority to close the Hospital. (Dkt. #1 ¶ 20.) In a letter dated April 9, 2019 ("April 9 WARN Notice"), at Defendant's direction, the Hospital notified the Plaintiffs that the Hospital would permanently close between June 9 and June 23, 2019, and that the Hospital's employees would be terminated. (Dkt. #1 ¶ 23; Dkt. #1 ¶¶ 50-54.)

On April 30, 2019, the Review Board granted the Hospital's application to discontinue its operations. (*Id*. at ¶ 32.) However, on May 2, 2019, the Village of Melrose Park (represented by

counsel for the Plaintiffs in this case) filed a lawsuit in the Circuit Court of Cook County, Chancery Division (Case Number 19 CH 055553) appealing the Review Board's decision to authorize the closure of the Hospital (the "Review Action"). (Dkt. #1 ¶ 33.) The Village also moved for entry of an injunction barring the Hospital and its agents from closing the Hospital. (*Id*.)

On May 7, 2019, the state court in the Review Action granted the Village's motion and enjoined the Hospital, SRC, and their agents from taking any actions to close the Hospital ("State Court Injunction"). (*Id*. at ¶ 34; a true and correct copy of the State Court Injunction is attached as Exhibit A.)[2] The State Court Injunction provides in part:

> Defendant Pipeline-Westlake Hospital, LLC, Defendant SRC Hospital Investments II, LLC, and any of their employees or agents are enjoined from taking any action pursuant to the February 21, 2019 Discontinuation Application, including but not limited to closing Westlake Hospital.

(Ex. A ¶ 1 p. 20.) In fact, Plaintiffs explicitly alleged in the Complaint that had Pipeline Health taken any action to notify the "employees that it would be closing or filing for Chapter 7 bankruptcy, Melrose Park would again block its closure efforts to enforce the preliminary injunction and seek sanctions." (Dkt. #1 ¶ 40.) The Hospital remained open as of June 23 notwithstanding the April 9 WARN Notice. (*Id*. at ¶ 35.)

On August 6, 2019, the Hospital filed a Chapter 7 bankruptcy petition with the United States Bankruptcy Court for the District of Delaware ("Delaware Bankruptcy Court").[3] (Dkt. #1

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[2] The Complaint attempts to give the impression that Defendant somehow hid its intent to close the Hospital, and that the ultimate termination in August 2019 was a sudden, unexpected event. (Dkt. #1 ¶7.) The facts alleged by Plaintiffs belie this theory, for they show that the Defendant had been trying to close this Hospital since February 2019. (Dkt. #1 ¶ 19 (alleging Defendant announced in a press release that it intended to file a discontinuation application in February, and then filed its application to discontinue the Hospital).) The Defendant sent the April 9 WARN Notice to all of the Plaintiffs, which they admittedly received, telling them that the Hospital would close in June 2019. (Dkt. #1 ¶¶ 23, 50-54.) The Defendant also sent an April 9, 2019 memorandum to the Hospital's medical staff explaining the closure and updating the staff on the Hospital's website that Defendant was suspending Hospital services. (*Id*. at ¶ 24.)

[3] Both the Hospital and Westlake Property Holdings, LLC ("Westlake Propco" and Hospital are collectively referred to as the "Debtors") filed for bankruptcy protection on August 6, 2019 with the Delaware Bankruptcy Court, Case

¶ 36.) On that same day, the Delaware Bankruptcy Court appointed a Chapter 7 Trustee, and entered an order that authorized and directed the Chapter 7 Trustee to:

> (i) Discharge and/or transfer the current patients in the Hospital to another accepting health care facility subject to 11 U.S.C. § 704(a)(12);
>
> (iv) Retain Employees as long as necessary and/or terminate Employees in accordance with the Chapter 7 Trustee's business judgment;
>
> (vi) Terminate such utilities as the Chapter 7 Trustee determines are no longer necessary; and
>
> (vii) Secure the Hospital facility.

(August 6, 2019 Order, ¶ 1(i), (iv), (vi), (vii), a true and correct copy of which is attached hereto as Exhibit B (the "August 6 Bankruptcy Order").) The August 6 Bankruptcy Order prohibited the Chapter 7 Trustee from operating the Hospital as a going concern. (Ex. B ¶ 6.)

