

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
INDIANA, NEW ALBANY DIVISION

SouthernCare, Inc. v. Bristol Hospice - Indiana, LLC d/b/a Bristol
Hospice - New Albany, Madison Hollabaugh

SouthernCare · No. 4:25-cv-00150-TWP-KMB · Decided December 22, 2025

SUMMARY

The United States District Court for the Southern District of Indiana grants SouthernCare, Inc.'s renewed motion for a preliminary injunction against former employee Madison Hollabaugh and her new employer, Bristol Hospice–Indiana, LLC. The order addresses alleged violations of Hollabaugh's confidentiality, noncompetition, customer nonsolicitation, and employee nonsolicitation covenants. The court's findings focus on Hollabaugh's transition to Bristol, communications with SouthernCare employees and referral sources, and related hiring and business-development activities.

CASE DETAILS

COURT	United States District Court for the Southern District of Indiana, New Albany Division
WRITING FOR THE COURT	Tanya Walton Pratt
JURISDICTION	United States District Court for the Southern District of Indiana, New Albany Division
DECIDED	December 22, 2025
DOCKET	4:25-cv-00150-TWP-KMB
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff sought a renewed preliminary injunction against its former employee and her new employer for alleged breaches of restrictive covenants and misuse of confidential information. The court had previously denied a temporary restraining order and denied the initial preliminary-injunction request without prejudice; it granted the renewed motion after a subsequent evidentiary record and hearing.
STANDARD OF REVIEW	Preliminary-injunction standard requiring likelihood of success on the merits, no adequate remedy at law, likely irreparable harm, a favorable balance of harms, and consistency with the public interest. The first two factors are threshold requirements; the balance of harms is evaluated on a sliding scale against the movant's likelihood of success.

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QUESTIONS PRESENTED

1. Whether SouthernCare established a sufficient likelihood of success on its claims that Hollabaugh breached the customer-nonsolicitation provision.
2. Whether SouthernCare established a sufficient likelihood of success on its claims that Hollabaugh breached the employee-nonsolicitation provision.
3. Whether SouthernCare established a sufficient likelihood of success on its claim that Hollabaugh breached the noncompetition provision.
4. Whether SouthernCare demonstrated likely irreparable harm and no adequate remedy at law.
5. Whether the balance of harms and public interest supported preliminary injunctive relief.
6. What scope and duration of preliminary injunction were appropriate.

HOLDINGS

1. SouthernCare showed a strong likelihood of success because Hollabaugh's communications with former SouthernCare referral sources went beyond announcing her departure and attempted to induce those sources to refer patients and business opportunities to Bristol, thereby interfering with their relationships with SouthernCare.
2. SouthernCare showed a strong likelihood of success because Hollabaugh solicited SouthernCare employees to consider leaving SouthernCare for Bristol, and the covenant covered informal or unsuccessful solicitations as well as formal hiring activity.
3. At the preliminary-injunction stage, the noncompetition provision was enforceable to the extent it prohibited Hollabaugh from performing work for hire that was the same or similar to the work she performed for SouthernCare, and SouthernCare showed a strong likelihood that she breached that restriction by procuring contracts and marketing or promoting Bristol's services.
4. SouthernCare demonstrated likely irreparable harm for which there was no adequate remedy at law, including loss of goodwill, damage to business relationships, loss of patient referrals, and potential loss of experienced employees.
5. The balance of harms favored SouthernCare, while the public interest did not favor either party, because the injunction would require compliance with existing contractual obligations without preventing Hollabaugh from performing nonmarketing Executive Director duties.

KEY QUOTATIONS

“A preliminary injunction is an extraordinary remedy never awarded as of right.”

“The evidence in the record clearly shows that Hollabaugh attempted to induce several referral sources to divert patients to Bristol, which inherently interferes with their existing relationship with SouthernCare.”

FACTUAL BACKGROUND

Hollabaugh worked for SouthernCare as a Hospice Care Consultant and developed relationships with hospice referral sources, handled or obtained referral-related contracts, and had access to confidential business and patient information. She later joined competitor Bristol as Executive Director of its new New Albany office after signing an agreement containing confidentiality, noncompetition, customer-nonsolicitation, and employee-nonsolicitation provisions. Before and after leaving SouthernCare, Hollabaugh contacted SouthernCare referral sources about Bristol, promoted Bristol's services, sought contracts and patient referrals, and communicated with SouthernCare employees about joining Bristol. The court also found evidence of diverted referrals and likely harm to SouthernCare's goodwill and business relationships.

PROCEDURAL HISTORY

SouthernCare filed this action and sought a temporary restraining order and preliminary injunction on August 5, 2025. The court denied the TRO and denied the preliminary-injunction request without prejudice on August 20, 2025, finding that irreparable harm had not been clearly shown at that time. After further proceedings, briefing, evidence, and a December 9, 2025 hearing, the court granted SouthernCare's renewed motion and entered a preliminary injunction under Federal Rule of Civil Procedure 65(d).

DISPOSITION

other

CASES CITED

- Winter v. Nat. Res. Def. Council, Inc., 555 U.S. 7, 20 (2008)
- GEFT Outdoors, LLC v. City of Westfield, 922 F.3d 357, 364 (7th Cir. 2019)
- Turnell v. CentiMark Corp., 796 F.3d 656, 662 (7th Cir. 2015)
- Stuller, Inc. v. Steak N Shake Enters., Inc., 695 F.3d 676, 678 (7th Cir. 2012)
- Abbott Lab'ys v. Mead Johnson & Co., 971 F.2d 6, 12 (7th Cir. 1992)
- Ty, Inc. v. Jones Group, Inc., 237 F.3d 891, 895, 897 (7th Cir. 2001)
- Valencia v. City of Springfield, 883 F.3d 959, 966 (7th Cir. 2018)
- Mays v. Dart, 974 F.3d 810, 822 (7th Cir. 2020)
- Girl Scouts of Manitou Council, Inc. v. Girl Scouts of U.S. of Am., Inc., 549 F.3d 1079, 1096 (7th Cir. 2008)
- Nyken v. Holder, 556 U.S. 418, 434 (2009)
- Enhanced Network Solutions Grp., Inc. v. Hypersonic Technologies Corp., 951 N.E.2d 265, 268 (Ind. Ct. App. 2011)

- MED-1 Solutions, LLC v. Taylor, 247 N.E.3d 1269 (Ind. Ct. App. 2024)
- Heraeus Med., LLC v. Zimmer, Inc., 135 N.E.3d 150, 153 (Ind. 2019)
- Curo Health Service LLC v. Lilly, No. 24-cv-417, 2024 WL 5247689, at *4 (D. Me. Dec. 30, 2024)
- Life Spine, Inc. v. Aegis Spine, Inc., 8 F.4th 531, 546 (7th Cir. 2021)
- J.P. Morgan Securities LLC v. Weiss, No. 19-cv-4163, 2019 WL 6050176, at *8-*9 (S.D. Ind. Nov. 15, 2019)

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