Horton Hospital owners file for bankruptcy

(KAIR)--The current ownership of the Horton Community Hospital, listed in court documents as CAH Acquisition Company #3, LLC, filed for bankruptcy Thursday.

According to online court documents, a Chapter 11 Voluntary Petition was filed Thursday in North Carolina Eastern Bankruptcy Court.

A meeting of creditors is scheduled for April 17 in Raleigh, North Carolina.

The filing came two days after the Horton Community Hospital ceased operations following a long stretch of financial woes, including the inability to pay employees.

The Topeka Capital Journal <u>reports</u> the Kansas Department of Labor is reviewing claims whether wages are owed to former Horton hospital employees. According to the report, if the employer refuses, court action will follow.

Employees had not been paid since early February. It was in early February that management of the facility was turned over to Miami, Florida-based iHealthcare.

The court documents indicate the debtor, doing business as Horton Community Hospital, lists a Saint Louis, Missouri, PO Box as its address.

Assets are listed from \$0 to \$50,000.

The hospital had been owned by Kansas City firm EmpowerHMS.

According to a <u>report</u> from the Kansas City Star, EmpowerHMS head Jorge Perez is accused of using the hospitals he owned as a way to funnel lab bills in order to profit from the increased reimbursements that rural hospital labs gain to help keep them open.

According a report this week from the Pittsburg Sun, the Kansas Attorney General's Office has launched an investigation focused on the former Horton Hospital, but specifics were not stated.

Meanwhile, Horton Mayor Bryan Stirton told MSC News Thursday he and City Administrator John Calhoon are currently in the process of visiting with different entities to explore options to evaluate possible ways to regain some of the services the community lost with the closing of the hospital.

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