Porzio, Bromberg & Newman Selected as Counsel to Official Committee of Unsecured Creditors in Grupo Hima San Pablo, Inc. Chapter 11 Bankruptcy

September 28, 2023

By: Robert Schechter, Rachel Parisi

MORRISTOWN, NJ—September 28, 2023—Porzio, Bromberg & Newman announced that it has been selected by the Official Committee of Unsecured Creditors of Grupo Hima San Pablo, Inc., et al. to represent the Creditors' Committee in one of the most significant bankruptcy cases filed in Puerto Rico's history. The bankruptcy case was filed by Grupo Hima San Pablo, Inc. and nine affiliated companies, Puerto Rico's second-largest hospital system, in the District of Puerto Rico on August 15, 2023 (Case No: 3:23-bk-02510).

The hospital system filed for Chapter 11 bankruptcy protection after it was unable to renegotiate its debts, which have surpassed $400 million. Catering to patients in Puerto Rico and throughout the Caribbean, the group's hospitals offer services including cardiology, pediatrics, oncology, rehabilitation, emergency care, and other medical services. The hospital system states that it offers advanced technology, modern care protocols, and affordability, but, according to news reports, attributes its need for bankruptcy protection to a combination of disparate statutory treatment for Medicare and Medicaid programs and payments to Puerto Rico, the effects of the 2017 hurricanes, the COVID-19 pandemic, and the loss of revenues caused by the closing of health insurers and lawsuits.

“We're going to ensure that the Creditors' Committee and the voices of unsecured creditors that have been an important part of this hospital system are heard throughout the process and will aggressively represent those interests in engaging with the Debtors and other significant parties in the case,” said Porzio, Bromberg & Newman partner Robert Schechter, counsel to the Creditors' Committee. “This will be a delicate balancing act of getting both the private and public interests aligned to do what is right for the healthcare system in Puerto Rico and to establish the best possible outcome for everyone. As with any bankruptcy proceedings, financial outcomes are key, but in a healthcare case such as this one, the wellbeing of patients must be front and center too.”

Porzio's Bankruptcy and Financial Restructuring Group is known for handling both debtor and creditor committee cases and offers a tailored approach to the needs of each situation. Whether seeking quick settlements or engaging in drawn-out litigation, flexibility and diversity define the group's success. Its experience in a broad range of bankruptcy roles enables it to stand strong against the varied issues that arise in a large Chapter 11 case, and it is supported by the firm's broad capabilities, industry experience, and collaboration.

About Porzio, Bromberg & Newman, P.C.

Founded in 1962, Porzio, Bromberg & Newman, P.C. is a full-service law firm with offices in Morristown, NJ; Trenton, NJ; Ocean City, NJ; New York, NY; Westborough, MA; Wilmington, DE; Philadelphia, PA; and San Juan, Puerto Rico. The firm is committed to serving clients, providing high-quality work, and achieving results through legal strategy, advocacy, technology, and consulting services offered through the law firm and its two wholly owned subsidiary companies. The firm provides legal services in corporate, employment, litigation, bankruptcy and restructuring, intellectual property and trademark, real estate, and other areas to businesses of all sizes ranging from start-up companies to Fortune 500 corporations, including public and private organizations.

No aspect of this advertisement has been approved by the Supreme Court of New Jersey. Prior results do not guarantee a similar outcome.