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UNITED STATES DEPARTMENT OF JUSTICE OFFICE OF THE UNITED STATES TRUSTEE CENTRAL DISTRICT OF CALIFORNIA	ATTACH TO THE FRONT OF THE MONTHLY OPERATING REPORT AND SUBMIT TO UNITED STATES TRUSTEE
In re:	Case Number: 18-20151-ER (See Below)
VERITY HEALTH SYSTEM OF CALIFORNIA, INC, <i>et al.</i> , Debtors.	MONTHLY OPERATING REPORT DISBURSEMENT SUMMARY MOR NO. 14 FOR MONTH ENDING: October 2019

1. Total number of Debtor in Possession Bank Accounts for all Debtors.	76
2. TOTAL THIRD PARTY DISBURSEMENTS THIS PERIOD FROM ALL DEBTOR IN POSSESSION ACCOUNTS FOR ALL ENTITIES WITH BANK ACCOUNTS	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">\$96,910,590.19</div>

The Debtors in the these chapter 11 cases, along with their case numbers are: Verity Health System of California, Inc. 18-20151-ER, O'Connor Hospital 18-20168-ER, Saint Louise Regional Hospital 18-20162-ER, St. Francis Medical Center 18-20165-ER, St. Vincent Medical Center 18-20164-ER, Seton Medical Center 18-20167-ER, O'Connor Hospital Foundation 18-20179-ER, Saint Louise Regional Hospital Foundation 18-20172-ER, St. Francis Medical Center of Lynwood Foundation 18-20178-ER, St. Vincent Foundation 18-20180-ER, St. Vincent Dialysis Center, Inc. 18-20171-ER Seton Medical Center Foundation 18-20175-ER, Verity Business Services 18-20173-ER, Verity Medical Foundation 18-20169-ER, Verity Holdings, LLC 18-20163-ER, DePaul Ventures, LLC 18-20176-ER, and DePaul Ventures - San Jose Dialysis, LLC 18-20181-ER.

Effective September 1, 2011

USTLA 16



182015119120200000000004

Verity Bank Account Summary
For the month ending 10/31/2019
\$ in 000's

Debtor Case #	Beg Balance	Total Receipts	Operating			Sweep Inflows	Sweep Outflows	DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
			Disbursements										
Verity Health System of California, Inc.	18-20151	\$ 48,007	\$ 1,531	\$ (24,461)	\$ 101,926	\$ (683)	\$ -	\$ -	\$ -	\$ 26,610	\$ (91,316)	\$ 61,613	644
O'Connor Hospital	18-20168	10,534	844	(457)	871	(1,758)	-	-	-	655	(250)	10,440	275
St. Louise Regional Hospital	18-20162	53,078	454	(42)	408	(637)	-	-	-	165	(290)	58,135	218
St. Francis Medical Center	18-20165	7,832	62,533	(33,117)	62,395	(125,198)	-	-	-	52,410	(20,905)	5,950	2,953
St. Vincent Medical Center	18-20164	8,717	17,815	(18,892)	18,017	(34,924)	-	-	-	25,614	(10,250)	6,095	1,604
Seton Medical Center	18-20167	4,302	17,798	(15,394)	18,246	(36,859)	-	-	-	25,056	(10,170)	2,980	1,962
O'Connor Hospital Foundation	18-20179	1,591	2	(0)	-	-	-	-	-	-	-	1,593	2
St. Louise Regional Hospital Foundation	18-20172	321	0	(0)	-	-	-	-	-	-	-	321	2
St. Francis Medical Center of Lynwood Foundation	18-20178	49	372	-	-	-	-	-	-	-	(345)	76	9
St. Vincent Medical Center Foundation	18-20180	1,627	2	-	-	-	-	-	-	-	(736)	893	2
St. Vincent Dialysis Center, Inc.	18-20171	-	474	-	-	(474)	-	-	-	-	-	-	29
Seton Medical Center Foundation	18-20175	5,193	9	(0)	-	-	-	-	-	-	(285)	4,917	4
Verity Business Services	18-20173	704	-	(2,228)	-	-	-	-	3,104	(1,109)	-	472	125
Verity Medical Foundation	18-20169	3,999	477	(1,528)	-	(848)	-	-	-	1,378	-	3,478	335
Verity Holdings, LLC	18-20163	16,343	385	(791)	-	(482)	-	-	-	665	-	16,120	120
De Paul Ventures – San Jose Dialysis, LLC	18-20181	87	0	-	-	-	-	-	-	-	-	87	1
Subtotal		\$ 167,385	\$ 102,697	\$ (96,911)	\$ 201,862	\$ (201,862)	\$ -	\$ -	\$ -	\$ 135,656	\$ (135,656)	\$ 173,171	8,285

Notes

- 1) In our monthly submissions, De Paul Ventures, LLC is not included above because it does not have a bank account.
- 2) Pursuant to the terms of the DIP loan agreement, which matured and was fully repaid in September 2019, Verity submitted its cash inflows to the Debtors' DIP Lender Ally Bank on a daily basis even when there was no DIP balance outstanding. When this occurred, Ally Bank returned the funds to Verity. Commencing in November 2018, when there was no DIP balance outstanding, funds flowed to Ally Bank from the VHS – DIP Concentration Account and were returned by Ally to the VHS – DIP Loan Proceeds account. Prior to the implementation of this cash management process, funds flowed to/ from Ally Bank through the VHS – AP account and such activity netted to zero to the extent funds were sent to and received from Ally Bank in the same month. The aggregate of the DIP Inflows and DIP Outflows columns above represent cumulative DIP borrowings and DIP repayments, respectively, for the period presented.
- 3) On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH – Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.

Verity Bank Account Summary
 For the month ending 10/31/2019
 \$ in 000's

Bank Account Name	Bank Account Number	Beg Balance	Total Receipts	Operating Disbursements	Sweep Inflows ¹	Sweep Outflows ¹	DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
VHS - AP	XXXXXX6440	\$ 4,418	\$ 69	\$ (21,606)	\$ -	\$ (683)	\$ -	\$ -	\$ 21,180	\$ (3,457)	\$ 603	310
VHS - Self Insurance	XXXXXX9250	(0)	683	-	-	-	-	-	-	-	(0)	7
VHS - Payroll	XXXXXX1785	368	-	(2,854)	-	-	-	-	3,267	-	781	60
VHS - DIP Concentration Account	XXXXXX2889	0	740	-	-	-	-	-	-	(740)	0	4
VHS - Disbursement Account	XXXXXX4358	12,093	0	-	101,926	-	-	-	2,163	(87,119)	29,063	261
VHS - Non Santa Clara Sale Proceeds ⁴	XXXXXX9100	30,402	39	-	-	-	-	-	-	-	30,440	1
VHS - Santa Clara Sale Proceeds ⁴	XXXXXX9087	725	1	-	-	-	-	-	-	-	726	1
OCH - Lockbox	XXXXXX2945	40	832	-	-	(871)	-	-	-	-	1	175
OCH - Gross Revenue	XXXXXX3900	118	-	-	871	(886)	-	-	-	-	103	44
OCH - AP	XXXXXX6389	744	-	(457)	-	-	-	-	655	(250)	692	55
OCH - Payroll	XXXXXX3007	312	-	-	-	-	-	-	-	-	312	-
OCH - FSA	XXXXXX2284	-	-	-	-	-	-	-	-	-	-	-
OCH - Patient Trust	XXXXXX2662	2	-	-	-	-	-	-	-	-	2	-
OCH - Santa Clara Sale Proceeds ⁴	XXXXXX9549	9,318	12	-	-	-	-	-	-	-	9,329	1
SLRH - Lockbox	XXXXXX2926	29	381	-	-	(408)	-	-	-	-	2	143
SLRH - Gross Revenue	XXXXXX3905	19	-	-	408	(230)	-	-	-	-	197	44
SLRH - AP	XXXXXX6421	340	-	(42)	-	-	-	-	165	(290)	172	30
SLRH - Payroll	XXXXXX7575	180	-	-	-	-	-	-	-	-	180	-
SLRH - FSA	XXXXXX2307	-	-	-	-	-	-	-	-	-	-	-
SLRH - Santa Clara Sale Proceeds ⁴	XXXXXX9563	57,511	73	-	-	-	-	-	-	-	57,584	1
SFMC - Lockbox	XXXXXX2940	781	62,493	-	-	(62,395)	-	-	-	-	879	487
SFMC - Gross Revenue	XXXXXX3924	932	-	-	62,395	(62,769)	-	-	-	-	558	44
SFMC - AP	XXXXXX6407	3,361	-	(12,850)	-	-	-	-	31,509	(20,905)	1,116	869
SFMC - Payroll	XXXXXX3012	880	3	(13,329)	-	-	-	-	13,286	-	839	421
SFMC - FSA	XXXXXX2487	-	-	-	-	-	-	-	-	-	-	-
SFMC - Cafeteria Deposits	XXXXXX1057	(0)	36	-	-	(35)	-	-	-	-	1	56
SFMC - Capitation (AppleCare)	XXXXXX1371	584	-	(5,223)	-	-	-	-	6,047	-	1,407	406
SFMC - Capitation (Conifer)	XXXXXX1357	822	-	(1,354)	-	-	-	-	1,104	-	571	474
SFMC - Capitation AC	XXXXXX1845	24	-	(8)	-	-	-	-	46	-	62	31
SFMC - Capitation HCLA	XXXXXX1840	399	0	(351)	-	-	-	-	419	-	467	163
SFMC - Career College	XXXXXX2162	49	1	-	-	-	-	-	-	-	50	1
SFMC - Sale Proceeds ⁴	XXXXXX0090	0	0	-	-	-	-	-	-	-	0	1
SVMC - Lockbox	XXXXXX2964	320	17,813	-	-	(18,017)	-	-	-	-	116	582
SVMC - Gross Revenue	XXXXXX3929	718	-	-	18,017	(16,908)	-	-	-	-	1,827	44
SVMC - AP	XXXXXX6426	5,176	-	(9,020)	-	-	-	-	15,816	(9,918)	2,054	653
SVMC - Payroll	XXXXXX3017	89	0	(9,179)	-	-	-	-	9,283	-	193	174
SVMC - FSA	XXXXXX2062	-	-	-	-	-	-	-	-	-	-	-
SVMC - Capitation (CHP)	XXXXXX0553	332	-	-	-	-	-	-	-	(332)	-	1
SVMC - Capitation (Conifer)	XXXXXX3695	830	-	(693)	-	-	-	-	515	-	652	148
SVMC - Restricted Cash ³	XXXXXX0989	1,252	2	-	-	-	-	-	-	-	1,254	1
SVMC - Sale Proceeds ⁴	XXXXXX0076	0	0	-	-	-	-	-	-	-	0	1
SMC - Lockbox	XXXXXX2902	482	17,590	-	-	(18,051)	-	-	-	-	21	672
SMC - Gross Revenue	XXXXXX3887	588	-	-	18,051	(18,421)	-	-	-	-	218	44
SMC - AP	XXXXXX6365	1,537	0	(5,451)	-	-	-	-	15,050	(10,020)	1,116	750
SMC - Payroll	XXXXXX3001	1,368	-	(9,655)	-	-	-	-	9,646	-	1,359	249
SMC - FSA	XXXXXX2289	-	-	-	-	-	-	-	-	-	-	-
SMCC - Lockbox	XXXXXX02907	12	205	-	-	(195)	-	-	-	-	22	89
SMCC - Gross Revenue	XXXXXX3882	46	-	-	195	(192)	-	-	-	-	49	44
SMCC - AP	XXXXXX6384	243	-	(287)	-	-	-	-	360	(150)	166	106
SMCC - FSA	XXXXXX2302	-	-	-	-	-	-	-	-	-	-	-
SMCC - Patient Trust	XXXXXX12907	27	3	(1)	-	-	-	-	-	-	29	8
OCH Foundation ²	XXXXXX3433	1,348	2	-	-	-	-	-	-	-	1,349	1
OCH Foundation - Investment ³	XXXXXX2-037	243	-	-	-	-	-	-	-	-	243	1
SLRH Foundation ³	XXXXXX2521	321	0	(0)	-	-	-	-	-	-	321	2
SFMC of Lynwood Foundation ³	XXXXXX2809	49	372	-	-	-	-	-	-	(345)	76	9
SVMC Foundation ³	XXXXXX3025	1,627	2	-	-	-	-	-	-	(736)	893	2
SVMC Foundation - EWB ³	XXXXXX1162	-	-	-	-	-	-	-	-	-	-	-
St. Vincent Dialysis Center	XXXXXX8921	-	474	-	-	(474)	-	-	-	-	-	29
SMC Foundation ³	XXXXXX2260	4,768	9	(0)	-	-	-	-	-	(285)	4,492	4
SMC Foundation - SVCS ³	XXXXXX0089	425	-	-	-	-	-	-	-	-	425	-
VBS - AP	XXXXXX6402	661	-	(1,114)	-	-	-	-	1,995	(1,109)	433	91
VBS - Payroll	XXXXXX2982	43	-	(1,114)	-	-	-	-	1,109	-	39	34
VBS - FSA	XXXXXX3192	-	-	-	-	-	-	-	-	-	-	-
VMF - Checking	XXXXXX9996	1,730	477	(1,528)	-	(848)	-	-	1,378	-	1,208	334
VMF - Payroll ZBA	XXXXXX0010	-	-	-	-	-	-	-	-	-	-	-
VMF - Sale Proceeds ⁴	XXXXXX2810	2,269	0	-	-	-	-	-	-	-	2,270	1
VH - AP	XXXXXX1597	338	-	(791)	-	-	-	-	665	-	212	87
VH - MOB	XXXXXX1248	125	365	-	-	(482)	-	-	-	-	8	32
VH - Operating	XXXXXX1970	-	-	-	-	-	-	-	-	-	-	-
VH - Savings	XXXXXX1975	-	-	-	-	-	-	-	-	-	-	-
VH - Santa Clara Sale Proceeds ⁴	XXXXXX9568	15,880	20	-	-	-	-	-	-	-	15,900	1
De Paul Ventures - San Jose Dialysis, LLC	XXXXXX2797	87	0	-	-	-	-	-	-	-	87	1
SMCC - Patient Trust - TCB	XXXXXX3611	-	-	-	-	-	-	-	-	-	-	-
SMC Foundation - TCB ³	XXXXXX8521	-	-	-	-	-	-	-	-	-	-	-
Subtotal		\$ 167,385	\$ 102,697	\$ (96,911)	\$ 201,862	\$ (201,862)	\$ -	\$ -	\$ 135,656	\$ (135,656)	\$ 173,171	8,285

- Notes**
- 1) Sweep inflows and outflows reflect sweeps between lockbox, gross revenue and AP accounts of the same debtor and to the VHS Disbursement Account (formerly the VHS DIP Loan Proceeds Account).
 - 2) Pursuant to the terms of the DIP loan agreement, which matured and was fully repaid in September 2019, Verity submitted its cash inflows to the Debtors' DIP Lender Ally Bank on a daily basis even when there was no DIP balance outstanding. When this occurred, Ally Bank returned the funds to Verity. Commencing in November 2018, when there was no DIP balance outstanding, funds flowed to Ally Bank from the VHS - DIP Concentration Account and were returned by Ally to the VHS - DIP Loan Proceeds account. Prior to the implementation of this cash management process, funds flowed to/ from Ally Bank through the VHS - AP account and such activity netted to zero to the extent funds were sent to and received from Ally Bank in the same month. The aggregate of the DIP Inflows and DIP Outflows columns above represent cumulative DIP borrowings and DIP repayments, respectively, for the period presented.
 - 3) This bank account contains certain funds that are donor restricted, and therefore, are not available for the debtor's general operating activities. Please refer to the attached restricted funds schedule for additional restricted funds recorded by the debtors that are not included in the Verity bank account summary as they are not part of the cash management program.
 - 4) The Final DIP Order provided that the Sale Proceeds, including any deposits, shall be held in escrow in one or more deposit accounts subject to a deposit account control agreement in favor of the DIP Agent (the "Escrow Deposit Account"). On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH - Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.
 - 5) Pursuant to the Supplemental Cash Collateral Order, the VHS - DIP Loan Proceeds Account was renamed the "VHS Disbursement Account" upon funding of the Payoff Amount pursuant to the Supplemental Cash Collateral Order.

