

On August 3, 2023, the Williamston Hospital Corporation (“WHC”) filed a Chapter 7 bankruptcy case in the United States Bankruptcy Court for the District of Delaware.

WHC is a North Carolina company that operated the hospital under the name Martin General Hospital, along with other names such as Northeastern Primary Care Group, University Family Medicine Center, Roanoke Women’s Healthcare, Martin General Health Systems, and Roanoke Clinics, a Part of Martin General Hospital.

1. What is a Chapter 7 filing?

Businesses generally file for Chapter 7 when there is little or no possibility of achieving a court approved reorganization under Chapter 11. In a Chapter 7, a court appointed bankruptcy trustee determines whether there are assets available for sale or liquidation, gathers those assets and uses the proceeds to pay creditors. The Chapter 7 trustee, in this proceeding, is Don A. Beskrone of the Delaware law firm, Ashby & Geddes.

2. Why did WHC file in Delaware and not in North Carolina?

The parent company of WHC is a company called Quorum Health Corporation. In 2020, Quorum Health Corporation filed a Chapter 11 bankruptcy case in the United States Bankruptcy Court for the District of Delaware. That Chapter 11 case remains open in Delaware and as a subsidiary company, WHC, was filed in the same court.

3. How should claimants proceed?

If you believe you hold a claim against WHC, then a proof of claim must be filed with the Bankruptcy Court. Information on how to file a proof of claim can be found on the website for the Bankruptcy Court, a link is below:

[Claims Information | District of Delaware | United States Bankruptcy Court \(uscourts.gov\)](https://www.uscourts.gov/claims-information/district-of-delaware)

Questions regarding proofs of claim, deadlines, or other items should be directed to the Chapter 7 Trustee or you should consult an attorney.

4. Will more information regarding this proceeding become available?

Yes, and the County and its attorneys are monitoring the case for any updates or changes in information. In a Chapter 7 case, the debtor (WHC), creditors, and other interested parties must provide and regularly update information to the Bankruptcy Court.

5. What if I receive something in the mail related to the Chapter 7 case?

Should you receive something in the mail related to the Chapter 7 case or have other questions about the case, you should consult an attorney who can provide legal advice and counsel.