UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

ESTATE OF DEREK VALENTINE, et al., Plaintiffs, v. COUNTY OF Merced, et al., Defendants.	Case No. 1:23-cv-01697-JLT-SAB ORDER STAYING PROCEEDINGS IN THIS MATTER AGAINST DEFENDANT CALIFORNIA FORENSIC MEDICAL GROUP DBA WELLPATH PURSUANT TO 11 U.S.C. § 362 (ECF No. 55)

Plaintiffs filed this action on December 8, 2023. (ECF No. 1) The operative first amended complaint asserts claims against Defendants: (1) County of Merced; (2) Merced County Sheriff's Office; (3) Vernon Warnke; (4) Joel Pena; (5) Emanuel Gutierrez; (6) Bianca Guzman; (7) Diane Rentfrow; (8) George Sziraki; (9) California Forensic Medical Group, doing business as Wellpath ("Wellpath"); (10) Christopher Gaughell; and (11) Alexandrea Reyes. The initial scheduling conference is currently set for March 18, 2025. (ECF No. 53.)

On November 19, 2024, Defendant Wellpath filed a notice of bankruptcy and notice of stay indicating that on November 11, 2024, Wellpath filed for bankruptcy in the United States Bankruptcy Court for the Southern District of Texas (Houston Division) for relief under chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code"). (ECF No. 55.) The bankruptcy case is pending under case number 24-90533-(ARP).

Pursuant to Section 362 of the Bankruptcy Code, all actions against a defendant who has

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filed a bankruptcy petition are automatically stayed once the petition is filed. 11 U.S.C. § 362(a) (staying "the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title."); see also Sternberg v. Johnston, 595 F.3d 937, 943 (9th Cir. 2010). Accordingly, all proceedings in this matter against Defendant Wellpath shall be stayed pursuant to Section 362(a) of Title 11, United States Code.

Accordingly, IT IS HEREBY ORDERED that:

1. All proceedings in this matter against Defendant California Forensic Medical Group, doing business as Wellpath are STAYED pursuant to Section 362(a) of Title 11, United States Code; and
2. Plaintiffs shall provide notice to the Court within **thirty (30) days** of the conclusion of the bankruptcy action.

IT IS SO ORDERED.

Dated: **November 20, 2024**

STANLEY A. BOONE
United States Magistrate Judge