Verity Bank Account Summary

For Fourteen months ending 10/31/2019 (including 8/31/2018 activity)
\$ in 000's

Debtor Name ¹	Debtor Case #	Beg Balance	Total Receipts	Operating Disbursements	Sweep Inflows	Sweep Outflows	DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
Verity Health System of California, Inc.	18-20151	\$ 7,529	\$ 50,891	\$ (379,827)	\$ 824,437	\$ (4,822)	\$ 973,000	\$ (973,000)	\$ 1,002,726	\$ (1,439,321)	\$ 61,613	7,485
O'Connor Hospital	18-20168	8,981	280,902	(113,640)	199,691	(271,176)	-	-	142,889	(237,208)	10,440	15,253
St. Louise Regional Hospital	18-20162	3,978	111,587	(37,092)	62,700	(85,885)	-	-	46,124	(43,277)	58,135	9,927
St. Francis Medical Center	18-20165	10,077	655,465	(442,130)	515,321	(932,134)	-	-	636,833	(437,482)	5,950	32,710
St. Vincent Medical Center	18-20164	9,936	231,251	(242,345)	187,598	(325,814)	-	-	305,276	(159,808)	6,095	18,851
Seton Medical Center	18-20167	5,884	256,335	(224,280)	216,739	(374,786)	-	-	331,845	(208,757)	2,980	23,088
O'Connor Hospital Foundation	18-20179	1,714	103	-	-	-	-	-	-	(225)	1,593	65
St. Louise Regional Hospital Foundation	18-20172	720	54	(3)	-	-	-	-	-	(450)	321	49
St. Francis Medical Center of Lynwood Foundator	18-20178	780	4,156	-	-	-	-	-	-	(4,860)	76	92
St. Vincent Medical Center Foundation	18-20180	1,613	1,848	-	-	-	-	-	772	(3,341)	893	66
St. Vincent Dialysis Center, Inc.	18-20171	332	6,667	(7)	-	(5,667)	-	-	-	(1,325)	0	321
Seton Medical Center Foundation	18-20175	6,229	209	(107)	-	-	-	-	117	(1,531)	4,917	429
Verity Business Services	18-20173	1,003	4	(37,361)	-	-	-	-	57,396	(20,570)	472	1,447
Verity Medical Foundation	18-20169	4,493	58,059	(94,501)	-	(1,559)	-	-	118,625	(81,640)	3,478	26,179
Verity Holdings, LLC	18-20163	12,778	22,727	(11,929)	-	(4,644)	-	-	17,717	(20,529)	16,120	1,512
De Paul Ventures – San Jose Dialysis, LLC	18-20181	-	87	-	-	-	-	-	-	-	87	7
Subtotal		\$ 76,048	\$ 1,680,345	\$ (1,583,222)	\$ 2,006,487	\$ (2,006,487)	\$ 973,000	\$ (973,000)	\$ 2,660,322	\$ (2,660,322)	\$ 173,171	\$ 137,481

Notes

1) In our monthly submissions, De Paul Ventures, LLC is not included above because it does not have a bank account.

2) Pursuant to the terms of the DIP loan agreement, which matured and was fully repaid in September 2019, Verity submitted its cash inflows to the Debtors' DIP Lender Ally Bank on a daily basis even when there was no DIP balance outstanding. When this occurred, Ally Bank returned the funds to Verity. Commencing in November 2018, when there was no DIP balance outstanding, funds flowed to Ally Bank from the VHS – DIP Concentration Account and were returned by Ally to the VHS – DIP Loan Proceeds account. Prior to the implementation of this cash management process, funds flowed to/ from Ally Bank through the VHS – AP account and such activity netted to zero to the extent funds were sent to and received from Ally Bank in the same month. The aggregate of the DIP Inflows and DIP Outflows columns above represent cumulative DIP borrowings and DIP repayments, respectively, for the period presented.

3) On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH – Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.

Verity Bank Account Summary

For Fourteen months ending 10/31/2019 (including 8/31/2018 activity)
\$ in 000's

Bank Account Name	Bank Account Number	Beg Balance	Total Receipts	Operating Disbursements	Sweep Inflows ¹	Sweep Outflows ¹	DIP Inflows ²	DIP Outflows ²	I/C Inflows	I/C Outflows	Ending Bank Balance	Total Transaction Count
VHS - AP	XXXXXX6440	\$ 7,083	\$ 1,234	\$ (332,278)	\$ -	\$ (4,822)	\$ 40,000	\$ (236,134)	\$ 571,386	\$ (50,688)	\$ 603	4,219
VHS - Self Insurance	XXXXXX9250	200	5,663	-	-	-	-	-	-	(1,041)	0	99
VHS - Payroll	XXXXXX1785	246	-	(43,329)	-	-	-	-	43,864	-	1	405
VHS - DIP Concentration Account	XXXXXX2889	-	12,829	(3,998)	717,202	-	-	(933,172)	210,364	(3,226)	781	1,943
VHS - Disbursement Account	XXXXXX4358	-	0	(223)	107,235	-	933,000	196,306	177,111	(1,384,366)	29,063	799
VHS - Non Santa Clara Sale Proceeds ⁴	XXXXXX9100	-	30,440	-	-	-	-	-	-	-	30,440	10
VHS - Santa Clara Sale Proceeds ⁴	XXXXXX9087	-	725	-	-	-	-	-	-	-	726	10
OCH - Lockbox	XXXXXX2945	188	169,733	-	-	(169,920)	-	-	1	-	1	7,024
OCH - Gross Revenue	XXXXXX3900	1,962	-	-	99,390	(101,256)	-	-	7	-	103	246
OCH - AP	XXXXXX6389	6,499	-	(45,533)	100,301	-	-	-	74,450	(135,025)	692	5,125
OCH - Payroll	XXXXXX3007	207	-	(68,107)	-	-	-	-	68,213	-	312	2,826
OCH - FSA	XXXXXX2284	125	-	-	-	-	-	-	-	(125)	0	2
OCH - Patient Trust	XXXXXX2662	-	14	-	-	-	-	-	-	(12)	2	20
OCH - Santa Clara Sale Proceeds ⁴	XXXXXX9549	-	111,155	-	-	-	-	-	219	(102,045)	9,329	10
SLRH - Lockbox	XXXXXX2926	24	54,105	-	-	(54,126)	-	-	-	-	2	5,550
SLRH - Gross Revenue	XXXXXX3905	746	-	-	31,210	(31,759)	-	-	-	-	197	240
SLRH - AP	XXXXXX6421	3,047	1	(15,671)	31,491	-	-	-	24,548	(43,244)	172	3,013
SLRH - Payroll	XXXXXX7575	128	-	(21,421)	-	-	-	-	21,473	-	180	1,113
SLRH - FSA	XXXXXX2307	33	-	-	-	-	-	-	-	(33)	0	1
SLRH - Santa Clara Sale Proceeds ⁴	XXXXXX9563	-	57,481	-	-	-	-	-	103	-	57,584	10
SFMC - Lockbox	XXXXXX2940	357	642,436	-	-	(641,914)	-	-	-	-	879	5,989
SFMC - Gross Revenue	XXXXXX3924	903	-	-	289,580	(289,925)	-	-	-	-	558	239
SFMC - AP	XXXXXX6407	7,314	4	(165,997)	225,741	-	-	-	370,862	(436,809)	1,116	9,625
SFMC - Payroll	XXXXXX3012	589	3	(195,872)	-	-	-	-	196,120	-	839	5,213
SFMC - FSA	XXXXXX2487	198	-	-	-	-	-	-	-	(198)	0	1
SFMC - Cafeteria Deposits	XXXXXX1057	312	460	-	-	(295)	-	-	-	(475)	1	644
SFMC - Capitation (AppleCare)	XXXXXX1371	128	-	(51,982)	-	-	-	-	53,262	-	1,407	4,529
SFMC - Capitation (Conifer)	XXXXXX1357	156	2	(11,187)	-	-	-	-	11,601	-	571	4,509
SFMC - Capitation AC	XXXXXX1845	10	-	(320)	-	-	-	-	371	-	62	273
SFMC - Capitation HCLA	XXXXXX1840	75	32	(4,257)	-	-	-	-	4,617	-	467	1,573
SFMC - Career College	XXXXXX2162	37	16	(3)	-	-	-	-	-	-	50	105
SFMC - Sale Proceeds ⁴	XXXXXX0090	-	12,512	(12,512)	-	-	-	-	-	-	0	10
SVMC - Lockbox	XXXXXX2964	13	223,713	-	-	(223,609)	-	-	-	-	116	7,416
SVMC - Gross Revenue	XXXXXX3929	672	2	-	103,358	(102,205)	-	-	-	-	1,827	241
SVMC - AP	XXXXXX6426	6,943	-	(131,788)	84,240	-	-	-	202,082	(159,423)	2,054	7,479
SVMC - Payroll	XXXXXX3017	116	0	(97,319)	-	-	-	-	97,396	-	193	2,231
SVMC - FSA	XXXXXX2062	52	-	-	-	-	-	-	-	(52)	(0)	1
SVMC - Capitation (CHP)	XXXXXX0553	493	-	(161)	-	-	-	-	-	(332)	0	21
SVMC - Capitation (Conifer)	XXXXXX3695	417	4	(5,568)	-	-	-	-	5,798	-	652	1,438
SVMC - Restricted Cash ³	XXXXXX0989	1,230	24	-	-	-	-	-	-	-	1,254	14
SVMC - Sale Proceeds ⁴	XXXXXX0076	-	7,509	(7,509)	-	-	-	-	-	-	0	10
SMC - Lockbox	XXXXXX2902	14	253,036	-	-	(253,030)	-	-	-	-	21	8,550
SMC - Gross Revenue	XXXXXX3887	370	-	-	116,807	(116,959)	-	-	-	-	218	239
SMC - AP	XXXXXX6385	2,911	0	(88,738)	97,025	-	-	-	196,502	(206,593)	1,116	8,817
SMC - Payroll	XXXXXX3001	1,212	-	(133,143)	-	-	-	-	134,290	(1,000)	1,359	2,721
SMC - FSA	XXXXXX2289	117	1	-	-	-	-	-	-	(117)	(0)	2
SMCC - Lockbox	XXXXXX2907	2	3,257	-	-	(3,238)	-	-	-	-	22	1,137
SMCC - Gross Revenue	XXXXXX3882	54	-	-	1,555	(1,560)	-	-	-	-	49	239
SMCC - AP	XXXXXX6384	1,160	-	(2,363)	1,352	-	-	-	1,029	(1,013)	166	1,319
SMCC - FSA	XXXXXX2302	19	-	-	-	-	-	-	-	(19)	0	1
SMCC - Patient Trust	XXXXXX12907	-	41	(36)	-	-	-	-	25	-	29	61
OCH Foundation ³	XXXXXX3433	1,473	101	-	-	-	-	-	-	(225)	1,349	40
OCH Foundation - Investment ³	XXXXXX2-037	242	2	-	-	-	-	-	-	-	243	25
SLRH Foundation ³	XXXXXX2521	720	54	(3)	-	-	-	-	-	(450)	321	49
SFMC of Lynwood Foundation ³	XXXXXX2809	780	4,156	-	-	-	-	-	-	(4,860)	76	92
SVMC Foundation ³	XXXXXX3025	844	1,845	-	-	-	-	-	772	(2,569)	893	55
SVMC Foundation - EWB ³	XXXXXX1162	769	3	-	-	-	-	-	-	(772)	0	11
St. Vincent Dialysis Center	XXXXXX8921	332	6,667	(7)	-	(5,667)	-	-	-	(1,325)	0	321
SMC Foundation ³	XXXXXX2260	5,660	132	(4)	-	-	-	-	117	(1,414)	4,492	64
SMC Foundation - SVCS ³	XXXXXX0089	451	76	(102)	-	-	-	-	-	-	425	362
VBS - AP	XXXXXX6402	962	4	(16,840)	-	-	-	-	36,851	(20,544)	433	1,054
VBS - Payroll	XXXXXX2982	15	-	(20,521)	-	-	-	-	20,545	-	39	392
VBS - FSA	XXXXXX3192	26	-	-	-	-	-	-	-	(26)	0	1
VMF - Checking	XXXXXX8996	4,483	55,794	(94,480)	-	(1,559)	-	-	118,600	(81,640)	1,208	26,158
VMF - Payroll ZBA	XXXXXX0010	-	21	(21)	-	-	-	-	-	-	-	6
VMF - Sale Proceeds ⁴	XXXXXX2810	-	2,245	-	-	-	-	-	25	-	2,270	15
VH - AP	XXXXXX1597	1,106	1	(10,928)	-	-	-	-	14,038	(4,005)	212	1,054
VH - MOB	XXXXXX1248	1,108	6,850	(10)	-	(4,644)	-	-	8	(3,304)	8	424
VH - Operating	XXXXXX1970	8,321	-	(991)	-	-	-	-	3,645	(10,975)	0	14
VH - Savings	XXXXXX1975	2,243	1	-	-	-	-	-	-	(2,244)	0	10
VH - Santa Clara Sale Proceeds ⁴	XXXXXX9568	-	15,874	-	-	-	-	-	26	-	15,900	10
De Paul Ventures - San Jose Dialysis, LLC	XXXXXX2797	-	87	-	-	-	-	-	-	-	87	7
SMCC - Patient Trust - TCB	XXXXXX3611	24	-	-	-	-	-	-	-	(24)	0	2
SMC Foundation - TCB ³	XXXXXX8521	117	-	-	-	-	-	-	-	(117)	-	3
Subtotal		\$ 76,048	\$ 1,680,345	\$ (1,583,222)	\$ 2,006,487	\$ (2,006,487)	\$ 973,000	\$ (973,000)	\$ 2,660,322	\$ (2,660,322)	\$ 173,171	137,481

