

UNITED STATES BANKRUPTCY COURT  
OF THE DISTRICT OF DELAWARE

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In re: : Chapter 11  
INTEGRATED HEALTH SERVICES, INC., et. al. : Case Nos.: 00-389 (MFW)  
: (Jointly Administered)  
Debtors. :  
-----X

FOURTH INTERIM AND FINAL APPLICATION OF EUREKA CAPITAL MARKETS, LLC  
AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS FOR INTERIM ALLOWANCE OF COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
FROM JANUARY 1, 2003 THROUGH MAY 12, 2003 AND FOR FINAL ALLOWANCE OF  
COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD FROM MAY 1, 2002 THROUGH MAY 12, 2003

Name of Applicant: Eureka Capital Markets, LLC

Authorized to Provide Professional Services to: Official Committee of Unsecured Creditors  
Integrated Health Services, Inc., et. al.,

Date of Retention: May 1, 2002

Period for Which Interim Compensation and Reimbursement is Sought: January 1, 2003 through May 12, 2003

Amount of Interim Compensation Sought as Actual, Reasonable and Necessary: \$438,710<sup>1</sup>

Amount of Interim Expense Reimbursement Sought as Actual, Reasonable and Necessary: \$5,004

Period for Which Final Compensation and Reimbursement is Sought: May 1, 2002 through May 12, 2003

Amount of Final Compensation Sought as Actual, Reasonable and Necessary: \$1,238,710

Amount of Final Expense Reimbursement Sought as Actual, Reasonable and Necessary: \$11,509

Prior Applications: Three

**Professional Time Summary**

<b>Name of Professional</b>	<b>Position of Professional</b>	<b>Total Hours</b>
Stephen A. Greene	Managing Director	75.5
Leslie H. Feldman	Executive Director	150.7
V. Matthew Marcos	Executive Director	190.8
Steven B. Boyd	Associate	<u>44.2</u>
	<b>Total Hours:</b>	<b>461.2</b>

**Project Category Time Summary**

<b>Project Category Code</b>	<b>Project Category</b>	<b>Total Hours</b>
A	General Chapter 11 Advisory	76.7
B	Review of IHS Businesses	140.3
C	Sale Process / POR	165.7
D	Meetings with Committee and Committee's Counsel	<u>78.5</u>
	<b>Total Hours:</b>	<b>461.2</b>

**Expense Summary**

<b>Expense Category</b>	<b>Total Expenses</b>
Travel, Meals and Entertainment	\$3,127
Office Services (telephone, copying)	<u>\$1,877</u>
	<b>Total Expenses: \$5,004</b>

<sup>1</sup> Monthly advisory fees pursuant to Order dated June 27, 2002 approving retention and compensation procedures with respect to Eureka.

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INTEGRATED HEALTH SERVICES, INC., et. al. : Case Nos.: 00-B-00389(MFW)  
: :  
: (Jointly Administered)  
Debtors. :  
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EUREKA CAPITAL MARKETS, LLC (“Eureka”), financial advisors for the Official Committee of Unsecured Creditors of Integrated Health Services, Inc., (the “Committee”), hereby presents this application (the "Application") for an interim allowance of compensation for professional services performed by Eureka for the period commencing January 1, 2003 through and including May 12, 2003 (the “Interim Compensation Period”) and reimbursement of its actual and necessary expenses incurred during the Interim Compensation Period and for final allowance of compensation for professional services performed by Eureka for the period commencing May 1, 2002 through and including May 12, 2003 (the “Final Compensation Period”) and reimbursement of its actual and necessary expenses incurred during the Final Compensation Period, respectfully as follows:

**BACKGROUND**

1. On February 2, 2000 (the "Petition Date"), the Debtors filed with this Court voluntary petitions for reorganization under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”). The Debtors’ cases were jointly administered pursuant to the Order of this Court.

2. Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors operated their businesses and managed their properties as debtors-in-possession (“DIP”). No trustee or examiner was appointed in these cases.

3. On February 15, 2000, the United States Trustee for the District of Delaware appointed the Committee pursuant to Section 1102(a)(1) of the Bankruptcy Code. Thereafter, the Committee selected Arthur Andersen, LLP (“Andersen”) as financial advisors and accountants. The Committee thereafter filed an Application for retention of Andersen which this Court approved by order dated April 20, 2000, *nunc pro tunc* to February 23, 2000. On June 27, 2002, this Court ordered, *inter alia*, that the corporate finance services as defined in the Application for Employment (the “Application for Employment”) provided to the Committee by Andersen shall cease effective April 30, 2002 and it was further ordered that the Committee was authorized to retain Eureka as its financial advisors effective as of May 1, 2002 (the “Retention”).