On August 14, 2019, when the bankruptcy cases were transferred to the Illinois Bankruptcy Court, Judge Thorne appointed Ira Bodenstein as the Chapter 7 Bankruptcy Trustee to administer the continued liquidation of the Hospital, as required by the August 6 Bankruptcy Order. (Bankr. Case No. 19-22881, Dkt. #2.) On August 19, 2019, "the Chapter 7 bankruptcy trustee notified 549 … Hospital employees, including Plaintiffs, that their positions were terminated effective August 16, 2019", and that the Hospital was closing and not operating. (Dkt. #1 ¶ 7; a true and correct copy of the Trustee's August 19 letter (without the recipients' names or addresses) is attached hereto as Exhibit C.) This lawsuit followed.

III. STANDARD

A motion to dismiss pursuant to Federal Rule 12(b)(6) challenges the sufficiency of the pleading. *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). The court construes all well-pleaded

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Numbers 19-11756 and 19-11757. The bankruptcy cases were then transferred to the United States Bankruptcy Court for the Northern District of Illinois, Case Numbers 19-22878 and 19-22881 ("Illinois Bankruptcy Court"), where the cases remain pending before Judge Deborah L. Thorne and are being jointly administered.

allegations in the light most favorable to the plaintiffs, accepting as true all well-pleaded facts, and drawing all reasonable inferences in their favor. *Id*. To survive a motion to dismiss under Federal Rule 12(b)(6), not only must the complaint provide fair notice of the claim's basis, but it must also allege facts to show that, on its face, the requested claim is plausible and not just possible. *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007). When ruling on a Federal Rule 12(b)(6) motion, the Court may take judicial notice of court orders and publicly recorded documents filed in related litigation. *Henson v. CSC Credit Servs*., 29 F.3d 280, 284 (7th Cir. 1994).

IV. ARGUMENT

A. The Chapter 7 Trustee – Not Pipeline Health – Closed The Hospital And Terminated The Plaintiffs' Employment

Plaintiffs seek to hold Pipeline Health responsible for violating the WARN Act for not notifying them in advance of the Chapter 7 Trustee's decision to close the Hospital and terminate their employment effective August 16, 2019. Plaintiffs make this argument knowing that the Defendant was enjoined by the State Court from taking any steps to close the Hospital, which would include sending a supplemental WARN Act notice and terminating employees. (Dkt. #1 ¶ 40.) The Court should dismiss the Complaint with prejudice on this basis alone.

"In a statutory construction case, the beginning point must be the language of the statute, and when a statute speaks with clarity to an issue, judicial inquiry into the statute's meaning, in all but the most extraordinary circumstance, is finished." *Administaff Cos. v. N.Y. Joint Bd., Shirt & Leisurewear Div.*, 337 F.3d 454, 456 (5th Cir. 2003). The plain language of the WARN Act imposes liability only on an "employer" that orders a plant closing or a mass layoff, and that does so without providing 60-days advance notice. 29 U.S.C. § 2102 and § 2104; *Administaff*, 337 F.3d at 457 ("[T]he language of the statute is clear. The statute imposes liability only on an employer who orders the closing of a plant."); *see also McKinney v. Carlton Manor Nursing & Rehab. Ctr.,*

Inc., 868 F.3d 461, 463-65 (6th Cir. 2017) ("Only employers that order a plant closing face regulation by the Act or liability under it."); *Hotel Employees and Rest. Employees Int'l Union Local 54 v. Elsinore Shore Assoc.*, 173 F.3d 175, 187 (3d Cir. 1999) (Alito, J., concurring) ("This language is straightforward and clear – the WARN Act applies only when an 'employer' orders a plant closing – and where, as here, the statutory language is unambiguous and does not demand an absurd result, the sole function of a court is to enforce the statute according to its terms.").

As a matter of law, the Chapter 7 Trustee – not Pipeline Health or the Hospital – was solely responsible for administering all aspects of the Hospital after the bankruptcy filing, including the decision to close the Hospital and terminate the Plaintiffs' employment. "[I]n chapter 7 [bankruptcy proceedings], no one other than a chapter 7 trustee has authority postpetition, on behalf of the bankruptcy estate, to manage and control the debtor's business and assets." *Walsh v. Diamond* (*In re Century City Doctors Hosp., LLC)*, No. 09-1235, 2010 Bankr. LEXIS 5048, at *11 (9th Cir. BAP 2010). In chapter 7 cases, "the trustee is the sole representative of the bankruptcy estate, and the debtor's prebankruptcy management has no authority over the bankruptcy estate." *Commodity Futures Trading Comm'n v. Weintraub*, 471 U.S. 343, 352-53 (1985). As noted by the United States Supreme Court:

> [T]he Bankruptcy Code gives the trustee wide-ranging management authority over the debtor. In contrast, the powers of the debtor's directors are severely limited. Their role is to turn over the corporation's property to the trustee and to provide certain information to the trustee and to the creditors. Congress contemplated that when a trustee is appointed, he assumes control of the business, and the debtor's directors are completely ousted.