Notes

- 1) Sweep inflows and outflows reflect sweeps between lockbox, gross revenue and AP accounts of the same debtor and, until September 7, 2019, between lockbox and the VHS - DIP Concentration Account. In addition, VMF - Checking receipts that were swept to the VHS - DIP Concentration Account are reflected in I/C Outflows for the VMF - Checking account. Beginning September 7, 2019, Cash receipts are swept to the VHS Disbursement Account (formerly the VHS DIP Loan Proceeds Account).
- 2) Pursuant to the terms of the DIP loan agreement, which matured and was fully repaid in September 2019, Verity submitted its cash inflows to the Debtors' DIP Lender Ally Bank on a daily basis even when there was no DIP balance outstanding. When this occurred, Ally Bank returned the funds to Verity. Commencing in November 2018, when there was no DIP balance outstanding, funds flowed to Ally Bank from the VHS - DIP Concentration Account and were returned by Ally to the VHS - DIP Loan Proceeds account. Prior to the implementation of this cash management process, funds flowed to/ from Ally Bank through the VHS - AP account and such activity netted to zero to the extent funds were sent to and received from Ally Bank in the same month. The aggregate of the DIP Inflows and DIP Outflows columns above represent cumulative DIP borrowings and DIP repayments, respectively, for the period presented.
- 3) This bank account contains certain funds that are donor restricted, and therefore, are not available for the debtor's general operating activities. Please refer to the attached restricted funds schedule for additional restricted funds recorded by the debtors that are not included in the Verity bank account summary as they are not part of the cash management program.
- 4) The Final DIP Order provided that the Sale Proceeds, including any deposits, shall be held in escrow in one or more deposit accounts subject to a deposit account control agreement in favor of the DIP Agent (the "Escrow Deposit Account"). On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH - Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.
- 5) Pursuant to the Supplemental Cash Collateral Order, the VHS - DIP Loan Proceeds Account was renamed the "VHS Disbursement Account" upon funding of the Payoff Amount pursuant to the Supplemental Cash Collateral Order.

Verity Health System of California, Inc.
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	VHS - AP / Self Insurance	VHS - Payroll	VHS - DIP Concentration Account	VHS - DIP Loan Proceeds	VHS - Santa Clara Sale Proceeds	VHS - Non Santa Clara Sale Proceeds	Debtor Total
	6440 / 9250	1785	2889	4358	9087	9100	
Balance Per Bank	\$ 603	\$ 781	\$ -	\$ 29,063	\$ 726	\$ 30,440	\$ 61,613
Additive Items:							
Deposits in Transit	1,675						1,675
Other Additive Items							-
Subtractive Items:							
Outstanding Checks	(1,755)	(50)					(1,806)
Other Subtractive Items		(6)					(6)
Reclassifications							
Negative book balance reclassified to AP							-
Petty Cash							-
Adjusted Bank Balance	523	725	-	29,063	726	30,440	61,477
GL Balance	\$ 523	\$ 725	\$ -	\$ 29,063	\$ 726	\$ 30,440	\$ 61,477
Number of Outstanding Checks	68	11					79

O'Connor Hospital
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	OCH-Santa Clara Sale						Debtor Total
	OCH - AP	OCH - Payroll	OCH -Lockbox/GR	OCH - Patient Trust	Proceeds	Petty Cash Total	
	6389	3007	2945 / 3900	2662	9549	N/A	
Balance Per Bank	\$ 692	\$ 312	\$ 104	\$ 2	\$ 9,329		\$ 10,440
Additive Items:							-
Deposits in Transit							-
Other Additive Items							-
Subtractive Items:							-
Outstanding Checks	(239)	(70)					(309)
Other Subtractive Items		20					20
Reclassifications							-
Reconciling item							-
Petty Cash							-
Adjusted Bank Balance	453	262	104	2	9,329	-	10,150
GL Balance	\$ 453	\$ 262	\$ 104	\$ 2	\$ 9,329	\$ -	\$ 10,150
Number of Outstanding Checks	193	72					265

Saint Louise Regional Hospital
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	SLRH-Santa Clara Sale					Debtor Total
	SLRH - AP	SLRH - Payroll	SLRH - Lockbox/GR	Proceeds	Petty Cash Total	
	6421	7575	2926 / 3905	9563	N/A	
Balance Per Bank	\$ 172	\$ 180	\$ 199	\$ 57,584		\$ 58,135
Additive Items:						-
Deposits in Transit		8				8
Other Additive Items		4				4
Subtractive Items:						-
Outstanding Checks	(74)	(14)				(87)
Other Subtractive Items			(48)			(48)
Reclassifications						-
Negative book balance reclassified to AP						-
Petty Cash						-
Adjusted Bank Balance	99	179	151	57,584	-	58,012
GL Balance	\$ 99	\$ 179	\$ 151	\$ 57,584	\$ -	\$ 58,012
Number of Outstanding Checks	141	16				157

St. Francis Medical Center
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	SFMC - AP	SFMC - Payroll	SFMC - Lockbox/GR	SFMC - Capitation (Conifer)	SFMC - Capitation (AppleCare)	SFMC - Capitation HCLA / AC	SFMC - Career College	SFMC- Sale Proceeds	Petty Cash Total	Debtor Total
	6407	3012	2940 / 3924 / 1057	1357	1371	1840 / 1845	2162	0090	N/A	
Balance Per Bank	\$ 1,116	\$ 839	\$ 1,438	\$ 571	\$ 1,407	\$ 529	\$ 50	\$ 0		\$ 5,949
Additive Items:										
Deposits in Transit	1,332									1,332
Other Additive Items		6		3	17					27
Subtractive Items:										
Outstanding Checks	(1,774)	(251)		(1,918)	(3,207)	(491)				(7,640)
Other Subtractive Items			(247)			(21)				(268)
Reclassifications										
Negative book balance reclassified to AP				1,343	1,783					3,126
Petty Cash									3	3
Adjusted Bank Balance	674	594	1,191	(0)	(0)	17	50	0	3	2,529
GL Balance	\$ 674	\$ 594	\$ 1,191	\$ -	\$ -	\$ 17	\$ 50	\$ 0	\$ 3	\$ 2,529
Number of Outstanding Checks	283	323		868	284	155				1,913

St Vincent Medical Center
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	SVMC - AP	SVMC - Payroll	SVMC - Lockbox/GR	SVMC - Capitation (Conifer)	SVMC - Capitation (CHP)	SVMC - Restricted Cash	SVMC- Sale Proceeds	Petty Cash Total	Debtor Total
	6426	3017	2964 / 3929	3695	0553	0989	0076	N/A	
Balance Per Bank	\$ 2,054	\$ 193	\$ 1,943	\$ 652	\$ -	\$ 1,254	\$ 0		\$ 6,095
Additive Items:									
Deposits in Transit									-
Other Additive Items			2						2
Subtractive Items:									
Outstanding Checks	(2,390)	(128)		(190)					(2,709)
Other Subtractive Items									-
Reclassifications									
Negative book balance reclassified to AP	336								336
Petty Cash								4	4
Adjusted Bank Balance	-	65	1,945	461	-	1,254	0	4	3,729
GL Balance	\$ -	\$ 65	\$ 1,945	\$ 461	\$ -	\$ 1,254	\$ 0	\$ 4	\$ 3,729
Number of Outstanding Checks	298	72		163					533

Seton Medical Center
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	AP Disbursement	Payroll	Lockbox/GR	SMC- Sale Proceeds	Petty Cash Total	Debtor Total
	6365	3001	2902 / 3887	0071	N/A	
Balance Per Bank	\$ 1,116	\$ 1,359	\$ 239	\$ -		\$ 2,714
Additive Items:						-
Deposits in Transit						-
Other Additive Items		12				12
Subtractive Items:						-
Outstanding Checks	(1,041)					(1,173)
Other Subtractive Items		(132)				-
Reclassifications						-
Negative book balance reclassified to AP						-
Petty Cash					4	4
Adjusted Bank Balance	76	1,238	239	-	4	1,557
GL Balance	\$ 76	\$ 1,238	\$ 239	\$ -	\$ 4	\$ 1,557
Number of Outstanding Checks	523	96				619

Seton Medical Center Coastside
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	SMCC -			Debtor Total
	AP Disbursement	Lockbox/GR	Patient Trust	
	6834	02907 / 3882	12907	
Balance Per Bank	\$ 166	\$ 71	\$ 29	\$ 266
Additive Items:				-
Deposits in Transit		-		-
Other Additive Items				-
Subtractive Items:				-
Outstanding Checks	(57)		(12)	(70)
Other Subtractive Items			(4)	(4)
Reclassifications				-
Negative book balance reclassified to AP				-
Petty Cash				-
Adjusted Bank Balance	108	71	13	192
GL Balance	\$ 108	\$ 71	\$ 13	\$ 192
Number of Outstanding Checks	50		14	64

O'Connor Hospital Foundation
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	OCH Foundation	OCH Foundation - Investment	Debtor Total
	3433	2-037	
Balance Per Bank	\$ 1,349	\$ 243	\$ 1,593
Additive Items:			-
Deposits in Transit			-
Other Additive Items			-
Subtractive Items:			-
Outstanding Checks			-
Other Subtractive Items	(0)		(0)
Reclassifications			-
Negative book balance reclassified to AP			-
Petty Cash			-
Adjusted Bank Balance	1,349	243	1,592
GL Balance	\$ 1,349	\$ 244	\$ 1,592
Number of Outstanding Checks			-

Saint Louise Regional Hospital Foundation
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	2521
Balance Per Bank	\$ 321
Additive Items:	
Deposits in Transit	
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	321
GL Balance	\$ 321
Number of Outstanding Checks	

St. Francis Medical Center of Lynwood Foundation
 Bank Reconciliation Summary
 October 31, 2019
 \$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	2809
Balance Per Bank	\$ 76
Additive Items:	
Deposits in Transit	0
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	76
GL Balance	\$ 76
Number of Outstanding Checks	

St Vincent Medical Center Foundation
 Bank Reconciliation Summary
 October 31, 2019
 \$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	3025
Balance Per Bank	\$ 893
Additive Items:	
Deposits in Transit	
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	(2)
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	891
GL Balance	\$ 891
Number of Outstanding Checks	

St. Vincent Dialysis Center, Inc.
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

	Debtor Total
Bank Account No. (last 4 digits)	8921
Balance Per Bank	\$ -
Additive Items:	
Deposits in Transit	
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	-
GL Balance	\$ -
Number of Outstanding Checks	

Seton Medical Center Foundation
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	SMC Foundation		Debtor
	2260	SMC Foundation - SVCS 0089	Total
Balance Per Bank	\$ 4,492	\$ 425	\$ 4,917
Additive Items:			
Deposits in Transit			-
Other Additive Items			-
Subtractive Items:			
Outstanding Checks			-
Other Subtractive Items	(5)	(425)	(430)
Reclassifications			
Negative book balance reclassified to AP			-
Petty Cash			-
Adjusted Bank Balance	4,487	-	4,487
GL Balance	\$ 4,487	\$ -	\$ 4,487
Number of Outstanding Checks			-

Verity Business Services
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	AP Disbursement		Payroll		Debtor Total
	6402		2982		
Balance Per Bank	\$ 433		\$ 39		472
Additive Items:					-
Deposits in Transit					-
Other Additive Items					-
Subtractive Items:					-
Outstanding Checks	(273)		-		(273)
Other Subtractive Items			(0)		(0)
Reclassifications					-
Negative book balance reclassified to AP					-
Petty Cash					-
Adjusted Bank Balance	160		38		198
GL Balance	\$ 160		\$ 38		\$ 198
Number of Outstanding Checks	29		-		29

Verity Medical Foundation
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	VMF - Checking	VMF - Sale Proceeds	Petty Cash	Debtor Total
	9996	2810	Total	Total
Balance Per Bank	\$ 1,208	\$ 2,270		\$ 3,478
Additive Items:				-
Deposits in Transit				-
Other Additive Items	40			40
Subtractive Items:				-
Outstanding Checks	(672)			(672)
Other Subtractive Items				-
Reclassifications				-
Negative book balance reclassified to AP				-
Petty Cash				-
Adjusted Bank Balance	576	2,270	-	2,846
GL Balance	\$ 576	\$ 2,270	\$ -	\$ 2,846
Number of Outstanding Checks	347			347

Verity Holdings, LLC
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

Bank Account No. (last 4 digits)	AP Disbursement	MOB	VH- Santa Clara Sale Proceeds	VH-Sale Proceeds	Debtor Total
	1597	1248	9568	0151	
Balance Per Bank	\$ 212	\$ 9	\$ 15,900	\$ -	\$ 16,121
Additive Items:					-
Deposits in Transit					-
Other Additive Items					-
Subtractive Items:					-
Outstanding Checks	(78)				(78)
Other Subtractive Items					-
Reclassifications					-
Negative book balance reclassified to AP					-
Petty Cash					-
Adjusted Bank Balance	134	9	15,900	-	16,043
GL Balance	\$ 134	\$ 9	\$ 15,900	\$ -	\$ 16,043
Number of Outstanding Checks	22				22

De Paul Ventures - San Jose Dialysis, LLC
Bank Reconciliation Summary
October 31, 2019
\$ in 000's

	De Paul Ventures – San Jose Dialysis, LLC
Bank Account No. (last 4 digits)	2797
Balance Per Bank	\$ 87
Additive Items:	
Deposits in Transit	
Other Additive Items	
Subtractive Items:	
Outstanding Checks	
Other Subtractive Items	
Reclassifications	
Negative book balance reclassified to AP	
Petty Cash	
Adjusted Bank Balance	87
GL Balance	\$ 87
Number of Outstanding Checks	

Verity Health System, Inc.
Notes on Bank Reconciliations
October 31, 2019

1. DePaul Ventures, LLC has no bank accounts. Therefore, there is no bank activity reported on the Verity Bank Account Summary or on the Verity Bank Account Cumulative Summary, and accordingly no bank reconciliations.
2. The following bank accounts were closed prior to the beginning of the reporting period and are not reported on the Bank Reconciliation Summary.

