

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION (DETROIT)

In re:

Chapter 11

Oakland Physicians Medical Center, L.L.C.,

Case Number 24-51134

Debtor.

Hon. Mark A. Randon

SUPPLEMENTAL OPINION AND ORDER
DENYING APPLICATION FOR ADMINISTRATIVE EXPENSES
AND SETTING STATUS CONFERENCE

Two matters are before the Court: (1) Debtor's objection to AFSCME Michigan Local 100's claim numbers 7-15; and (2) AFSCME Michigan Local 100's motion for administrative expenses. The Court heard argument on April 6, 2026. For the reasons stated on the record, as supplemented herein, the motion for administrative expenses is **DENIED**; the Court sets an IN PERSON status conference regarding Debtor's remaining objections to claims for *April 20, 2026, at 11:00 a.m.*

Administrative expense claims receive the second-highest priority in distribution. "An entity may timely file a request for payment of an administrative expense, or may tardily file such request if permitted by the court for cause." 11 U.S.C. § 503(a). The Federal Rules of Bankruptcy Procedure do not prescribe time limits for the filing of requests for administrative expenses. *See Hall Fin. Grp, Inc. v. DP Partners, Ltd. P'ship (In re DP Partners Ltd. P'ship)*, 106 F.3d 667, 671-72 (5th Cir. 1997) (noting that section 503(a) is intentionally vague and broad). Instead, bankruptcy courts are generally vested with the authority to establish the time by which a request for an administrative expense must be made. *Id.* at 672 (recognizing bankruptcy

judges have discretion to set bar dates for administrative expenses). Debtor did not ask the Court to set a bar date for administrative expense requests; none was set.

AFSCME timely filed nine proof of claims on Official Form 410—incorrectly categorizing seven of them as second priority *allowed* administrative expenses under 11 U.S.C. § 507(a)(2).¹ Because those claims arose post-petition and pre-confirmation, the Court may have deemed them allowed administrative expenses under 11 U.S.C. § 503(b)(1), had they been properly requested. However, the following caution is included in bold print at the top of Form 410: **“Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.”** (Emphasis in original). Creditors cannot ignore these instructions. *See In re Taco Bueno Rests., Inc.*, 606 B.R. 289, 301 (Bankr. N.D. Tex. 2019). Instead:

[t]he way for a creditor to make a request on an administrative claim is to file an application requesting allowance and payment of an administrative-expense claim in the court’s docket. But a creditor filing a proof of claim containing an administrative expense in the court’s claims register is not and cannot constitute a request for allowance and payment on an administrative claim. Filing a proof of claim containing an administrative expense request is simply insufficient for a creditor to satisfy its obligation under § 503(a) to timely file and serve a request for payment of an administrative claim[.]

Id. at 298; *see also NL Indus., Inc. v. GHR Energy Corp.*, 940 F.2d 957 (5th Cir. 1991)

(administrative expenses should be requested under section 503(a) rather than filing a proof of claim under section 501).

¹AFSCME’s administrative expense requests were not and have never been “allowed” under section 503(b).

This is not a meaningless procedural requirement. To be allowed, administrative expense requests require a “notice and a hearing” under 11 U.S.C. § 503(b), and the only way to satisfy this requirement is through a motion properly served on all creditors. *See Charitable DAF Fund, L.P. v. Highland Capital Mgmt., L.P. (In re Highland Capital Mgmt. L.P.)*, No. 19-34054-SGJ-11, 2022 WL 5219626, at *10 (finding that a request for administrative expense claims must be made through a motion). Through this mechanism, creditors are afforded an opportunity to fully assess the requests in determining how to vote on the Chapter 11 plan. The Court also fully adopts the reasoning of *In re Taco Bueno Restaurants* as to why a proof of claim cannot satisfy the requirement of a motion for administrative expenses. *In re Taco Bueno Rests.*, 606 B.R. at 301-303. Therefore, AFSCME’s request for administrative expenses through the claims procedure was improper.

AFSCME attempted to correct its mistake by filing a motion for administrative expenses. Even though no bar date for administrative expenses was set, the Court finds that a motion filed four days *after* the Chapter 11 plan was confirmed is untimely. *See* 11 U.S.C. § 1141(d) (“the confirmation of a plan[] discharges the debtor from any debt that arose before the date of such confirmation[.]”). AFSCME did not object to confirmation. As such, and for the reasons stated on the record, there is no evidence supporting cause to allow a late-filed administrative expense under 11 U.S.C. § 503(a) or to find excusable neglect. Nor, as the Court explained during the hearing, can the untimely request for administrative expenses relate back, or serve as an amendment, to the proof of claims: the two being separate statutory provisions with different procedural requirements.

Nevertheless, because AFSCME's proof of claims were timely, the Court finds a status conference is necessary to determine if these non-administrative expenses may be treated as pre-petition general unsecured claims; to address Debtor's remaining objections to claims 9 and 14; and to set a briefing schedule and evidentiary hearing dates, if necessary. The parties must meet and confer about these matters before the status conference.

IT IS ORDERED.

Signed on April 9, 2026



/s/ Mark A. Randon

Mark A. Randon
United States Bankruptcy Judge