

Orianna Health Bankruptcy Plan Approved After Rocky Road

Partner [Kathryn F. Edgerton \(Russo\)](#) was recently interviewed by Bloomberg Law concerning the approval of Orianna Health Systems' reorganization plan by a Texas bankruptcy judge.

From the article:

Orianna Health Systems is a nursing and hospice care provider that operates 42 skilled nursing, hospice and palliative care facilities located in Georgia, Indiana, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

Under the plan approved by Judge Harlin DeWayne Hale of the U.S. Bankruptcy Court for the Northern District of Texas after a hearing Jan. 8, secured creditors will receive the bulk of the \$225 million sale price for the company.

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Medicare is slashing reimbursement rates, and insurers are pushing harder for less expensive home care, Kathryn F. Edgerton, a partner at Nelson Hardiman, a health care law firm in Los Angeles, told Bloomberg Law.

In December, Senior Care Centers LLC, a group of more than 100 such facilities, filed Chapter 11, also in the Northern District of Texas.

The bankruptcy courts in the Northern District of Texas is a popular destination for filing health care cases, Califano said. They're familiar with health care and get things done quickly, he said.

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