Account name	Last four of account #
SMC Foundation - TCB	#XXXXXX8521
SMCC - Patient Trust - TCB	#XXXXXX3611
OCH - FSA	#XXXXXX12284
SLRH - FSA	#XXXXXX12307
SMC - FSA	#XXXXXX12289
SMCC - FSA	#XXXXXX12302
SFMC - FSA	#XXXXXX12487
SVMC - FSA	#XXXXXX12062
VBS - FSA	#XXXXXX13192
VH - Operating	#XXXXXX11970
VH - Savings	#XXXXXX11975
VMF - Payroll ZBA - Wells Fargo	#XXXXXX20010
SVMC Foundation - EWB	#XXXXXX1162

3. The following bank accounts have had no activity and therefore bank and book balances were both zero at the end of the reporting period. These accounts are not reported on the Verity Bank Account Summary or on the Verity Bank Account Cumulative Summary.

Account name	Last four of account #
VH – Sale Proceeds	#XXXXXX0151
SMC – Sale Proceeds	#XXXXXX0071

Verity Health System, Inc.
Notes on Bank Reconciliations
October 31, 2019

4. On February 28, 2019 (the “Closing Date”), the Debtors’ asset sale to Santa Clara County (the “Santa Clara Sale Transaction”) closed and Santa Clara County wired the sale proceeds to Chicago Title Insurance Company (“Chicago Title”). As part of that transaction, operating disbursements were made by Chicago Title directly to third parties, on behalf of the Debtors that are party to the Santa Clara Sale Transaction (the “Chicago Title Disbursements”). In order to provide a full accounting of operating disbursements made by or on behalf of the Debtors in this Monthly Operating Report, the Chicago Title Disbursements are added to the operating disbursements reported in the Verity Bank Account Cumulative Summary for the reporting period and shown in the table below (\$ 000):

	Operating Disbursements for the reporting period		
	Chicago Title Disb.	Op. Disb. From page 4	Total
O'Connor Hospital	\$ 21,573	\$ 113,640	\$ 135,213
St. Louise Regional Hospital	5,528	37,092	42,620
Verity Holdings, LLC	269	11,929	12,198
Verity Health System of California, Inc.	88	379,827	379,915

5. Per the Santa Clara County asset purchase agreement (the “APA”) § 1.2 and 1.1.2, \$23.5 million of sale proceeds transferred by Santa Clara County were escrowed with Chicago Title as escrow agent, subject to reductions related to post-closing obligations and damages as described in APA § 15.2 (as reduced in accordance with APA § 15.2 , the “Escrow Amount”) . The APA provides that the Escrow Amount is security for the satisfaction of Sellers’ post-closing obligations and to offset Damages incurred by Santa Clara County as described in Section 15.2 of the APA. The APA provides that the Escrow Agent shall hold the Escrow Amount for a period of twelve months following the Closing Date, and the Escrow Agent shall disburse the same (along with any interest accrued thereon, as further described in the Escrow Agreement) upon the expiration of such twelve month period (subject to valid escrow claims) in accordance with the terms of the Escrow Agreement. The Debtors that are party to the Santa Clara Sales Transaction report the Escrow Amount as a receivable in the Consolidating Balance Sheet – Unaudited as of the end of the reporting period.

Verity Status of Payments to Secured Creditors, Lessors, And Other Parties to Executory Contracts

For the month ending 10/31/2019

\$ in 000's

#	Creditor, Lessor, Etc.	Frequency of Payments (Mo/Qtr)	Amount of Payment	Post-petition Payments Not Made (Number) ^(A)	Total Due Not Paid According to Postpetition Terms
Secured Debt Holders					
1	Wells Fargo - 2005 Bonds	Monthly	1,226	-	-
2	US Bank 2015 Notes	Monthly	1,044	-	-
3	Verity MOB Financing, LLC	Monthly	383	-	-
4	US Bank 2017 Notes	Monthly	254	-	-
	Subtotal		\$2,907	-	-
Top 20 Vendors					
1	Healthnow Administrative Services	Various	\$12,661	-	-
2	Transamerica	Various	3,300	-	-
3	Medline Industries, Inc.	Various	1,841	-	-
4	Cardinal Health	Various	1,493	-	-
5	Sodexo, Inc & Affiliates	Various	1,394	-	-
6	Verity Medical Group	Various	1,254	-	-
7	Marillac Insurance Company, Ltd.	Various	1,181	-	-
8	Rightsourcing Inc	Various	956	-	-
9	Angeles IPA Inc.	Various	889	-	-
10	Southern California Edison	Various	615	-	-
11	Shiftwise	Various	581	-	-
12	Totalmed Staffing, Inc.	Various	542	-	-
13	Lockton Companies LLC	Various	528	-	-
14	Boston Scientific Corp	Various	515	-	-
15	Allscripts LLC	Various	495	-	-
16	Los Angeles Department of Water and Power	Various	487	-	-
17	Nantworks LLC	Various	420	-	-
18	Medtronic USA Inc	Various	402	-	-
19	Quadramed Corporation	Various	401	-	-
20	Onelegacy	Various	388	-	-
	Subtotal		\$30,343	-	-

Notes

A) See Notes after XI. Questionnaire.

Debtor	Account Used	Aggregate Insider Compensation Paid
Verity Health System of California, Inc.	XXXXXX1785	\$ 266,211
O'Connor Hospital	XXXXXX3007	\$ -
Saint Louise Regional Hospital	XXXXXX7575	\$ -
St. Francis Medical Center	XXXXXX3012	\$ 13,552
St. Vincent Medical Center	XXXXXX3017	\$ 72,453
Seton Medical Center	XXXXXX3001	\$ 38,885
O'Connor Hospital Foundation		-
Saint Louise Regional Hospital Foundation		-
St. Francis Medical Center of Lynwood Foundation		-
St. Vincent Foundation		-
St. Vincent Dialysis Center, Inc.		-
Seton Medical Center Foundation		-
Verity Business Services		-
Verity Medical Foundation	XXXXXX9996	\$ -
Verity Holdings, LLC		-
DePaul Ventures, LLC		-
DePaul Ventures - San Jose Dialysis, LLC		-
		\$ 391,101

VIII SCHEDULE OF OTHER AMOUNTS PAID TO INSIDERS

Debtor	Account Used	Aggregate Insider Other Amounts Paid (a)
Verity Health System of California, Inc.	XXXXXX6440	\$ 1,496
O'Connor Hospital	XXXXXX6389	\$ -
Saint Louise Regional Hospital	XXXXXX6421	\$ -
St. Francis Medical Center	XXXXXX6407	\$ 29,250
St. Vincent Medical Center	XXXXXX6426	\$ 13,815
Seton Medical Center	XXXXXX6365	\$ 20,250
O'Connor Hospital Foundation		\$ -
Saint Louise Regional Hospital Foundation		\$ -
St. Francis Medical Center of Lynwood Foundation		\$ -
St. Vincent Foundation		\$ -
St. Vincent Dialysis Center, Inc.		\$ -
Seton Medical Center Foundation		\$ -
Verity Business Services		\$ -
Verity Medical Foundation		\$ -
Verity Holdings, LLC		\$ -
DePaul Ventures, LLC		\$ -
DePaul Ventures - San Jose Dialysis, LLC		\$ -
		\$ 64,811

(a) For the Hospital Debtors, amounts represent payments made by the Hospitals to physician board members associated with medical directorships and on-call coverage provided. Such payments are not associated with services provided as a board member.

O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside (Seton Medical Center)	System Office (Verity Health System of CA, Inc.)	System Elimination - Obligated Group	Obligated Group Subtotal	Non-Debtor A	Verity Business Services	DePaul Ventures (Includes DePaul Ventures - San Jose Dialysis, LLC)	
ASSETS												
Current Assets:												
Cash and cash equivalents	\$ 821	\$ 428	\$ 2,529	\$ 2,475	\$ 1,557	\$ 192	\$ 30,310	\$ -	\$ 38,312	\$ 11,801	\$ 198	\$ 87
Net patient accounts receivable	3,240	1,065	51,980	26,538	35,437	4,068	-	-	122,328	-	-	-
Due from government agencies	1,074	179	3,913	5,058	2,097	-	-	-	12,321	-	-	-
Due from related organizations	13,484	4,916	466,322	15,383	16,685	48.00	574,989	(998,217)	93,610	-	66,597	3,468
Other current assets	29,423	10,589	38,276	22,300	13,499	369	9,597	-	124,053	3,606	250	-
Other restricted assets	9,329	57,584	-	-	-	-	31,167	-	98,080	-	-	-
Total Current Assets	57,371	74,761	563,020	71,754	69,275	4,677	646,063	(998,217)	488,704	15,407	67,045	3,555
Assets Limited As To Use:												
Other investments	-	-	-	3,112	-	-	20	-	3,132	39,808	-	-
Under bond indenture agreements	-	-	-	-	34,796	-	24,909	-	59,705	-	-	-
Total Assets Limited As To Use	-	-	-	3,112	34,796	-	24,929	-	62,837	39,808	-	-
Property And Equipment, Net	-	-	84,092	44,252	40,841	667	23,902	-	193,754	-	1,436	-
Other Long-Term Assets	-	-	225	-	61	-	2,822	-	3,108	-	-	37
Total Assets	\$ 57,371	\$ 74,761	\$ 647,337	\$ 119,118	\$ 144,973	\$ 5,344	\$ 697,716	\$ (998,217)	\$ 748,403	\$ 55,215	\$ 68,481	\$ 3,592
LIABILITIES AND NET (DEFICIT) ASSETS												
Current Liabilities:												
Accounts payable	\$ 14,379	\$ 3,258	\$ 18,364	\$ 24,680	\$ 14,485	\$ 422	\$ 17,605	\$ -	\$ 93,193	\$ 40	\$ 5,690	\$ -
Current portion of long-term debt, net of debt issuance costs	773	469	4,076	867	1,801	-	159,127	-	167,113	-	-	-
Due to government agencies	708	69	3,053	1,210	307	-	-	-	5,347	-	-	-
Accrued expenses and other current liabilities	15,666	5,310	95,544	30,480	45,732	1,864	159,582	-	354,178	12,952	3,681	1
Due to related organizations	163,274	72,457	15,121	367,640	240,832	28,000	281,430	(998,217)	170,537	-	57,503	2
Total Current Liabilities	194,800	81,563	136,158	424,877	303,157	30,286	617,744	(998,217)	790,368	12,992	66,874	3
Other Liabilities												
Pension and other long-term liabilities	49,230	5,748	96,462	75,018	2,538	26	48,800	-	277,822	32,435	-	-
Total Other Liabilities	49,230	5,748	96,462	75,018	2,538	26	48,800	-	277,822	32,435	-	-
Long-Term Debt, Net Of Current Portion And Debt Issuance Costs												
	47,507	28,776	63,436	53,181	96,147	-	44,026	-	333,073	-	-	-
Total Liabilities	291,537	116,087	296,056	553,076	401,842	30,312	710,570	(998,217)	1,401,263	45,427	66,874	3
NET (DEFICIT) ASSETS:												
Unrestricted	(234,166)	(41,326)	351,281	(437,273)	(256,869)	(24,968)	(12,854)	-	(656,175)	9,788	1,607	3,589
Temporarily restricted	-	-	-	523	-	-	-	-	523	-	-	-
Permanently restricted	-	-	-	2,792	-	-	-	-	2,792	-	-	-
Total Net (Deficit) Assets	(234,166)	(41,326)	351,281	(433,958)	(256,869)	(24,968)	(12,854)	-	(652,860)	9,788	1,607	3,589
Total Liabilities And Net (Deficit) Assets	\$ 57,371	\$ 74,761	\$ 647,337	\$ 119,118	\$ 144,973	\$ 5,344	\$ 697,716	\$ (998,217)	\$ 748,403	\$ 55,215	\$ 68,481	\$ 3,592

