

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
INTEGRATED HEALTH) Case No. 00-389 (MFW)
SERVICES, INC., et al.,)
) Jointly Administered
Debtors.)

**FINAL APPLICATION OF BDO SEIDMAN, LLP FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES AS FINANCIAL ADVISOR TO CREDITORS' COMMITTEE
FOR THE PERIOD JANUARY 11, 2002 THROUGH SEPTEMBER 22, 2003**

Name of Applicant: BDO Seidman, LLP

Authorized To Provide
Professional Services to: Official Committee of
Unsecured Creditors

Date of Retention: Order Entered
Effective January 11, 2002

Period for which Compensation
and Reimbursement is Sought: January 11, 2002 – September 22, 2003

Amount of Compensation Sought
as actual, reasonable and necessary: * \$ 423,175.00

Amount of Expense Reimbursement sought
as actual, reasonable and necessary: * \$ 4,256.52

This is an: ____ interim X final application

* Includes current period, 5/1 – 9/22/03, fees and expenses of \$2,728.50 and \$30.50, respectively.

The time expended for the second interim fee application for the period ended April 30, 2003 and the final fee application for the period ended 9/22/03 is approximately 11.6 hours and the corresponding compensation requested is approximately \$ 2,728.50.

If this is not the first application filed, disclose the following for each prior application:

		Requested		Approved	
Date Filed	Period Covered	Fees	Expenses	Fees	Expense
4/16/02	1/11 - 2/28/02	\$41,513.00	\$222.42	\$41,513.00	\$222.42
4/16/02	3/1 - 3/31/02	143,949.00	598.40	143,949.00	598.40
5/15/02	4/1 - 4/30/02	107,498.00	2,037.10	107,498.00	2,037.10
6/15/02	5/1/02 - 4/30/03	127,486.50	1,368.10	101,989.20	1,368.10
TOTAL		\$420,446.50	\$4,226.02	\$394,949.20	\$4,226.02

**ATTACHMENT B
TO FEE APPLICATION**

Name of Professional Person	Position of the Applicant, Number of Years in that Position, Prior Relevant Experience, Year of Obtaining License To Practice, Area of Expertise	Hourly Billing Rate (including changes)	Total Billed Hours	Total Compensation
Grand Total:		See Schedule A		
Blended Rate:		\$250.38		

COMPENSATION BY PROJECT CATEGORY

Project Category (Examples)	Total Hours	Total Fees
Asset Analysis and Recovery		
Asset Disposition		
Business Operations		
Case Administration		
Prior financial data analysis		
Creditors Committee Meetings		
Fee/Employment Applications	11.6	2,728.50
Fee/Employment Objections		
Meetings & discussions: Debtor Creditors		
Litigation		
Plan and Disclosure Statement		
Relief from Stay Proceedings		
Substantive consolidation issues		
Valuation		
Other (Explain) - Reports		
TOTAL	11.6	\$2,728.50

EXPENSE SUMMARY

Expense Category (Examples)	Service Provider (if applicable)	Total Expenses
Computer Assisted Legal Research		
Facsimile (with rates)		
Long Distance Telephone		
In-House Reproduction		
Outside Reproduction		
Outside Research		
Filing/Court Fees		
Local Travel		
Working dinners - Professionals		
Out-of-Town Travel		
Courier & Express Carriers (e.g. Federal Express)		30.50
Postage		
Other (Explain) Research		
TOTAL		\$30.50

The independent public accounting firm of BDO Seidman, LLP ("BDO") hereby submits its Final Application for Approval of Compensation and Reimbursement of Expenses as Financial Advisor to the Creditors' Committee for the period January 11 2002 through September 22, 2003 ("Final Application for Compensation"). BDO respectfully represents:

I.

INTRODUCTORY STATEMENT

1. BDO's Financial Recovery Services Group ("FRS") is a national team of responsive professionals, experienced in all aspects of loan workouts, restructuring and bankruptcy. FRS has extensive experience representing trustees, debtors and virtually all classes of creditors and equity holders in both out-of-court and in-court workouts and restructuring. FRS has developed the methodologies, resources and expertise required for operational and financial restructuring, due diligence and financial analysis, pre-and post-bankruptcy planning and case administration, settlement and portfolio valuations, and investigative accounting.

2. The Debtor filed their Voluntary Chapter 11 under Title 11 of the United States Code and an order for relief under Chapter 11 was entered simultaneously.

3. By application, the Creditors' Committee sought authority to retain BDO as financial consultants to render services specified in the Application For Order Approving Employment of Financial Advisor(the "Employment Application"). An order, effective as of January 11, 2002 was duly signed and entered by the Honorable MARY F.WALRATH, United States Bankruptcy Judge, authorizing the retention of BDO.

