



## Finding the Exit: Navigating Administratively Insolvent Ch. 11 Cases

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November 5, 2025

Kelley Drye Special Counsel [Scott Cargill](#) co-authored the article, “Finding the Exit: Navigating Administratively Insolvent Ch. 11 Cases,” which was published in the *American Bankruptcy Institute Journal*.

The article examines the growing trend of debtors filing Chapter 11 cases without sufficient funds to pay administrative claims. The piece explores how recent bankruptcy court decisions—including *Steward Health Care*, *Party City*, and *Rite Aid*—are testing the limits of what constitutes creditor “consent” to reduced recoveries under §1129(a)(9)(A) of the Bankruptcy Code. Scott and co-author Bruce Nathan discuss how these rulings are reshaping expectations for administrative claimants and influencing strategies in today’s increasingly cash-strapped Chapter 11 landscape.

Read the full article [here](#).