	St. Vincent Dialysis Center Inc.	Verity Medical Foundation	O'Connor Hospital Foundation	Seton Medical Center Foundation	St. Francis Medical Center of Lynwood Foundation	Saint Louise Regional Hospital Foundation	St. Vincent Foundation	Verity Holdings, LLC	Non-Debtor B	System Elimination - Non Obligated Group	Verity Total
ASSETS											
Current Assets:											
Cash and cash equivalents	\$ -	\$ 576	\$ 352	\$ 57	\$ 28	\$ 20	\$ 144	\$ 143	\$ 15	\$ -	\$ 51,733
Net patient accounts receivable	600	275	-	-	-	-	-	-	-	-	123,203
Due from government agencies	-	-	-	-	-	-	-	-	-	-	12,321
Due from related organizations	9,221	3,438	1	7	4	5	12,517	75,278	-	(264,145)	0
Other current assets	73	3,055	-	59	568	-	960	2,100	-	(4,788)	129,936
Other restricted assets	-	2,270	-	-	-	-	-	15,900	-	-	116,250
Total Current Assets	9,894	9,614	353	123	600	25	13,621	93,421	15	(268,933)	433,443
Assets Limited As To Use:											
Other investments	-	-	1,240	4,430	48	301	2,978	-	-	-	51,937
Under bond indenture agreements	-	-	-	-	-	-	-	-	-	-	59,705
Total Assets Limited As To Use	-	-	1,240	4,430	48	301	2,978	-	-	-	111,642
Property And Equipment, Net	181	418	-	-	-	-	-	13,704	-	-	209,493
Other Long-Term Assets	-	601	-	-	-	-	673	949	-	(1,600)	3,768
Total Assets	\$ 10,075	\$ 10,633	\$ 1,593	\$ 4,553	\$ 648	\$ 326	\$ 17,272	\$ 108,074	\$ 15	\$ (270,533)	\$ 758,346
LIABILITIES AND NET (DEFICIT) ASSETS											
Current Liabilities:											
Accounts payable	\$ -	\$ 281	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 994	\$ -	\$ -	\$ 100,197
Current portion of long-term debt, net of debt issuance costs	-	-	-	-	-	-	-	-	-	-	167,113
Due to government agencies	-	-	-	-	-	-	-	-	-	-	5,347
Accrued expenses and other current liabilities	20	9,249	-	3	95	-	4	1,606	-	(6,388)	375,400
Due to related organizations	13,952	-	7,342	789	8,652	5,095	901	(629)	-	(264,145)	(0)
Total Current Liabilities	13,972	9,530	7,342	792	8,747	5,095	905	1,970	-	(270,533)	648,057
Other Liabilities											
Pension and other long-term liabilities	-	7,799	71	-	-	-	104	19,640	-	-	337,871
Total Other Liabilities	-	7,799	71	-	-	-	104	19,640	-	-	337,871
Long-Term Debt, Net Of Current Portion And Debt Issuance Costs	-	-	-	-	-	-	-	105,751	-	-	438,824
Total Liabilities	13,972	17,329	7,413	792	8,747	5,095	1,009	127,361	-	(270,533)	1,424,752
NET (DEFICIT) ASSETS:											
Unrestricted	(3,897)	(6,696)	(6,970)	(670)	(8,716)	(5,071)	11,530	(19,287)	15	-	(680,954)
Temporarily restricted	-	-	815	1,712	617	302	2,288	-	-	-	6,257
Permanently restricted	-	-	335	2,719	-	-	2,445	-	-	-	8,291
Total Net (Deficit) Assets	(3,897)	(6,696)	(5,820)	3,761	(8,099)	(4,769)	16,263	(19,287)	15	-	(666,406)
Total Liabilities And Net (Deficit) Assets	\$ 10,075	\$ 10,633	\$ 1,593	\$ 4,553	\$ 648	\$ 326	\$ 17,272	\$ 108,074	\$ 15	\$ (270,533)	\$ 758,346

	O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastsides (Seton Medical Center)	System Office (Verity Health System of CA, Inc.)	System Elimination - Obligated Group	Obligated Group Subtotal	Non-Debtor A	Verity Business Services	DePaul Ventures (Includes DePaul Ventures - San Jose Dialysis, LLC)
UNRESTRICTED REVENUES AND OTHER SUPPORT:												
Net patient service revenue	\$ (2,740)	\$ (206)	\$ 37,964	\$ 15,736	\$ 17,033	\$ 1,892	\$ -	\$ (1,113)	\$ 68,566	\$ -	\$ -	\$ -
Provision for doubtful accounts	3,663	757	(492)	(635)	535	(62)	-	-	3,766	-	-	-
Net patient service revenue less provision for doubtful accounts	923	551	37,472	15,101	17,568	1,830	-	(1,113)	72,332	-	-	-
Premium revenue	-	-	9,893	1,174	-	-	-	(85)	10,982	-	-	-
Other revenue	(36)	1	127	23	67	66	11,301	(11,190)	359	943	3,219	-
Contributions	-	-	138	97	53	-	-	-	288	-	-	-
Total Unrestricted Revenues And Other Support	887	552	47,630	16,395	17,688	1,896	11,301	(12,388)	83,961	943	3,219	-
EXPENSES:												
Salaries and benefits	582	142	20,234	9,300	12,904	1,522	2,617	(1,113)	46,188	-	2,333	-
Supplies	(50)	7	3,626	3,300	2,438	177	8	-	9,506	-	32	-
Purchased services, medical claims and other	31	223	19,522	8,580	6,171	451	3,507	(6,914)	31,571	1,092	804	5
Depreciation and amortization	-	-	653	489	431	11	45	-	1,629	-	22	-
Interest, net	229	139	320	245	440	-	1,311	-	2,684	-	-	-
Total Expenses	792	511	44,355	21,914	22,384	2,161	7,488	(8,027)	91,578	1,092	3,191	5
Operating (Loss) Income	95	41	3,275	(5,519)	(4,696)	(265)	3,813	(4,361)	(7,617)	(149)	28	(5)
Investment Income (Loss)	12	73	1	-	46	-	548	-	680	46	-	-
Gain (Loss) on Hospital Sales	592	280	-	-	-	-	-	-	872	-	-	-
Reorganization Items	3	7	2,136	1,203	1,190	109	4,361	(4,361)	4,648	-	28	-
Excess (Deficit) Of Revenues Over Expenses	\$ 696	\$ 387	\$ 1,140	\$ (6,722)	\$ (5,840)	\$ (374)	\$ -	\$ -	(10,713)	(103)	\$ -	(5)

	St. Vincent Dialysis Center Inc.	Verity Medical Foundation	O'Connor Hospital Foundation	Seton Medical Center Foundation	St. Francis Medical Center of Lynwood Foundation	Saint Louise Regional Hospital Foundation	St. Vincent Foundation	Verity Holdings, LLC	Non-Debtor B	System Elimination - Non Obligated Group	Verity Total
UNRESTRICTED REVENUES AND OTHER SUPPORT:											
Net patient service revenue	\$ 468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (49)	\$ 68,985
Provision for doubtful accounts	(9)	-	-	-	-	-	-	-	-	-	3,757
Net patient service revenue less provision for doubtful accounts	459	-	-	-	-	-	-	-	-	(49)	72,742
Premium revenue	-	-	-	-	-	-	-	-	-	-	10,982
Other revenue	-	611	-	-	-	-	-	996	-	(5,311)	817
Contributions	-	-	-	-	4	-	-	-	-	-	292
Total Unrestricted Revenues And Other Support	459	611	-	-	4	-	-	996	-	(5,360)	84,833
EXPENSES:											
Salaries and benefits	246	245	-	(1)	(5)	-	(2)	-	-	(565)	48,439
Supplies	96	-	-	-	-	-	-	4	-	-	9,638
Purchased services, medical claims and other	52	1,056	-	-	-	-	5	686	-	(4,767)	30,504
Depreciation and amortization	2	16	-	1	1	-	1	60	-	-	1,732
Interest, net	-	-	-	-	-	-	-	681	-	-	3,365
Total Expenses	396	1,317	-	-	(4)	-	4	1,431	-	(5,332)	93,678
Operating (Loss) Income	63	(706)	-	-	8	-	(4)	(435)	-	(28)	(8,845)
Investment Income (Loss)	-	-	2	4	-	-	3	20	-	-	755
Gain (Loss) on Hospital Sales	-	123	-	-	-	-	-	-	-	-	995
Reorganization Items	-	90	-	-	-	-	-	2	-	(28)	4,740
Excess (Deficit) Of Revenues Over Expenses	\$ 63	\$ (673)	\$ 2	\$ 4	\$ 8	\$ -	\$ (1)	\$ (417)	\$ -	\$ -	(11,835)

	O'Connor Hospital	Saint Louise Regional Hospital	St. Francis Medical Center	St. Vincent Medical Center	Seton Medical Center	Seton Medical Center Coastside (Seton Medical Center)	System Office (Verity Health System of CA, Inc.)	System Elimination - Obligated Group	Obligated Group Subtotal	Non-Debtor A	Verity Business Services	DePaul Ventures (Includes DePaul Ventures - San Jose Dialysis, LLC)
UNRESTRICTED REVENUES AND OTHER SUPPORT:												
Net patient service revenue	\$ 121,245	\$ 38,993	\$ 469,829	\$ 204,079	\$ 239,209	\$ 24,891	\$ -	\$ (19,546)	\$ 1,078,700	\$ -	\$ -	\$ -
Provision for doubtful accounts	(106)	(597)	(3,866)	(3,127)	(11,170)	(384)	-	-	(19,250)	-	-	-
Net patient service revenue less provision for doubtful accounts	121,139	38,396	465,963	200,952	228,039	24,507	-	(19,546)	1,059,450	-	-	-
Premium revenue	-	-	122,526	18,385	-	-	-	(1,358)	139,553	-	-	-
Other revenue	2,251	100	2,199	1,404	1,291	625	178,051	(169,544)	16,377	14,351	42,974	-
Contributions	82	31	4,793	1,195	175	-	-	-	6,276	-	-	-
Total Unrestricted Revenues And Other Support	123,472	38,527	595,481	221,936	229,505	25,132	178,051	(190,448)	1,221,656	14,351	42,974	-
EXPENSES:												
Salaries and benefits	87,290	30,768	272,893	133,775	177,115	20,535	54,005	(19,546)	756,835	-	31,465	-
Supplies	18,166	3,960	50,545	47,690	31,691	2,291	110	-	154,453	-	254	-
Purchased services, medical claims and other	48,577	15,523	239,848	113,556	79,134	5,640	42,406	(114,488)	430,196	14,752	10,557	(70)
Depreciation and amortization	3,005	868	9,611	6,865	5,922	147	583	-	27,001	-	317	-
Interest, net	2,986	1,933	4,426	3,195	6,268	-	27,796	-	46,604	-	2	-
Total Expenses	160,024	53,052	577,323	305,081	300,130	28,613	124,900	(134,034)	1,415,089	14,752	42,595	(70)
Operating (Loss) Income	(36,552)	(14,525)	18,158	(83,145)	(70,625)	(3,481)	53,151	(56,414)	(193,433)	(401)	379	70
Investment Income (Loss)	1,161	718	3	-	462	-	3,263	-	5,607	668	-	-
Gain (Loss) on Hospital Sales	109,710	51,916	-	-	-	-	674	-	162,300	-	-	-
Reorganization Items	6,009	2,063	24,024	14,726	13,529	1,251	56,413	(56,413)	61,602	-	378	1
Excess (Deficit) Of Revenues Over Expenses	\$ 68,310	\$ 36,046	\$ (5,863)	\$ (97,871)	\$ (83,692)	\$ (4,732)	\$ 675	\$ (1)	\$ (87,128)	\$ 267	\$ 1	\$ 69

	St. Vincent Dialysis Center Inc.	Verity Medical Foundation	O'Connor Hospital Foundation	Seton Medical Center Foundation	St. Francis Medical Center of Lynwood Foundation	Saint Louise Regional Hospital Foundation	St. Vincent Foundation	Verity Holdings, LLC	Non-Debtor B	System Elimination - Non Obligated Group	Verity Total
UNRESTRICTED REVENUES AND OTHER SUPPORT:											
Net patient service revenue	\$ 6,424	\$ 31,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,505)	\$ 1,114,282
Provision for doubtful accounts	(251)	(1,609)	-	-	-	-	-	-	-	-	(21,110)
Net patient service revenue less provision for doubtful accounts	6,173	30,054	-	-	-	-	-	-	-	(2,505)	1,093,172
Premium revenue	-	10,765	-	-	-	-	-	-	-	-	150,318
Other revenue	-	10,760	-	-	-	-	-	15,555	-	(74,829)	25,188
Contributions	-	-	5	107	151	(1)	448	1,800	-	-	8,786
Total Unrestricted Revenues And Other Support	6,173	51,579	5	107	151	(1)	448	17,355	-	(77,334)	1,277,464
EXPENSES:											
Salaries and benefits	3,677	27,640	94	143	417	69	195	(9)	-	(10,077)	810,449
Supplies	1,894	10,616	-	(5)	-	-	-	67	-	-	167,279
Purchased services, medical claims and other	635	63,511	6	(7)	41	28	48	12,376	-	(66,884)	465,189
Depreciation and amortization	28	1,600	-	8	8	-	8	776	-	-	29,746
Interest, net	-	11	-	-	-	-	-	9,823	-	-	56,440
Total Expenses	6,234	103,378	100	139	466	97	251	23,033	-	(76,961)	1,529,103
Operating (Loss) Income	(61)	(51,799)	(95)	(32)	(315)	(98)	197	(5,678)	-	(373)	(251,639)
Investment Income (Loss)	3	-	25	74	13	8	32	692	-	-	7,122
Gain (Loss) on Hospital Sales	-	(129)	-	-	-	-	-	13,170	-	-	175,341
Reorganization Items	-	715	3	4	3	3	3	127	-	(376)	62,463
Excess (Deficit) Of Revenues Over Expenses	\$ (58)	\$ (52,643)	\$ (73)	\$ 38	\$ (305)	\$ (93)	\$ 226	\$ 8,057	\$ -	\$ 3	\$ (131,639)

- | | | |
|---|--------------|---------------|
| | No | Yes |
| 1. Has the debtor-in-possession made any payments on its pre-petition unsecured debt, except as have been authorized by the court? If "Yes", explain below: | <u> x </u> | <u> </u> |
| <hr/> | | |
| | No | Yes |
| 2. Has the debtor-in-possession during this reporting period provided compensation or remuneration to any officers, directors, principals, or other insiders without appropriate authorization? If "Yes", explain below: | <u> x </u> | <u> </u> |
| <hr/> | | |
| 3. State what progress was made during the reporting period toward filing a plan of reorganization: In connection with the Court approved sale [Docket No. 2306] of the Debtors' remaining hospitals to Strategic Global Management, Inc. ["SGM"], the Debtors and SGM continued to work together on numerous matters related to the sale, including (i) working with counterparties to executory contracts and unexpired leases with respect to the resolution of cure costs and other issues, and (ii) meeting regularly regarding operational transition plans. Further, on October 25, 2019, following briefing and a hearing, the Court entered a memorandum of decision [Docket No. 3446] concerning the Debtors' motion [Docket No. 3188] to enforce their sale order with respect to "Additional Conditions" imposed by the California Attorney General. The Debtors obtained continuances of the hearing on the motion [Docket No. 2995] to approve the disclosure statement [Docket No. 2994] during this time. | | |
| <hr/> | | |
| 4. Describe potential future developments which may have a significant impact on the case:
The closing of the sale of the Debtors' remaining Hospitals and other assets will have a significant impact on these cases, particularly the Attorney General review of the sale of the remaining Hospitals. | | |
| <hr/> | | |
| 5. Attach copies of all Orders granting relief from the automatic stay that were entered during the reporting period.
Attached. | | |
| <hr/> | | |
| | No | Yes |
| 6. Did you receive any exempt income this month, which is not set forth in the operating report? If "Yes", please set forth the amounts and sources of the income below. | <u> x </u> | <u> </u> |
| <hr/> | | |
| I, Rich Adcock, declare under penalty of perjury that I have fully read and understood the foregoing debtor-in-possession operating report and that the information contained herein is true and complete to the best of my knowledge. | | |