4. Detailed statements itemizing services rendered and expenses incurred by BDO are attached as Exhibits A and B, to this application.

5. This is BDO's Final Application for Compensation for professional services

rendered and for reimbursement of actual and necessary costs and expenses incurred on behalf of the Creditors' Committee in the administration of the estate of the Debtor's. BDO makes this Application pursuant to the provisions of 11 U.S.C. sections 327 through 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, and this Court's Guidelines Pertaining To Requests For Compensation and Expense By Professionals.

II

SUMMARY OF SERVICES RENDERED

6. By this Application for Compensation, BDO seeks approval and payment for current period (a) compensation for services rendered from May 1, 2003 through September 22, 2003 and (b) reimbursement for certain expenses incurred during the same period. This is the Final Application for i compensation filed by BDO.

7. In rendering the current period services for which compensation is sought, senior managers of BDO spent 11.6 hours from May 1, 2003 through September 22, 2003. The time charges for such services, computed at BDO's standard hourly rates are \$2,728.50. In addition, BDO incurred ordinary and necessary expense in connection with the case of \$30.50. These fees and expenses represent total costs incurred during this period of \$2,759.00. Exhibit A annexed hereto contains, in full and complete detail, a description of the services rendered by each senior manager on a daily basis. A detailed statement of expenses is attached as Exhibit B.

8. BDO customarily bills their professionals at rates commensurate with the experience of the person performing such services. The billing rates are the same for bankruptcy engagements as well as all other accounting work performed by BDO. A list of the guideline hourly rate included in BDO's Employment Application is as follows:

Partners	\$330 - 600
Senior Managers	\$215 - 480
Managers	\$195 - 330
Seniors	\$140 - 245
Staff	\$ 85 - 185

9. The compensation BDO seeks is reasonable and is for actual and necessary services rendered by BDO. All of the services performed by BDO have been beneficial to the parties to these proceedings and have enabled the case to proceed.

10. The size and complexity of the Debtor's case involves numerous and complex issues of accounting and require substantial broad-based accounting expertise to resolve the issues. As a consequence, the demands of this case have been such that BDO's highly skilled insolvency professionals have devoted time and effort to perform properly and expeditiously the required accounting.

11. During the period from May 1, 2003 through September 22, 2003, BDO provided services of a general nature to the Creditors' Committees, as set forth below:

	<u>HOURS</u>	<u>AMOUNT</u>
A. FEE APPLICATIONS / MONTHLY STATEMENTS	11.6	2,728.50
Preparation and review of the second interim fee application and the final fee application.		
TOTAL:	<u>11.6</u>	<u>2,728.50</u>

12. The time spent by partners and staff of BDO Seidman, LLP, from May 1, 2003 through September 22, 2003, in performing the procedures described in paragraph 11, along with their hourly rates, is presented below:

Title	Hours	Avg. Rate	Amount
SENIOR MANAGER	10.3	250.39	2,579.00
PARA-PROF.	1.3	115.00	149.50
TOTAL:	11.6	235.22	2,728.50

13. BDO's time records are recorded contemporaneously with the rendition of professional services that have been set forth in Exhibit "A" which contains full and complete detail, a description of the services rendered by each senior manager on a daily basis for the Application period. BDO's time records are maintained in one-tenth of an hour (0.10) increments.

14. Each duty and task performed by BDO has been performed by the professional most qualified to render such services at his or her ordinary hourly charges.

15. There is no agreement or understanding between BDO and any other person, other than the members, associates and employees of BDO, for the sharing of compensation received for services rendered in connection with these proceedings.

16. BDO's professionals have delegated authority where appropriate to prevent duplication of effort, to ensure that associates were used whenever possible and to utilize the services of professionals who bill at lower hourly rates as much as possible.

17. Where more than one person attended a meeting, such attendance was not a duplication of effort, but was necessary to adequately represent the interests of the

Creditors' Committees, and to have the appropriate expertise available.

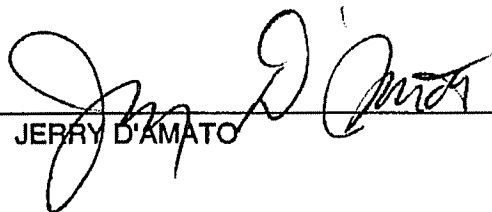
18. For all of the reasons set forth in this application, BDO respectfully submits that the services it has rendered and the disbursements it has incurred on behalf of the Creditors' Committees during this case have been reasonably expended in order to adequately represent and protect the interests of the Creditors' Committees in this case. BDO submits further that it has provided such services in an economical and efficient manner. Accordingly, BDO requests that the relief requested in this Application be granted in all respects.