4. At the time of this filing, the Debtors were one of the leading providers of post-acute and related specialty healthcare services and products in the United States. The Debtors provided care and support to more than 30,000 patients and their families each year through their nationwide network of skilled nursing facilities, long-term acute care hospitals, hospice agencies, and centers for the developmentally disabled.

5. Pursuant to the Retention, Eureka is authorized to render a monthly invoice to the Debtors for a monthly advisory fee of \$100,000 (the “Monthly Advisory Fee”) and Eureka’s out-of-pocket expenses on the first business day of each month following the month for which services are performed, and payment shall be due within (5) five days after invoice is issued.

### **Summary of Professional Compensation and Reimbursement of Expenses**

6. By this Application, Eureka requests allowance of \$438,710 as compensation for professional services rendered during the Interim Compensation Period and \$5,004 as reimbursement for actual and necessary expenses incurred by Eureka during the Interim Compensation Period representing the Monthly Advisory Fee for the months of January, February, March and April, 2003 and for the partial month of May, 2003<sup>2</sup>. In accordance with the Order and with the Application for Employment, compensation for professional services rendered and reimbursement for actual and necessary expenses during the Interim Compensation Period have been paid for the months of January, February, March and April, 2003 and for the partial month of May, 2003 in the amount of \$438,710 for monthly advisory fees and \$5,004 for actual and necessary expenses.

7. During the Interim Compensation Period, Eureka received no payment and no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application, other than the Monthly Advisory Fees and expenses previously paid by the Debtors as set forth above.

8. The amount of fees and expenses sought in this Application and Eureka's fee structure is consistent with market practices both in and out of a bankruptcy context. Eureka's professionals generally do not maintain detailed time records of the work performed for its clients. In this case, however, the primary professionals rendering services on behalf of the Committee have kept time records in one-tenth of one-hour increments. The time records kept by Eureka professionals providing financial advisory services to the Committee during the Interim Compensation Period are attached hereto as Exhibit A.

<sup>2</sup> Pursuant to the Court Order authorizing Eureka's employment, Eureka is entitled to compensation of \$100,000 per month even for a partial month of service. We have prorated our fees for the month of May 2003 mainly to reflect the fact that one part of such month fell into the pre-confirmation period.

9. Attached hereto as Exhibit B is a schedule setting forth the actual and necessary expenses incurred by Eureka during the Interim Compensation Period in connection with the provision of professional services.

10. In order to assist the Court, the Debtors, the United States Trustee and other parties -in-interest in evaluating this Application, a schedule of the Eureka professionals and the number of hours expended by each during the Final Compensation Period is annexed hereto as Exhibit C. A schedule setting forth the actual and necessary expenses incurred by Eureka during the Final Compensation Period in connection with the provision of professional services is annexed hereto as Exhibit D. The Applicant has previously provided to this Court and other parties-in-interest its time records and expense reports and summaries related to the services rendered by Applicant during the Application Period. As these documents are voluminous and duplicative of those which are already on file with this Court, they have not been annexed to this Application but are available at the request of this Court or any party-in-interest.

11. Attached hereto as Exhibit E is the Supplemental Declaration of Leslie H. Feldman, which attests, *inter alia*, that Eureka has not agreed to share any compensation to be received herein with any other person.

#### **Summary Of Services**

12. During the Interim Compensation Period, Eureka was required to render a substantial amount of professional services.

13. A description of the principal services includes the following:

*(a) General Chapter 11 Advisory*

At the Committee's request, Eureka worked closely with the Debtors' management team and professionals as well as the Committee's other professionals to facilitate and assist in the Chapter 11 process. Some of the tasks performed by Eureka included working with the Debtors and their professionals to evaluate the feasibility and financial recoveries of the sale of Long Term Care and Symphony (collectively the "IHS Businesses"), review claims within each constituency, and review and assess recovery analyses for various scenarios prepared by the Debtors. Eureka has reviewed financial and operating information provided by the Debtors and developed and analyzed such information for the Committee and Committee's counsel.