November 30, 2019
Date



Principal for debtor-in-possession

Notes

Creditor, Lessor, Etc. Not Paid According to Postpetition Terms	Frequency of Payments (Mo/Qtr)	Post-Petition payments not made (Number)	Total Due not paid according to postpetition terms	Explanation
None	n/a	-	-	n/a
TOTAL DUE:			0.00	

VI. UNITED STATES TRUSTEE QUARTERLY FEES
(TOTAL PAYMENTS - QUARTERLY PERIOD)

Quarterly Period Ending (Date)	Debtor	Total Disbursements	Quarterly Fees	Date Paid	Amount Paid	Quarterly Fees Still Owing
30-Sep-2019	Verity Health System of California, Inc.	\$ 68,004,838.40	\$ 250,000.00	31-Oct-2019	\$ 250,000.00	\$ -
30-Sep-2019	O'Connor Hospital	1,828,532.00	18,285.32	31-Oct-2019	18,285.32	-
30-Sep-2019	St. Louise Regional Hospital	363,978.60	4,875.00	31-Oct-2019	4,875.00	-
30-Sep-2019	St. Francis Medical Center	107,495,392.91	250,000.00	31-Oct-2019	250,000.00	-
30-Sep-2019	St. Vincent Medical Center	52,479,582.53	250,000.00	31-Oct-2019	250,000.00	-
30-Sep-2019	Seton Medical Center	52,803,930.41	250,000.00	31-Oct-2019	250,000.00	-
30-Sep-2019	O'Connor Hospital Foundation	-	325.00	31-Oct-2019	325.00	-
30-Sep-2019	St. Louise Regional Hospital Foundation	463.80	325.00	31-Oct-2019	325.00	-
30-Sep-2019	St. Francis Medical Center of Lynwood Foundation	-	325.00	31-Oct-2019	325.00	-
30-Sep-2019	St. Vincent Medical Center Foundation	-	325.00	31-Oct-2019	325.00	-
30-Sep-2019	St. Vincent Dialysis Center, Inc.	-	325.00	31-Oct-2019	325.00	-
30-Sep-2019	Seton Medical Center Foundation	6,089.41	325.00	31-Oct-2019	325.00	-
30-Sep-2019	Verity Business Services	7,829,041.22	78,290.41	31-Oct-2019	78,290.41	-
30-Sep-2019	Verity Medical Foundation	6,789,571.80	67,895.72	31-Oct-2019	67,895.72	-
30-Sep-2019	Verity Holdings, LLC	2,468,429.40	24,684.29	31-Oct-2019	24,684.29	-
30-Sep-2019	De Paul Ventures, LLC	-	325.00	31-Oct-2019	325.00	-
30-Sep-2019	De Paul Ventures - San Jose Dialysis, LLC	-	325.00	31-Oct-2019	325.00	-
		\$300,069,850.48	\$ 1,196,630.74		\$ 1,196,630.74	\$ -

#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)
1	Storage Tank Liability	ACE American Insurance Company (Chubb)	O'Connor Hospital	6/30/2018-2/28/2022	G24668538 010	\$1,000,000 Per Storage Tank Incident \$2,000,000 Aggregate for ASTs \$2,000,000 Aggregate for USTs \$4,000,000 Aggregate Limit of Liability for All Storage Tank Incidents \$2,000,000 Aggregate Limit of Liability for Legal Defense Expenses \$6,000,000 Policy Aggregate	2/28/2022
2	Commercial Property	American Guarantee and Liability Insurance Company (Zurich)	Verity Health System of California, Inc.	7/1/2019-7/1/2020	ZMD7067455-01	\$1,000,000,000 Loss Limit	7/1/2020
3	Workers' Compensation and Employers Liability	Old Republic Insurance Company	Verity Health System of California, Inc.	7/1/2019-1/1/2020	MWC 313800-19	Workers' Compensation - Statutory Employers Liability - \$1,000,000 BI Each Accident \$1,000,000 BI Disease Each Employee \$1,000,000 BI Disease Policy Limit	1/1/2020
4	Storage Tank Liability (Consolidated)	ACE American Insurance Company (Chubb)	St. Vincent Medical Center Seton Medical Center; Verity Holdings, LLC	10/1/2019-10/1/2020	UST G71182654 002	\$1,000,000 Per Storage Tank Incident \$2,000,000 Aggregate Limit of Liability for All Storage Tank Incidents \$1,000,000 Aggregate Limit of Liability for Legal Defense Expenses \$3,000,000 Policy Aggregate	10/1/2020
5	Commercial Automobile	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	Verity Health System of California, Inc.	10/1/2019-10/1/2020	CA 087 15 98	\$1,000,000 Combined Single Limit	10/1/2020
6	Helipad Liability & Non-Owned Aircraft Liability	ACE Property and Casualty Insurance Company (Chubb)	Verity Health System of California, Inc.	10/1/2019-10/1/2020	AAP N17935550 002	\$10,000,000 Each Occurrence \$10,000,000 Products-Completed Operations Aggregate \$10,000,000 Personal Injury and Advertising Injury Aggregate \$10,000,000 Hangarkeepers Any One Occurrence \$10,000,000 Hangarkeepers Any One Aircraft \$10,000,000 Non-Owned Aircraft Liability Any One Occurrence	10/1/2020
7	Sexual Misconduct and Molestation Liability	Lloyds of London (Beazley Syndicates #2623/#623)	St. Francis Medical Center (Children's Counseling Center Agreement)	10/1/2019-10/1/2020	GLOPR1901815	\$2,000,000 Any One Victim and in the Aggregate	10/1/2020
8	D&O Liability, Employment Practices Liability, Fiduciary Liability, Crime <i>Primary Layer</i>	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020)	02-359-65-60	\$10,000,000 D&O Liability and EPL (Shared) \$10,000,000 Fiduciary Liability \$10,000,000 Crime \$20,000,000 Policy Aggregate	1/1/2020
9	D&O Liability and Employment Practices Liability <i>1st Excess Layer</i>	Endurance Risk Solutions Assurance Company	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020)	BLX10008286901	\$10,000,000 Excess of \$10,000,000	1/1/2020
10	D&O Liability Only <i>2nd Excess Layer</i>	Argonaut Insurance Company (ARGO Group)	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020)	MLX 7602088-01	\$10,000,000 Excess of \$20,000,000 (D&O Liability Only)	1/1/2020
11	Excess Side A D&O Liability	National Union Fire Insurance Company of Pittsburgh, PA	Verity Health System of California, Inc.	10/1/2018-10/1/2019 (Extended to 1/1/2020)	02-306-61-90	\$2,000,000 Excess of \$30,000,000	1/1/2020

#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)
12	Punitive Damages Wrap <i>Primary Layer</i>	American International Reinsurance Company, Ltd.	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020)	24542026	\$10,000,000 Each Occurrence \$10,000,000 Aggregate	1/1/2020
13	Punitive Damages Wrap <i>1st Excess Layer</i>	Magna Carta Insurance, Ltd.	Verity Health System of California, Inc.	10/1/2017-10/1/2018 (Extended to 10/1/2019) (Extended to 1/1/2020)	MCEN204155	\$10,000,000 Excess of \$10,000,000	1/1/2020
14	Storage Tank Liability	Tokio Marine Specialty Insurance Company (Philadelphia)	St. Francis Medical Center	12/05/2018-12/05/2019	STEP011394-01	\$1,000,000 Remediation Expense \$1,000,000 Bodily Injury and Property Damage Resulting from Contamination \$1,000,000 Defense Expense \$1,000,000 Defense Expense Aggregate \$2,000,000 Total Policy Aggregate	12/5/2019
15	Cyber/Network Liability	AXIS Insurance Company	Verity Health System of California, Inc.	2/4/2019-2/4/2020	P-001-000076217-01	\$2,000,000 per claim in excess of \$500,000	2/4/2020
16	General Liability	Chubb	St. Francis Medical Center (Lynwood Parking Agreement)	3/31/2019-3/31/2020	HPL G2181684A 012	\$1,000,000 Each Occurrence \$1,000,000 Personal Injury & Advertising Injury \$1,000,000 Products/Completed Operations Aggregate \$3,000,000 General Aggregate	3/31/2020
Physicians Professional Liability							
17	Professional Liability	NORCAL Mutual Insurance Company	The Contracted Physicians of O'Connor Hospital	1/1/2019-3/1/2019 (tail coverage obtained for claims reported after 3/1/19)	728814N	Per Scheduled Provider \$1,000,000 Each Claim; \$3,000,000 Aggregate	Perpetuity (tail coverage)
18	Professional Liability	NORCAL Mutual Insurance Company	The Contracted Physicians of St. Francis Medical Center	1/1/2019-1/1/2020	728812N	Per Scheduled Provider \$1,000,000 Each Claim; \$3,000,000 Aggregate \$2,000,000 Each Claim; \$4,000,000 Aggregate	1/1/2020
Captive							
19	Professional and General Liability	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	3/31/2019-3/31/2020	DOC PLGL-26000-019	Professional Liability \$5,000,000 Each Claim and No Aggregate General Liability \$2,000,000 Each Occurrence and No Aggregate	12/28/2019
20	Excess Professional and Umbrella Liability (See Reinsurance Below)	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	3/31/2019-3/31/2020	DOC PLGL-26000-019	Excess Professional Liability \$80,000,000 Each Occurrence \$80,000,000 Aggregate All Other Liability \$80,000,000 Each Claim \$80,000,000 Aggregate	3/31/2020
21	Workers Compensation Deductible Liability Protection	Marillac Insurance Company, Ltd.	Verity Health System of California, Inc.	7/1/2019-1/1/2020	DED.WC-07.01.19-20	Workers' Compensation \$500,000 Each Occurrence Employers Liability \$500,000 Each Occurrence	1/1/2020

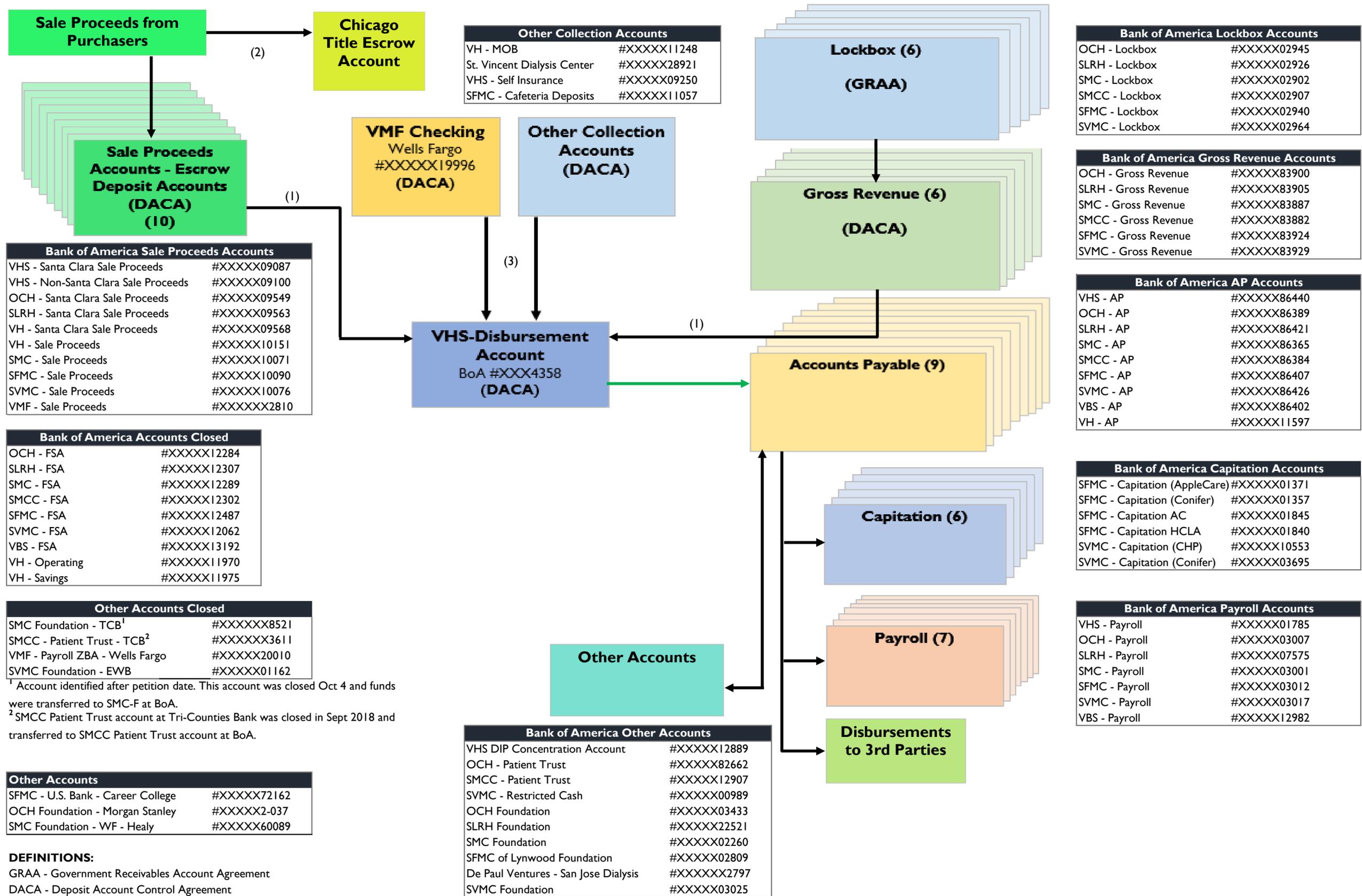
#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)
	Reinsurance						
22	Lead Excess Layer	ACE American Insurance Company (Chubb)	Verity Health System of California, Inc.	3/31/2019-3/31/2020	RBN G21816838 012	\$15,000,000 Each Professional Liability Loss Event \$15,000,000 Aggregate Professional Liability \$15,000,000 Aggregate General Liability of Ceding Company Limits	3/31/2020
23	2nd Excess Layer	Continental Casualty Company (CNA)	Verity Health System of California, Inc.	3/31/2019-3/31/2020	HMU 2097462209-11	\$10,000,000 Each Professional Liability Claim \$10,000,000 Aggregate Professional Liability \$10,000,000 Each General Liability Occurrence \$10,000,000 Aggregate General Liability Excess of Chubb Underlying Above	3/31/2020
24	3rd Excess Layer	Berkshire Hathaway Specialty Insurance Company	Verity Health System of California, Inc.	3/31/2019-3/31/2020	47-RHC-304968-02	\$10,000,000 Each Professional Liability Claim \$10,000,000 Aggregate Professional Liability \$10,000,000 Each General Liability Occurrence \$10,000,000 Aggregate General Liability Excess of Chubb and CNA Underlying Above	3/31/2020
25	4th Excess Layer	Zurich American Insurance Company	Verity Health System of California, Inc.	3/31/2019-3/31/2020	HPC 0239123-01	\$10,000,000 Each Professional Liability Claim \$10,000,000 Aggregate Professional Liability \$10,000,000 Each General Liability Occurrence \$10,000,000 Aggregate General Liability Excess of Chubb, CNA and Berkshire Underlying Above	3/31/2020
26	5th Excess Layer	The Doctors Company Group	Verity Health System of California, Inc.	3/31/2019-3/31/2020	FRX-00015-19-00	\$15,000,000 Each Professional Liability Claim \$15,000,000 Aggregate Professional Liability \$15,000,000 Aggregate General Liability Excess of Chubb, CNA, Berkshire and Zurich Underlying Above	3/31/2020
27	6th Excess Layer	The Medical Protective Company	Verity Health System of California, Inc.	3/31/2019-3/31/2020	XOL2019-018	\$20,000,000 Each Professional Liability Claim \$20,000,000 Aggregate Professional Liability \$20,000,000 Each General Liability Occurrence \$20,000,000 Aggregate General Liability Excess of Chubb, CNA, Berkshire, Zurich and TDC Underlying Above	3/31/2020
	Surety Bonds						
28	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	Seton Medical Center Coastside	12/1/2001-12/1/2019	83BSBBF7598	\$75,000 Bond Amount	12/1/2019
29	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	St. Francis Medical Center	12/1/2001-12/1/2019	83BSBBF7621	\$5,000 Bond Amount	12/1/2019
30	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	St. Vincent Medical Center	12/1/2001-12/1/2019	83BSBBF7625	\$2,000 Bond Amount	12/1/2019
31	CA DHS Patient Trust Bond	Hartford Fire Insurance Company	Seton Medical Center	12/1/2001-12/1/2019	83BSBBF7661	\$35,000 Bond Amount	12/1/2019