WHEREFORE, BDO PRAYS that this Court enter its order allowing BDO fees and expenses in the total amount of \$ 427,431.52 (representing \$2,728.50 and \$30.50 in current period fees and expenses ,respectively and prior awarded fees and expenses of \$420,446.50 and \$4,226.02, respectively).

DATED in New York, New York on this 23rd Day of September, 2003.

BDO Seidman, LLP
330 Madison Avenue
10th Floor
New York, N.Y. 10017
Telephone Number: (212) 885-8000
Facsimile Number: (212) 697-1299

Financial Advisor To The Creditors' Committee



JERRY D'AMATO

Sworn and subscribed to before
me this 23rd-day of September, 2003



NOTARY PUBLIC

STEPHANIE D. REGAN
Notary Public, State of New York
No. 43-4704738
Qualified in Richmond County
Commission Expires Sept. 30, 2005

EXHIBIT A

EXHIBIT "A"

INTERGRATED HEALTH SERVICES, INC.
Time Summary
May 1, 2003 to September 22, 2003

<u>Professional</u>	<u>Category</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
STEVEN NATT	SENIOR MANAGER	3.7	260.00	962.00
STEVEN NATT	SENIOR MANAGER	6.6	245.00	1,617.00
MIGDALIA GOMEZ	PARA-PROF.	1.3	115.00	149.50
TOTAL:		11.6		2,728.50

INTERGRATED HEALTH SERVICES, INC.

RECAP OF PROFESSIONAL SERVICES
May 1, 2003 to September 22, 2003

A. FEE APPLICATIONS / MONTHLY STATEMENTS

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Time</u>
5/9/2003	S.N.	Review of monthly interim data.	0.3
5/28/2003	S.N.	Preparation of second interim fee application.	1.9
5/29/2003	S.N.	Preparation of second interim fee application.	2.9
6/2/2003	M.G.	Preparation of second interim fee application.	1.1
6/5/2003	S.N.	Preparation of second interim application.	1.3
6/10/2003	M.G.	Preparation of second interim fee application.	0.2
7/16/2003	S.N.	Preparation of monthly data.	0.2
9/22/2003	S.N.	Preparation of final fee application.	3.7
TOTAL:			11.6

INDIVIDUAL TOTALS

<u>Name</u>	<u>Hour</u>	<u>Rate</u>	<u>Compensation</u>
S. NATT (S.N.)	3.7	260.00	962.00
S. NATT (S.N.)	6.6	245.00	1,617.00
M. GOMEZ (M.G.)	1.3	115.00	149.50
TOTAL:	11.6		2,728.50

EXHIBIT B

EXHIBIT "B"

Integrated Health Services, Inc., et al
Schedule of Expenses
May 1, 2003 to September 22, 2003

1.	PHOTOCOPYING	
	a. Internal -	\$
	b. External -	
2.	TELECOMMUNICATIONS	
	a. Toll Charges -	
	b. Facsimile	
	c. Out-of-state toll charges	
3.	COURIER, FREIGHT AND POSTAL SERVICES - <i>for overnight and hand delivers to Counsel and Committee members</i>	\$30.50
4.	PRINTING	
5.	COURT REPORTER AND TRANSCRIPTS	
6.	MESSENGER SERVICE	
7.	TECHNOLOGY	
8.	OUT-OF-TOWN TRAVEL	
	a. Transportation -	
	b. Lodging -	
	c. Meals -	
9.	WORD PROCESSING SERVICES	
10.	OVERTIME EXPENSES	
11.	LOCAL MEALS - <i>working conference lunches and dinners for professionals</i>	
12.	LOCAL TRANSPORTATION, TOLLS, MILEAGE AND PARKING - <i>for cabs to/from meetings, car service for employees working after 8:00 p.m. and local mileage using personal auto</i>	
13.	MISCELLANEOUS	
14.	T O T A L	<u>\$ 30.50</u>

BDO SEIDMAN, LLP
 JERRY D'AMATO
 WILLIAM K. LENHART
 DAVID E. BERLINER
 330 Madison Avenue - 10th Floor
 New York, New York 10017
 Telephone Number: (212) 885-8000
 Facsimile Number: (212) 697-1299

Financial Advisor To The Creditors' Committee

**UNITED STATES BANKRUPTCY COURT
 FOR THE DISTRICT OF DELAWARE**

In re	)	Case No. 00-389 (MFW)
)	
INTEGRATED HEALTH	)	Chapter 11 Jointly Administered
SERVICES,INC.,et al.,)	
))	
	)	DECLARATION OF JERRY D'AMATO IN
	)	SUPPORT OF FINAL APPLICATION OF
	)	BDO SEIDMAN, LLP, FOR
	)	COMPENSATION AND
Debtor.	)	REIMBURSEMENT OF EXPENSES AS
	)	FINANCIAL ADVISOR TO THE
	)	CREDITORS' COMMITTEE FOR THE
	)	PERIOD JANUARY 11, 2002 TO
	)	SEPTEMBER 22, 2003
)	

STATE OF NEW YORK }
 }SS:
 COUNTY OF NEW YORK }

I, JERRY D'AMATO declare as follows:

I am a partner in the Financial Recovery Services practice of BDO Seidman, LLP ("BDO"). I am authorized to make this declaration in that capacity and, if called upon to do so, I could and would testify of my own personal knowledge to the facts set forth herein.