Weintraub, 471 U.S. at 352-53 (citations, footnotes and internal quotations omitted).

Here, the decision to close the Hospital and terminate the employment of the Plaintiffs was not (and could not have been) carried out by Pipeline Health or the Hospital. As a matter of law, only the trustee could have been responsible for these decisions for it was the sole representative

of the Hospital post-bankruptcy filing. *Century City Doctors Hosp.,* 2010 Bankr. LEXIS 5048, at *30-34. Because the Trustee – not Pipeline Health or the Hospital – ordered the Hospital's closing and termination of the Plaintiffs' employment, the WARN Act does not apply to Defendant in this context, as a matter of law. *See, e.g., Century City Doctors Hosp.*, 2010 Bankr. LEXIS 5048, at *30-34; *Administaff*, 337 F.3d at 457 ("The statute imposes liability only on an employer who orders the closing of a plant."); *Elsinore Shore Assoc.*, 173 F.3d at 187-88.

The Ninth Circuit Court of Appeals addressed this issue in *In re Century City Doctors Hospital*, when affirming the dismissal of plaintiff's complaint against the Chapter 7 Trustee on a Federal Rule 12(b)(6) motion to dismiss, where it held:

> Rather, the Trustee's responsibility for Plaintiffs' terminations necessarily follows, as a matter of law, from the facts that Plaintiffs alleged. Specifically, because Plaintiffs all were terminated postposition, as Plaintiffs alleged, and because only the Trustee had the authority postposition to terminate the Plaintiffs, the sole person responsible for the Plaintiffs' terminations had to be the Trustee.

2010 Bankr. LEXIS 5048, at *31. Here, the Plaintiffs' allegations are the same. They allege the Hospital filed for Chapter 7 bankruptcy protection on August 6, 2019. (Dkt. #1 ¶¶ 7, 36-38.) They then allege that the Trustee terminated the Plaintiffs' employment postpetition. (*Id.*) The terminations here occurred postpetition (as Plaintiffs admit), just like the terminations at issue in *In re Century City Doctors Hospital*. As a matter of law, then, only the Chapter 7 Trustee had the responsibility for terminating the Plaintiffs' employment.[4] Pipeline Health did not. For this reason alone, the Court should dismiss this action with prejudice.

[4] Plaintiffs' insinuation that Pipeline Health somehow directed or controlled the decisions of the Chapter 7 Trustee (which is patently untrue) cannot save its Complaint from dismissal. Plaintiffs have plead no facts to support the concept that the Chapter 7 Trustee was under the control of Pipeline Health (nor could they), and the law is clear that the Chapter 7 Trustee alone has authority to terminate the bankrupt Hospital's employees postpetition. "[U]nder the facts alleged, only the [Chapter 7 Trustee] legally could have been responsible for Plaintiffs' postpetition terminations." *Century City Doctors Hosp*., 2010 Bankr. LEXIS 5048, at * 33.

B. Pipeline Health Is Not An "Employer" Within the Meaning of The Act Because It Was Not Operating the Hospital As A Going Concern When The Terminations Occurred

Assuming Pipeline Health could have provided notice to the Plaintiffs in contravention of the State Court Injunction (which it could not by Plaintiffs' own allegations (Dkt. #1 ¶ 40)), Pipeline Health does not qualify as an "employer" within the meaning of the WARN Act because the Hospital was not being operated as a going concern at the time of the terminations and closure. 29 U.S.C. § 2101(a) (defining the term "employer" as "any business enterprise that employs" more than 100 employees); 29 U.S.C. § 2102(a) ("an employer shall not order a plant closing or mass layoff until the end of a 60-day period after the employer serves written notice . . . ."); *In re United Healthcare Sys*., 200 F.3d 170, 177 (3d Cir. 1999) (Chapter 11 bankruptcy debtor was not an "employer" for purposes of the WARN Act because it was not operating the debtor as a going concern at the time it filed for bankruptcy protection); *Century City Doctors Hosp.*, 2010 Bankr. LEXIS 5048, at *18-21 (affirming dismissal of WARN Act complaint because the liquidating trustee was not an "employer" because it was not operating the bankruptcy debtor as a going concern and, therefore, it was not subject to WARN Act liability).