#	Insurance Coverage	Carrier	First Named Insured	Policy Period	Policy Number	Limits of Liability	Premium Paid Through (Date)	
Provider Capitation Stop Loss (Managed Care Excess Loss)								
32	Provider Capitation Stop Loss (Applicable to St. Vincent Medical Center and St. Francis Medical Center)	PartnerRe America Insurance Company	Verity Health System of California, Inc.	1/1/2019-1/1/2020	P0312544006	\$1,000,000 Maximum Benefit Per Covered Person 90% Payable in Excess of Specific Deductible if Complete Claim is Received by 2/1/20 50% Payable in Excess of Specific Deductible if Complete Claim is Not Received by 2/1/20 Transplant Services - 50% by a Non-Approved Transplant Network Provider	11/30/2019	(A)
Self-Insured Medical and Pharmacy Stop Loss								
33	Self-Insured Medical and Pharmacy Stop Loss	Reliastar Life Insurance Company (Voya)	Verity Health System of California, Inc.	1/1/19-12/31/19	70037-7	\$375,000 per Individual Coverage Period - Incurred in 12 months 1/1/19 - 12/31/19 and paid in 24 months 1/1/19 - 12/31/20	11/1/2019	(A)

(A) Premium is paid monthly.

Verity Health System - Debtors' Postpetition Cash Flowchart

Structure as of Oct 31, 2019



DEFINITIONS:

GRAA - Government Receivables Account Agreement
 DACA - Deposit Account Control Agreement

FOOTNOTES

- NOTE:** The Postpetition Cash Flowchart reflects the Debtors' cash management system at Oct 31, 2019.
- (1) Upon payoff of the Ally Revolving DIP Loan as described on the previous page, the 'VHS DIP Loan Proceeds Account' was renamed the 'VHS-Disbursement Account'. This account serves as the deposit account into which (i) all Permitted Withdrawals [defined as additional working capital provided to the Debtors from the Escrow Deposit Accounts in accordance with the Cash Collateral Budget], and (ii) all collections on pre and postpetition accounts receivables, including, but not limited, to patient receivables, governmental receivables and lease rents should be deposited, as stated in the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) Modifying Automatic Stay, and (D) Granting Related Relief [Docket No. 3022] (the "Supplemental Cash Collateral Order").
- (2) Per SCC APA § 1.2 and I.1.2, \$23.5 million of sale proceeds was escrowed with Chicago Title Insurance Company as escrow agent, subject to reductions related to post-closing obligations and damages as described in APA § 15.2.
- (3) All of the Other Collection accounts are swept automatically to the VHS-Disbursement account. The VMF Checking account at Wells Fargo is swept manually.

**Verity Health System
Debtor Bank Accounts
As of 10/31/19**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
1	Obligated Group	VHS - Santa Clara Sale Proceeds	Verity Health System of California, Inc.	Bank of America	XXXXXX9087	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
2	Obligated Group	VHS - Non-Santa Clara Sale Proceeds	Verity Health System of California, Inc.	Bank of America	XXXXXX9100	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
3	Obligated Group	VHS - AP	Verity Health System of California, Inc.	Bank of America	XXXXXX6440	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
4	Obligated Group	VHS - Self Insurance	Verity Health System of California, Inc.	Bank of America	XXXXXX9250	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
5	Obligated Group	VHS - Payroll	Verity Health System of California, Inc.	Bank of America	XXXXXX1785	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
6	Obligated Group	VHS - DIP Concentration Account (formerly named Construction Escrow)	Verity Health System of California, Inc.	Bank of America	XXXXXX2889	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
7	Obligated Group	VHS - DIP Loan Proceeds	Verity Health System of California, Inc.	Bank of America	XXXXXX4358	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
8	Obligated Group	OCH - Santa Clara Sale Proceeds	O'Connor Hospital	Bank of America	XXXXXX9549	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
9	Obligated Group	OCH - Lockbox	O'Connor Hospital	Bank of America	XXXXXX2945	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
10	Obligated Group	OCH - Gross Revenue	O'Connor Hospital	Bank of America	XXXXXX3900	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
11	Obligated Group	OCH - AP	O'Connor Hospital	Bank of America	XXXXXX6389	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
12	Obligated Group	OCH - Payroll	O'Connor Hospital	Bank of America	XXXXXX3007	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
13	Obligated Group	OCH - Patient Trust	O'Connor Hospital	Bank of America	XXXXXX2662	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
14	Obligated Group	SLRH - Santa Clara Sale Proceeds	St. Louise Regional Hospital	Bank of America	XXXXXX9563	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
15	Obligated Group	SLRH - Lockbox	St. Louise Regional Hospital	Bank of America	XXXXXX2926	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
16	Obligated Group	SLRH - Gross Revenue	St. Louise Regional Hospital	Bank of America	XXXXXX3905	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
17	Obligated Group	SLRH - AP	St. Louise Regional Hospital	Bank of America	XXXXXX6421	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
18	Obligated Group	SLRH - Payroll	St. Louise Regional Hospital	Bank of America	XXXXXX7575	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
19	Obligated Group	SFMC - Sale Proceeds	St. Francis Medical Center	Bank of America	XXXXXX0090	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
20	Obligated Group	SFMC - Lockbox	St. Francis Medical Center	Bank of America	XXXXXX2940	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	

**Verity Health System
Debtor Bank Accounts
As of 10/31/19**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers
21	Obligated Group	SFMC - Gross Revenue	St. Francis Medical Center	Bank of America	XXXXXX3924	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
22	Obligated Group	SFMC - AP	St. Francis Medical Center	Bank of America	XXXXXX6407	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
23	Obligated Group	SFMC - Payroll	St. Francis Medical Center	Bank of America	XXXXXX3012	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
24	Obligated Group	SFMC - Cafeteria Deposits	St. Francis Medical Center	Bank of America	XXXXXX1057	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
25	Obligated Group	SFMC - Capitation (AppleCare)	St. Francis Medical Center	Bank of America	XXXXXX1371	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Eleanor Ramirez, SFMC CEO
26	Obligated Group	SFMC - Capitation (Conifer)	St. Francis Medical Center	Bank of America	XXXXXX1357	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Eleanor Ramirez, SFMC CEO
27	Obligated Group	SFMC - Capitation AC	St. Francis Medical Center	Bank of America	XXXXXX1845	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Eleanor Ramirez, SFMC CEO
28	Obligated Group	SFMC - Capitation HCLA	St. Francis Medical Center	Bank of America	XXXXXX1840	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Eleanor Ramirez, SFMC CEO
29	Obligated Group	SFMC - Career College	St. Francis Medical Center	U S Bank	XXXXXX2162	Ty Conner, Treasurer
30	Obligated Group	SVMC - Sale Proceeds	St. Vincent Medical Center	Bank of America	XXXXXX0076	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer (C)
31	Obligated Group	SVMC - Lockbox	St. Vincent Medical Center	Bank of America	XXXXXX2964	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
32	Obligated Group	SVMC - Gross Revenue	St. Vincent Medical Center	Bank of America	XXXXXX3929	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
33	Obligated Group	SVMC - AP	St. Vincent Medical Center	Bank of America	XXXXXX6426	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
34	Obligated Group	SVMC - Payroll	St. Vincent Medical Center	Bank of America	XXXXXX3017	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
35	Obligated Group	SVMC - Capitation (CHP)	St. Vincent Medical Center	Bank of America	XXXXXX0553	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Margaret Pfeiffer, SVMC COO
36	Obligated Group	SVMC - Capitation (Conifer)	St. Vincent Medical Center	Bank of America	XXXXXX3695	Rich Adcock, CEO; Tony Armada, COO; Ty Conner, Treasurer; and Margaret Pfeiffer, SVMC COO
37	Obligated Group	SVMC - Restricted Cash	St. Vincent Medical Center	Bank of America	XXXXX00989	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer (B)
38	Obligated Group	SMC - Sale Proceeds	Seton Medical Center	Bank of America	XXXXXX0071	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer (C)
39	Obligated Group	SMC - Lockbox	Seton Medical Center	Bank of America	XXXXXX2902	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer
40	Obligated Group	SMC - Gross Revenue	Seton Medical Center	Bank of America	XXXXXX3887	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer

**Verity Health System
Debtor Bank Accounts
As of 10/31/19**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
41	Obligated Group	SMC - AP	Seton Medical Center	Bank of America	XXXXXX6365	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
42	Obligated Group	SMC - Payroll	Seton Medical Center	Bank of America	XXXXXX3001	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
43	Obligated Group	SMCC - Lockbox	Seton Medical Center	Bank of America	XXXXXX02907	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
44	Obligated Group	SMCC - Gross Revenue	Seton Medical Center	Bank of America	XXXXXX3882	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
45	Obligated Group	SMCC - AP	Seton Medical Center	Bank of America	XXXXXX6384	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
46	Obligated Group	SMCC - Patient Trust	Seton Medical Center	Bank of America	XXXXXX12907	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
47	Charitable Foundation	OCH Foundation	O'Connor Hospital Foundation	Bank of America	XXXXXX3433	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
48	Charitable Foundation	OCH Foundation - Investment	O'Connor Hospital Foundation	Morgan Stanley	XXXXX2-037	Ty Conner, Treasurer	(B)
49	Charitable Foundation	SLRH Foundation	St. Louise Regional Hospital Foundation	Bank of America	XXXXXX2521	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
50	Charitable Foundation	SFMC of Lynwood Foundation	St. Francis Medical Center Foundation	Bank of America	XXXXXX2809	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
51	Charitable Foundation	SVMC Foundation	St. Vincent Medical Center Foundation	Bank of America	XXXXXX3025	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
52	Non-Obligated Group	St. Vincent Dialysis Center	St. Vincent Dialysis Center	Bank of America	XXXXXX8921	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
53	Charitable Foundation	SMC Foundation	Seton Medical Center Foundation	Bank of America	XXXXXX2260	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
54	Charitable Foundation	SMC Foundation - SVCS	Healy, James T/U/A	Wells Fargo	XXXXXX60089	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(B)
55	Non-Obligated Group	VBS - AP	Verity Business Services	Bank of America	XXXXXX6402	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
56	Non-Obligated Group	VBS - Payroll	Verity Business Services	Bank of America	XXXXXX2982	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
57	Physician Foundation	VMF - Checking	Verity Medical Foundation	Wells Fargo	XXXXXX9996	Rich Adcock, CEO; Tony Armada, COO; Peter Chadwick, CFO; and Ty Conner, Treasurer	
58	Physician Foundation	VMF - Sale Proceeds	Verity Medical Foundation	Bank of America	XXXXXX2810	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
59	Non-Obligated Group	De Paul Ventures - San Jose Dialysis, LLC	De Paul Ventures - San Jose Dialysis, LLC	Bank of America	XXXXXX2797	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
60	Non-Obligated Group	VH - Santa Clara Sale Proceeds	Verity Holdings LLC	Bank of America	XXXXXX9568	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)

**Verity Health System
Debtor Bank Accounts
As of 10/31/19**

Number	Group	Bank Account Name	Company	Financial Institution	Account Number	Authorized Signers	
61	Non-Obligated Group	VH - Sale Proceeds	Verity Holdings LLC	Bank of America	XXXXXX0151	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	(C)
62	Non-Obligated Group	VH - AP	Verity Holdings LLC	Bank of America	XXXXXX1597	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
63	Non-Obligated Group	VH - MOB	Verity Holdings LLC	Bank of America	XXXXXX1248	Rich Adcock, CEO; Tony Armada, COO; and Ty Conner, Treasurer	
Bank Account Closed Since the Petition Date							
64	Obligated Group	SMCC - Patient Trust - TCB	Seton Medical Center	Tri Counties Bank	XXXXXX3611	Not applicable	
65	Obligated Group	OCH - FSA	O'Connor Hospital	Bank of America	XXXXXX2284	Not applicable	
66	Obligated Group	SLRH - FSA	St. Louise Regional Hospital	Bank of America	XXXXXX2307	Not applicable	
67	Obligated Group	SFMC - FSA	St. Francis Medical Center	Bank of America	XXXXXX2487	Not applicable	
68	Obligated Group	SVMC - FSA	St. Vincent Medical Center	Bank of America	XXXXXX2062	Not applicable	
69	Charitable Foundation	SVMC Foundation - EWB	St. Vincent Medical Center Foundation	EastWest Bank	XXXXXX1162	Not applicable	
70	Obligated Group	SMC - FSA	Seton Medical Center	Bank of America	XXXXXX2289	Not applicable	
71	Obligated Group	SMCC - FSA	Seton Medical Center	Bank of America	XXXXXX2302	Not applicable	
72	Non-Obligated Group	VBS - FSA	Verity Business Services	Bank of America	XXXXXX3192	Not applicable	
73	Non-Obligated Group	VH - Operating	Verity Holdings LLC	Bank of America	XXXXXX1970	Not applicable	
74	Non-Obligated Group	VH - Savings	Verity Holdings LLC	Bank of America	XXXXXX1975	Not applicable	
75	Physician Foundation	VMF - Payroll ZBA	Verity Medical Foundation	Wells Fargo	XXXXXX0010	Not applicable	

**Verity Health System
Debtor Bank Accounts
As of 10/31/19**

<u>Number</u>	<u>Group</u>	<u>Bank Account Name</u>	<u>Company</u>	<u>Financial Institution</u>	<u>Account Number</u>	<u>Authorized Signers</u>
Bank Account Identified After the Petition Date (Closed 10/4/18)						
76		SMC Foundation - TCB	Seton Medical Center Foundation	Tri Counties Bank	XXXXXX8521	Not applicable

(A) Authorized signors are to be updated to current signors on the other Debtor accounts.

