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 11 BETA Healthcare Group

12 **UNITED STATES BANKRUPTCY COURT**  
 13 **SOUTHERN DISTRICT OF CALIFORNIA**

14 In re  
 15 BORREGO COMMUNITY HEALTH  
 16 FOUNDATION,  
 17  
 18 Debtor and Debtor in Possession.

Case No. 22-02384-LT11

BETA RISK MANAGEMENT AUTHORITY  
 AND BETA HEALTHCARE GROUP’S  
 LIMITED OBJECTION TO DEBTOR’S  
 MOTION FOR THE ENTRY OF (I) AN  
 ORDER (1) APPROVING FORM OF ASSET  
 PURCHASE AGREEMENT, ET AL.  
 (DOCKET NO. 161) AND NOTICE OF  
 EXECUTORY CONTRACTS AND  
 UNEXPIRED LEASES DESIGNATED BY  
 DESERT AIDS PROJECT D/B/A DAP  
 HEALTH FOR ASSUMPTION AND  
 ASSIGNMENT RE DEBTOR’S BIDDING  
 PROCEDURES AND SALE MOTION  
 (DOCKET NO. 478)

**Hearing Date:**

Date: March 1, 2023  
 Time: 10:00 a.m.  
 Dept: 3  
 Judge: Honorable Laura S. Taylor

25 BETA Risk Management Authority (“BETA<sub>ARMA</sub>”) and BETA Healthcare Group (collectively  
 26 “BETA”) file this Limited Objection to Debtor’s Motion for the Entry of (I) an Order (1) Approving  
 27 Form of Asset Purchase Agreement, et al. (Docket No. 161) and Notice of Executory Contracts and  
 28



1 Unexpired Leases Designated by Desert Aids Project d/b/a DAP Health for Assumption and  
2 Assignment Re Debtor’s Bidding Procedures and Sale Motion (Docket No. 478).

3 BETA does not object to the sale generally. BETA’s objection is limited to the proposed  
4 assumption and assignment of certain contracts in connection with the sale.

5 Debtor has three contracts with BETARMA<sup>1</sup>: Healthcare Entity Comprehensive Liability  
6 Coverage Contract, No. HCL-22-1052, with a termination date of July 1, 2023; Workers  
7 Compensation and Employers Liability Coverage, No. WC-22-1052, with a termination date of July  
8 1, 2023; and Auto Liability and Physical Damage Coverage Contract No. AL-22-1052, with a  
9 termination date of July 1, 2023 (collectively the “BETARMA Contracts”).

10 Pursuant to Stipulation approved by the Court, BETA’s time to object to assumption and  
11 assignment of contracts was extended to March 8, 2023. (Docket Nos. 442 & 454.) This extension  
12 will allow BETA the opportunity to reach out to the Buyer regarding the need for future coverage  
13 and the Buyer’s eligibility to contract with BETARMA, a Joint Powers Authority existing under  
14 California law.

15 BETARMA is attempting to resolve its issues by addressing them directly with the Buyer.  
16 Should that effort fail, BETA will file an objection to assumption and assignment and bring the  
17 matter before the Court for resolution. In the meantime, BETA requests that any order approving the  
18 sale reserve all issues relative to the proposed assumption and assignment of the BETARMA  
19 Contracts.

20 Date: February 21, 2023

PYLE SIMS DUNCAN & STEVENSON, APC

21  
22 By: /s/ Gerald N. Sims  
23 Gerald N. Sims  
24 Susan C. Stevenson  
25 Attorneys for BETA Risk Management Authority  
26 and BETA Healthcare Group

27 <sup>1</sup> The Notice to Counterparties and the Notice of Executory Contracts and Unexpired Leases  
28 Designated by Desert Aids Project D/B/A Dap Health For Assumption And Assignment Re Debtor’s  
Bidding Procedures And Sale Motion each erroneously referenced six contracts. (See Docket No.  
389, p. 14, ll. 60-65 & Docket No. 478, p. 6, ll. 60-65.)

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

In re BORREGO COMMUNITY HEALTH FOUNDATION  
Case No. 22-02384-LT11

**PROOF OF SERVICE**

I, the undersigned, declare: I am and was at the time of the service of the papers herein referred over the age of 18 years and not a party to the action; my business address is 1620 Fifth Ave, #400, San Diego, CA 92101. I am a resident of or am employed in San Diego County. I am readily familiar with the business practices of Pyle Sims Duncan & Stevenson for the collection and processing of correspondence for mailing with the Postal Service. Correspondence is deposited with the Postal Service on the same day it is collected and processed in the ordinary course of business.

On February 21, 2023, a true and correct copy of the following document(s): **BETA RISK MANAGEMENT AUTHORITY’S AND BETA HEALTHCARE GROUP’S LIMITED OBJECTION TO DEBTOR’S MOTION FOR THE ENTRY OF (I) AN ORDER (1) APPROVING FORM OF ASSET PURCHASE AGREEMENT, ET AL. (DOCKET NO. 161) AND NOTICE OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES DESIGNATED BY DESERT AIDS PROJECT D/B/A/ DAP HEALTH FOR ASSUMPTION AND ASSIGNMENT RE DEBTOR’S BIDDING PROCEDURES AND SALE MOTION (DOCKET NO. 478)**

was served as follows:

(1) **BY THE COURT VIA NEF:** Pursuant to controlling General Order(s) and in accordance with the Administrative Procedures and Guidelines for Electronic Filing, the foregoing document(s) will be served by the Court via Notice of Electronic Filing (“NEF”) and hyperlink to the document. On February 21, 2023, I checked the CM/ECF docket for this case and the persons on the list attached hereto are on the Electronic Mail List to receive NEF transmission at the email address listed.

I declare under penalty of perjury that the foregoing is true and correct. Executed on February 21, 2023, at San Diego, California.

/s/ Bonnie Connolly  
Bonnie Connolly

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## Mailing Information for Case 22-02384-LT11

### Electronic Mail Notice List

The following is the list of **parties** who are currently on the list to receive email notice/service for this case.

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