The facts supporting this are not disputed. On August 6, 2019, the very day the Hospital filed for bankruptcy protection, the Delaware Bankruptcy Court entered the August 6 Bankruptcy Order and made clear that the Chapter 7 Trustee's sole "authorization and direction" was to wind down the affairs of the Hospital, discharge patients, retain employees only so long as necessary, and terminate utilities. (Ex. B ¶ 1.) The Chapter 7 Trustee was never "authorized to operate the Hospital" as a going concern. (*Id*. at ¶ 6 (emphasis added).)

The terminations and closure of the Hospital was ordered by the Bankruptcy Court, and is explicitly contemplated by the Bankruptcy Code. *See, e.g.,* 11 U.S.C. § 704(a)(1) (providing that the Chapter 7 Trustee "shall (1) collect and reduce to money the property of the estate for which

such trustee serves, and close such estate as expeditiously as is compatible with the best interests of parties in interest"), and § 704(a)(12) (providing that the Chapter 7 Trustee with respect to a hospital "shall . . . use all reasonable and best efforts to transfer patients from a health care business that is in the process of being closed to an appropriate health care business" that is in the vicinity, provides the patients with services that are substantially similar, and maintains a reasonable quality of care). While a bankruptcy court may, under certain circumstances that are not present here, operate a debtor's business, "such authorization must be restricted to a limited period of time, and the scope of the authorized operation must be 'consistent with the orderly liquidation of the estate.'" *Century City Doctors*, 2010 Bankr. LEXIS 5048, at *25 (quoting 11 U.S.C. § 721 and citing 6 COLLIER ON BANKRUPTCY, ¶ 700.01 (Alan N. Resnick & Henry J. Sommer, eds., 15th ed. Rev. 2010).) As a matter of law, then, the Chapter 7 Trustee's responsibility in this case was to expeditiously liquidate the Hospital.

Comments made by the Department of Labor also address when an entity constitutes an "employer" in the context of bankruptcy proceeding such as we have here. They state "the [Department of Labor] agrees that a fiduciary whose sole function in the bankruptcy process is to liquidate a failed business for the benefit of creditors does not succeed to the notice obligations of the former employer because the fiduciary is not operating a 'business enterprise' in the normal commercial sense." Worker Adjustment and Retraining Notification, 54 Fed. Reg. 16,042, 16,065 (April 20, 1989) (to be codified at 20 C.F.R. pt. 639); *United Healthcare Sys*., 200 F.3d at 178 ("[T]he more closely the activities resemble those of a business winding up its affairs, the more likely it is the entity is not subject to the WARN Act."). Because the Hospital was not being operated as a going concern at the time of the terminations but was being liquidated as required by the August 6 Bankruptcy Order and Bankruptcy Code, neither Pipeline Health nor the Hospital

constitute "employers" within the meaning of the WARN Act, as a matter of law. *Century City Doctors Hosp.*, 2010 Bankr. LEXIS 5048, at *18-21; *see also United Healthcare Sys*., 200 F.3d at 177-79.

The decision in *In re United Healthcare Systems*, 200 F.3d 170, is instructive. In that case, the debtor filed a voluntary Chapter 11 bankruptcy petition and simultaneously sent a 60-day notice to its employees under the WARN Act. Upon the bankruptcy filing, the debtor agreed to pay the employees in the bankruptcy. The Official Committee of Unsecured Creditors ("Committee") objected to paying the employees any back pay under the WARN Act, arguing that United Healthcare was no longer an "employer" at the time of the termination because it had surrendered its certificates of need the day before the bankruptcy filing and was, therefore, not operating the company as a going concern. 200 F.3d at 173-74, 177.

Addressing this issue, the Third Circuit held a WARN Act defendant was an "employer" within the meaning of the Act only to the extent it was operating the business in bankruptcy as a going concern as opposed to liquidating its operations. "Based on [its] review of the Bankruptcy Court's findings of fact, [the Third Circuit found] that United Healthcare, as the fiduciary in bankruptcy proceedings, was operating not as a 'business operating as a going concern,' but rather as a business liquidating its affairs." *Id*. at 178. Because it was liquidating the company and not operating it as a going concern, United Healthcare was not an "employer" within the meaning of the WARN Act at the time of the terminations and, therefore, it was not subject to WARN Act requirements or liability thereunder. *Id*. at 177-79.