(B) This bank account contains certain funds that are donor restricted or restricted per an asset purchase agreement, and therefore, are not available for the Debtor's general operating activities. Please refer to the attached Restricted Funds schedule for additional restricted funds recorded by the Debtors that are not included in this schedule of Debtor Bank Accounts as they are not part of the cash management program.

(C) The Final DIP Order provided that the Sale Proceeds, including any deposits, shall be held in escrow in one or more deposit accounts subject to a deposit account control agreement in favor of the DIP Agent (the "Escrow Deposit Account"). On September 6, 2019, the Court entered the Final Order (A) Authorizing Continued use of Cash Collateral, (B) Granting Adequate Protection, (C) *Modifying Automatic Stay*, and (D) *Granting Related Relief* [Docket No. 3022] (the "Supplemental Cash Collateral Order"). The Supplemental Cash Collateral Order authorized the Debtors to (i) use escrowed cash collateral from the OCH – Santa Clara Sale Proceeds bank account to pay all amounts due and payable in respect of the DIP Obligations (the "Payoff Amount"), and, (ii) use cash collateral, including cash collateral held in Santa Clara Sales Proceeds and the VMF Sale Proceeds accounts as specified in the cash collateral budget. In September 2019, the Debtors paid the Payoff Amount.

Verity Health System, Inc.
Restricted Funds Schedule
At September 30, 2019 and October 31, 2019
\$ in 000's

No.	Debtor Name	Institution Name	Type of Account	Last 4 of A/C	9/30/2019 Balance	10/31/2019 Balance	Description of Restrictions
1R	Verity Health System of California	Wells Fargo	Checking (Restricted Funds)	0300	\$ 2,000	\$ 2,000	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements
2R	Verity Health System of California	Wells Fargo	Checking (Restricted Funds)	8703	21,215	21,248	Debt Reserve Account - funds held in trust under bond indenture; only trustee can authorize disbursements
3R	Verity Health System of California	Wells Fargo	Checking (Restricted Funds)	8803	802	803	Debt Reserve Account - funds held in trust under bond indenture; only trustee can authorize disbursements
4R	Verity Health System of California	Wells Fargo	Checking (Restricted Funds)	8903	884	885	Debt Reserve Account - funds held in trust under bond indenture; only trustee can authorize disbursements
6R	St. Vincent Foundation	Green Oak Consulting Group	Endowment Fund (Restricted Funds)	a541a	2,511	2,519	Donor restricted funds controlled by third party; Debtor does not control disbursements from this account
7R	St. Vincent Medical Center	Northern Trust	Endowment Fund (Restricted Funds)	4098	1,859	1,887	Donor restricted funds controlled by third party; Debtor does not control disbursements from this account
8R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7000	5	5	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements
9R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7001	-	-	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements
10R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7002	1	1	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
11R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7003	16,933	16,955	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
12R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7004	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
13R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7005	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
14R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7006	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
15R	Seton Medical Center	Wilmington Trust	Checking - Restricted	7007	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
16R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1000	2	2	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
17R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1001	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
18R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1002	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.

Verity Health System, Inc.
Restricted Funds Schedule
At September 30, 2019 and October 31, 2019
 \$ in 000's

No.	Debtor Name	Institution Name	Type of Account	Last 4 of A/C	9/30/2019 Balance	10/31/2019 Balance	Description of Restrictions
19R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1003	17,812	17,836	Escrow Account - funds held in trust under bond indenture; only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
20R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1004	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
21R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1005	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
22R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1006	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.
23R	Seton Medical Center	Wilmington Trust	Checking - Restricted	1007	-	-	Escrow Account - only trustee can authorize disbursements to pay for seismic-related expenditures for Seton Medical Center.

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6
7 Attorneys for the Chapter 11 Debtors and
Debtors In Possession



8 UNITED STATES BANKRUPTCY COURT
9 CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION

10 In re
11 VERITY HEALTH SYSTEM OF
CALIFORNIA, INC., et al.,
12 Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered with:
Case No. 2:18-bk-20162-ER
Case No. 2:18-bk-20163-ER
Case No. 2:18-bk-20164-ER
Case No. 2:18-bk-20165-ER
Case No. 2:18-bk-20167-ER
Case No. 2:18-bk-20168-ER
Case No. 2:18-bk-20169-ER
Case No. 2:18-bk-20171-ER
Case No. 2:18-bk-20172-ER
Case No. 2:18-bk-20173-ER
Case No. 2:18-bk-20175-ER
Case No. 2:18-bk-20176-ER
Case No. 2:18-bk-20178-ER
Case No. 2:18-bk-20179-ER
Case No. 2:18-bk-20180-ER
Case No. 2:18-bk-20181-ER

- 13 Affects All Debtors
- 14 Affects Verity Health System of
California, Inc.
- 15 Affects O'Connor Hospital
- 16 Affects Saint Louise Regional Hospital
- 17 Affects St. Francis Medical Center
- 18 Affects St. Vincent Medical Center
- 19 Affects Seton Medical Center
- 20 Affects O'Connor Hospital Foundation
- 21 Affects Saint Louise Regional Hospital
Foundation
- 22 Affects St. Francis Medical Center of
Lynwood Foundation
- 23 Affects St. Vincent Foundation
- 24 Affects St. Vincent Dialysis Center, Inc.
- 25 Affects Seton Medical Center
Foundation
- 26 Affects Verity Business Services
- 27 Affects Verity Medical Foundation
- 28 Affects Verity Holdings, LLC
- Affects DePaul Ventures, LLC
- Affects DePaul Ventures - San Jose
Dialysis, LLC

Chapter 11 Cases
Hon. Ernest M. Robles

**ORDER ON STIPULATION BETWEEN
DEBTORS VERITY HEALTH SYSTEM OF
CALIFORNIA, INC., ST. FRANCIS MEDICAL
CENTER AND IVONNE ENGELMAN
GRANTING MOTION FOR RELIEF FROM THE
AUTOMATIC STAY [DOCKET NO. 2558]**

Hearing:

DATE: October 23, 2019
TIME: 10:00 a.m.
PLACE: Roybal Federal Building
255 East Temple Street, Courtroom
1568
Los Angeles, California 90012-3300

The Motion For Relief From The Automatic Stay [Docket No. 2558] (the "Motion"), filed on behalf of Ivonne Engelman ("Engelman") scheduled for hearing at 10:00 a.m. on Wednesday,

DENTONS US LLP
601 SOUTH FIGUEROA STREET, SUITE 2500
LOS ANGELES, CALIFORNIA 90017-5704
(213) 623-9300

1 October 23, 2019, in courtroom 1568, Roybal Federal Building, 255 East Temple Street, Los
2 Angeles, California 90012. Verity Health System of California, Inc. (“VHS”), St. Francis Medical
3 Center (“St. Francis”) and Engelman rested on the Court’s Tentative Ruling issued October 22,
4 2019, approving the *Stipulation Between Debtors Verity Health System Of California, Inc., St.*
5 *Francis Medical Center And Ivonne Engelman Granting Motion For Relief From The Automatic*
6 *Stay* [Docket No. 3308] (the “Stipulation”), and the hearing was vacated.

7 Upon consideration of the Motion and the Stipulation; it appearing that proper notice of the
8 Motion and Stipulation had been provided; and for the reasons set forth in the court’s tentative
9 ruling on the Motion, which the court adopts as its final ruling, in which is incorporated here and
10 by reference; and good and sufficient cause having been shown,

11 IT IS HEREBY ORDERED that:

- 12 1. The Motion is granted.
- 13 2. Pursuant to the terms of the Stipulation, Engelman has relief from the stay on the
14 basis that:
 - 15 (a) Engelman will seek recovery only from applicable insurance as to VHS and
16 St. Francis;
 - 17 (b) Engelman waives any deficiency or other claims against the Debtors or
18 property of the Debtors’ bankruptcy estates;
 - 19 (c) Engelman will first seek to collect from the Debtors’ insurance on any
20 judgment or award before seeking to collect from any of the individual defendants personally; and,
 - 21 (d) The parties shall proceed to and participate in a mediation to try and resolve
22 Engelman’s Complaint (as that term is defined in the Stipulation) before proceeding with litigation
23 in the Superior Court.

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DENTONS US LLP
601 SOUTH FIGUEROA STREET, SUITE 2500
LOS ANGELES, CALIFORNIA 90017-5704
(213) 623-9300

Date: October 25, 2019



Ernest M. Robles
United States Bankruptcy Judge

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 6 Attorneys for the Chapter 11 Debtors and
 7 Debtors In Possession



8 **UNITED STATES BANKRUPTCY COURT**
CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION

9 In re
 10 VERITY HEALTH SYSTEM OF
 CALIFORNIA, INC., *et al.*,
 11 Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered with:
 Case No. 2:18-bk-20162-ER
 Case No. 2:18-bk-20163-ER
 Case No. 2:18-bk-20164-ER
 Case No. 2:18-bk-20165-ER
 Case No. 2:18-bk-20167-ER
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 Case No. 2:18-bk-20172-ER
 Case No. 2:18-bk-20173-ER
 Case No. 2:18-bk-20175-ER
 Case No. 2:18-bk-20176-ER
 Case No. 2:18-bk-20178-ER
 Case No. 2:18-bk-20179-ER
 Case No. 2:18-bk-20180-ER
 Case No. 2:18-bk-20181-ER

- 12 Affects All Debtors
- 13 Affects Verity Health System of
California, Inc.
- 14 Affects O'Connor Hospital
- 15 Affects Saint Louise Regional Hospital
- 16 Affects St. Francis Medical Center
- 17 Affects St. Vincent Medical Center
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- 23 Affects St. Vincent Dialysis Center, Inc.
- 24 Affects Seton Medical Center
Foundation
- 25 Affects Verity Business Services
- 26 Affects Verity Medical Foundation
- 27 Affects Verity Holdings, LLC
- 28 Affects DePaul Ventures, LLC
- Affects DePaul Ventures - San Jose
Dialysis, LLC

Chapter 11 Cases
 Hon. Ernest M. Robles

**ORDER ON STIPULATION BETWEEN
 DEBTORS VERITY HEALTH SYSTEM OF
 CALIFORNIA, INC., ST. FRANCIS MEDICAL
 CENTER AND ROSA CARCAMO GRANTING
 MOTION FOR RELIEF FROM THE
 AUTOMATIC STAY [DOCKET NO. 2557]**

Hearing:

DATE: October 23, 2019
 TIME: 10:00 a.m.
 PLACE: Roybal Federal Building
 255 East Temple Street, Courtroom 1568
 Los Angeles, California 90012-3300

26 The *Motion For Relief From The Automatic Stay* (the "Motion"), [Docket No. 2557], filed
 27 on behalf of Rosa Carcamo ("Carcamo"), was scheduled for hearing at 10:00 a.m. on Wednesday,
 28 October 23, 2019, in courtroom 1568, Roybal Federal Building, 255 East Temple Street, Los

DENTONS US LLP
 601 SOUTH FIGUEROA STREET, SUITE 2500
 LOS ANGELES, CALIFORNIA 90017-5704
 (213) 623-9300

1 Angeles, California 90012. Verity Health System of California, Inc. (“VHS”), St. Francis Medical
2 Center (“St. Francis”) and Engelman rested on the Court’s Tentative Ruling issued October 22,
3 2019, approving the *Stipulation Between Debtors Verity Health System of California, Inc., St.*
4 *Francis Medical Center And Rosa Carcamo Granting Motion For Relief From The Automatic Stay*
5 [Docket No. 3307] (the “Stipulation”), and the hearing was vacated.

6 Upon consideration of the Motion and the Stipulation; it appearing that proper notice of the
7 Motion and the Stipulation had been provided; and for the reasons set forth in the Court’s Tentative
8 Ruling on the Motion, which the Court adopts as its final ruling, and which is incorporated herein
9 by reference; and good and sufficient cause having been shown,

10 IT IS HEREBY ORDERED that:

- 11 1. The Motion is granted.
- 12 2. Pursuant to the terms of the Stipulation, Carcamo shall have relief from stay on the

13 basis that:

14 a. Carcamo will seek recovery only from applicable insurance as to VHS and
15 St. Francis;

16 b. Carcamo waives any deficiency or other claims against the Debtors or
17 property of the Debtors’ bankruptcy estates;

18 c. Carcamo will first seek to collect from the Debtors’ insurance on any
19 judgment or award before seeking to collect from any of the individual defendants personally;

20 d. The parties shall proceed to and participate in a mediation to try and resolve
21 Carcamo’s Complaint and Grievances (as those terms are defined in the Stipulation) before
22 proceeding with litigation in the Superior Court (the “LASC Case”) or Grievances; and,

23 e. Carcamo, VHS and/or St. Francis reserve all rights and defenses if the
24 mediation is not successful, including VHS and St. Francis reserving the right to file a motion to
25 stay the litigation in the LASC CASE, pending resolution of the Grievances in arbitration, or to file
26 a motion to stay the Grievances pending resolution of the LASC CASE.

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DENTONS US LLP
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LOS ANGELES, CALIFORNIA 90017-5704
(213) 623-9300

Date: October 25, 2019



Ernest M. Robles
United States Bankruptcy Judge