

Owner of Weiss, West Suburban hospitals files for bankruptcy amid sale

 • 20 hours ago  2 minutes read



The owner of Weiss and West Suburban hospitals has filed for chapter 11 bankruptcy — a move that comes amid efforts to sell the facilities.

Pipeline Health System, a for-profit health system based in California, filed for bankruptcy relief Sunday in U.S. Bankruptcy Court for the Southern District of Texas. It has owned Weiss in Uptown and West Suburban in Oak Park since 2019.

Related Articles



[Why the Sports Betting Industry Has Grown Some Much in Recent Years](#)

 July 9, 2022

[Best Trusted Online Casino Canada 2022](#)

 August 10, 2022

Pipeline said in a news release that it plans to “continue to operate under the normal course of business during the Chapter 11 proceedings,” keeping its hospitals open. Pipeline said it will continue to pay salaries. Weiss has 650 employees and West Suburban has 867 employees, according to Pipeline.

“We intend for the restructuring process to allow our hospitals to remain open and operating in their communities, while putting the hospital system in a more secure and sustainable financial position going forward,” said Pipeline CEO Andrei Soran, in the news release.

He said patients do not need to reschedule appointments.

The bankruptcy is a result of challenges including rising labor and supply costs, lower revenues and delayed payments from some insurance plans, Pipeline said.

The news comes just months after the state Health Facilities and Services Review Board approved Pipeline’s plans to sell Weiss and West Suburban for \$92 million to Resilience Healthcare, a newly created, for-profit company led by Manoj Prasad, who has said he’s spent much of his career helping to turn around health care facilities.

Pipeline said in a news release it plans to continue “to pursue all available options to complete the planned sale” of the hospitals to Resilience.

“If the buyer is unable to close the sale, Pipeline plans to undertake a marketing process to identify other potential buyers,” Pipeline said.

A spokeswoman for Pipeline declined to comment on a possible timeline for closing the sale, or “factors leading to the delay.”

Mark Silberman, an attorney with law firm Benesch representing Resilience, said “we remain hopeful and optimistic we’ll be able to position ourselves to provide care to the community.”

Pipeline has a fraught history with its Chicago area hospitals.

In 2019, Pipeline angered community members and leaders, shortly after it bought the two hospitals and Westlake Hospital in Melrose Park. Pipeline initially **said it would turn around** the three facilities, but **instead said it would close Westlake** just weeks after taking ownership, sparking fears that it had similar plans for Weiss and West Suburban.

Those worries were **stoked recently** when Pipeline agreed to sell a Weiss parking lot to a developer hoping to build apartments on the site.

Pipeline also owns four hospitals in the Los Angeles area and a hospital in Dallas, Texas.

More to come.

Most Related Links :

[reporterwings](#) [Governmental News](#) [Finance News](#)

Source link