STATE OF NEW YORK }
 }SS:
COUNTY OF NEW YORK }

JERRY D'AMATO, being duly sworn, deposes and says that:

1. I am a partner in the firm of BDO Seidman, LLP, Applicant herein.
2. I have read the application.
3. To the best of my knowledge, information and belief formed after reasonable inquiry, the application complies with the **Local Guidelines**, as amended and the United States Trustees Guidelines issued March 22, 1995, by the U.S. Department of Justice, as amended.
4. All interested parties have been provided, no later than 20 days after the end of each month, with a statement of fees and expenses incurred during such month.
5. All interested parties have received and are reviewing or have reviewed the application.
6. In providing a reimbursable service, applicant does not make a profit on that service.
7. In charging for a particular service, applicant does not include the amortization of the cost of any investment equipment or capital outlay.
8. In seeking reimbursement for third party services, applicant requests reimbursement only for the amount billed to the applicant by the third party.
9. Word processing services are not a part of BDO's overhead and, therefore, charges for such services are included as part of the applicant's expenses, where applicable.
10. To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Amended Guidelines and the UST Guidelines, except as specifically noted in the certification and described in the fee application and except to the extent that fees or disbursements sought are prohibited by the Amended Guidelines or the UST Guidelines, the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by BDO and generally accepted by BDO's clients.
11. This declaration is submitted in support of the Application for BDO For Approval of Final Interim Compensation and Reimbursement of Expenses as Accountants for the Creditors' Committee (the "Application") for the period May 1, 2003 to September 22,

2003 (the "Application Period").

12. A summary of the fees and expenses incurred by BDO in this Chapter 11 case, during the Application Period as well as copies of the records maintained in the ordinary course of business by BDO are provided in Exhibits A and B attached to the Application.
13. The following is a summary of the total fees and expenses incurred by BDO during this application period:

Fees and Expenses Sought by this Application
(May 1, 2003 through September 22, 2003)

FEEES	\$2,728.50
EXPENSES	<u>30.50</u>
TOTAL	<u><u>\$2,759.00</u></u>

14. BDO has received from, or on behalf, of the Debtor \$399,175.22 for reimbursement of fees and expenses in this Chapter 11 case. None of the compensation paid to BDO, from or on behalf of the Debtor, has been divided or shared with any other person other than the members, associates and employees of BDO. I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed at New York, New York on September 23, 2003.

BDO SEIDMAN, LLP



JERRY D'AMATO

Sworn and subscribed to before
me this 23rd day of September, 2003



NOTARY PUBLIC

STEPHANIE D. REGAN
Notary Public, State of New York
No. 43-4704738
Qualified in Richmond County
Commission Expires Sept. 30, 2005

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
INTEGRATED HEALTH	)	Case No. 00-389 (MFW)
SERVICES, INC., <u>et al.</u> ,)	
	)	Jointly Administered
Debtors.)	

ORDER APPROVING FINAL FEE APPLICATION OF BDO SEIDMAN, LLP

BDO Seidman, LLP, as financial advisor for the Official Committee of Unsecured Creditors of Premiere Associates, Inc. and its Subsidiaries (the “Premiere Group Committee”), having filed its final application for allowance of compensation and reimbursement of expenses (the “Final Fee Application”); and parties-in-interest having received a copy of the Final Fee Application and notice of the date, time and manner by which to object to the relief sought in the Final Fee Application having been provided; no objections having been filed; and the Court having considered the Final Fee Application and having found the amounts requested in the Final Fee Application to be reasonable; it is hereby

ORDERED that the Final Fee Application is APPROVED; and it is further

ORDERED that all quarterly and/or interim fee applications filed by BDO Seidman, LLP in these cases are hereby APPROVED; and it is further

ORDERED that the relief requested in the Final Fee Application is GRANTED, and BDO Seidman, LLP is allowed total compensation for this case in the sum of \$423,175.00 for services rendered and the sum of \$4,256.52 as reimbursement for actual, necessary expenses incurred (collectively, the “Fee Award”); and it is further

ORDERED that the Debtors are hereby authorized and directed to immediately pay the amount of the Fee Award to BDO Seidman, LLP, to the extent not already paid.

Dated: _____, 2003

The Honorable Mary F. Walrath
Chief United States Bankruptcy Judge