Here, upon entry of the August 6 Bankruptcy Order, the Chapter 7 Trustee was at all times liquidating the Hospital. It had no authority to operate the Hospital as a going concern. (Ex. B ¶ 6.) In accord with the decision in *United Healthcare*, because the Hospital was not operated as a

going concern at the time of the employment terminations on August 19, Pipeline Health was not an "employer" within the meaning of the Act, as a matter of law. And as alleged by Plaintiffs, the Defendant could not provide notice prior to the bankruptcy filing because of the State Court Injunction. For this independent reason, the Court should dismiss this case with prejudice. *United Healthcare*, 200 F.3d at 177-79; *Century City Doctors*, 2010 Bankr. LEXIS 5049, at *18-21.

C. The Defendant Complied With the Act's Notice Requirements

As an initial matter, from May 7 through today's date, the Defendant has been enjoined from taking any action to close the Hospital by the State Court Injunction. That injunction followed shortly after the Hospital notified the Plaintiffs in the April 9 WARN Notice that it was closing the Hospital between June 9 and June 23. The April 9 WARN Notice remained effective through August 22, 2019. 20 CFR § 639.10 (a). When the expected closing of a facility extends beyond the original 60-day notice, 20 C.F.R. § 639.10 identifies when additional notice, if any, is required. Section 639.10(a) provides:

> Additional notice is required when the date or schedule of dates of a planned plant closing or mass layoff is extended beyond the date or the ending date of any 14-day period announced in the original notice as follows:
>
> (a) If the postponement is for less than 60 days, the additional notice should be given as soon as possible to the parties identified in § 639.6 and should include reference to the earlier notice, the date (or 14-day period) to which the planned action is postponed, and the reasons for the postponement. The notice should be given in a manner which will provide the information to all affected employees.

20 CFR § 639.10(a). Here, the original notice was provided on April 9, 2019 and notified the Plaintiffs that the Hospital would close between June 9 and June 23. (Dkt. #1 ¶ 23.) Because of the State Court Injunction, the Hospital was not closed. Sixty days beyond June 23 (the "ending date of any 14-day period announced in the original notice") is August 22, 2019. The Chapter 7 Trustee provided written notice to the Plaintiffs on August 19, 2019, which was within the time contemplated by Section 639.10(a). (Dkt. #1 ¶ 7, 38; Ex. C hereto.) Notably, the Plaintiffs do not

assert that the content or the form of the April 9 WARN Notice or the Trustee's August 19 Supplemental Notice were deficient. (Dkt. #1, Count I, ¶¶ 49-54.) No additional notice was required. 20 C.F.R. § 639.10(a); Worker Adjustment and Retraining Notifications, 54 Fed. Reg. 16,042, 16,063 (April 20, 1989) (to be codified at 20 C.F.R. pt. 639).

D. Defendant's Hands Were Tied Because of the State Court Injunction

Even if additional notices were required under the Act, the Defendant was prohibited from providing them. The filing of the bankruptcy petitions triggered the Bankruptcy Code's automatic stay, which prohibited both the Hospital and Pipeline Health from taking any action that could affect the assets of the bankruptcy estate, such as closing the Hospital or terminating employees. 11 U.S.C. § 362(a); *Behrens v. Woodhaven Asso*., 87 B.R. 971, 976 (Bankr. N.D. Ill. 1988) ("[I]t has long been the law in bankruptcy cases that willful violations of injunctions such as the automatic stay will give rise to contempt and sanctions."). At the same time, the State Court Injunction prohibited Defendant from taking any action to close the Hospital pre- and post-bankruptcy. Plaintiffs make this clear in their Complaint, outlining the injunction itself and then alleging "if [Pipeline Health] had notified employees that it would be closing or filing for Chapter 7 bankruptcy, Melrose Park would again block its closure efforts by moving to enforce the preliminary injunction and seek sanctions." (Dkt. #1 ¶ 40.) Pipeline Health's hands were tied. If it attempted to comply with the WARN Act notice provisions, counsel for Plaintiffs would have moved to "block its closure efforts" and "seek sanctions"; if it attempted to take any action to close the Hospital after filing bankruptcy, it would have violated the Bankruptcy Code's automatic stay.

V. CONCLUSION

The Court should dismiss the Complaint with prejudice.

PIPELINE HEALTH SYSTEMS LLC

By: /s/ *Richard P. Darke*
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CERTIFICATE OF SERVICE

The undersigned certifies that on November 8, 2019 he caused the foregoing document to be electronically filed with the Clerk of the U.S. District Court, using the Court's CM/ECF system, which will send electronic notification of the filing to those parties who have appeared and are registered as CM/ECF participants in this matter. Parties may access this filing through the Court's CM/ECF system.

/s/ *Richard P. Darke*