*(b) Review of IHS Businesses*

At the Committee's request, Eureka worked with the Debtors to review and monitor the IHS Businesses for the purpose of achieving the sale transaction as well as assessing the cash needs of the Debtor to achievement of the plan of reorganization ("POR") allowing for a sale of the IHS Businesses to Briarwood. As part of the monitoring of the IHS Businesses, Eureka professionals evaluated key operating results, including general and professional liability (GL/PL), therapist utilization and overhead costs as well as the Debtors' plans for such items as severance programs, status of lease negotiations, and the time frame for transitioning and closing facilities. Eureka analyzed the effects of the foregoing on the cash balances, valuation and financial recovery over varying time frames to consummation of a sale to Briarwood and various settlement alternatives.

*(c) Sale Process / POR*

At the Committee's request, Eureka has worked closely with the Debtors' management team and professionals as well as the Committee's other professionals to facilitate and assist in the sale process of the IHS Businesses. This sale process has involved numerous discussions and negotiations with Briarwood, reviewing the draft purchase agreement, examining tax issues related to the sale and performing valuation analyses. At the Committee's request, Eureka has prepared for and participated in numerous meetings with Briarwood and their professionals.

At the Committee's request, Eureka worked with the Debtors and their professionals to assess and reduce the risks inherent in achieving a sale transaction to Briarwood. In addition and as a contingency to the sale transaction, Eureka worked with the Debtors and their professionals to formulate a stand-alone POR, including the security of a senior secured credit facility in the event the sale of the IHS Businesses was not consummated. The Debtors designated Healthcare Finance Group ("HFG") as the lender for the senior secured credit facility and negotiated, with Eureka's assistance, the terms of this facility.

*(d) Calls with Individual Creditors and Meetings with Committee and Committee's Counsel*

Eureka participated in a number of meetings and teleconferences with the Committee, their counsel, the Bank Steering Committee, their counsel, and the Debtors and their professionals. Additionally, Eureka assisted in identifying areas for further analysis and investigation and facilitated communications between the Committee, the Debtor and various creditor constituencies. In addition, Eureka participated in numerous calls with individual creditors.



14. The foregoing professional services performed by Eureka were necessary and appropriate to the administration of the Debtors' Chapter 11 cases. The professional services performed by Eureka were in the best interests of the Debtors, their creditors and all parties-in-interest. Compensation for the foregoing services as requested is commensurate with the complexity, importance and nature of the problems, issues or tasks involved.

15. The financial services set forth above were performed primarily by: Stephen A. Greene, Managing Director, Leslie H. Feldman, Executive Director, V. Matthew Marcos, Executive Director, and Steven B. Boyd, Associate.

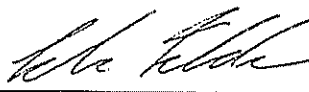
16. In this case, Eureka respectfully submits that the professional services for which it received compensation and the expenditures for which it received reimbursement described in this Application were, at the time rendered, believed to be and were necessary and beneficial to the Committee and to the Debtors' rehabilitation and reorganization effort. Such services and expenditures were similarly necessary to and in the best interests of the Debtors' estates and creditors. In light of the complexity and importance of the tasks performed by Eureka on behalf of the Committee, Eureka respectfully submits that the compensation received herein as well as the reimbursement for expenses received herein, is eminently fair and reasonable.

#### **Conclusion**

WHEREFORE, Eureka respectfully requests (i) allowance of compensation for professional services rendered during the Interim Compensation Period in the amount of \$438,710 representing the Monthly Advisory Fee for the months of January, February, March

and April, 2003 and for the partial month of May, 2003 and reimbursement for actual and necessary expenses incurred by Eureka pursuant to the Application of Employment in the amount of \$5,004; (ii) allowance of compensation for professional services rendered during the Final Compensation Period in the amount of \$1,238,710 representing the Monthly Advisory Fee for the period from May 1, 2002 through May 12, 2003 and reimbursement for actual and necessary expenses incurred by Eureka pursuant to the Application of Employment in the amount of \$11,509; (iii) that the allowance of such compensation for professional services rendered and reimbursement of actual and necessary expenses incurred be without prejudice to Eureka's right to seek payment of future fees and reimbursement of expenses incurred pursuant to the terms of the Application for Employment; and (iv) such other and further relief as is just.

Dated: October 24, 2003

By:   
Leslie H. Feldman  
Executive Director  
Eureka Capital Markets, LLC

**EXHIBIT A  
TO FEE APPLICATION**

**Professional Time Summary**

Name of Professional	Position of Professional	Total Hours
Stephen A. Greene	Managing Director at Eureka Capital Markets since September 9, 2002; Formerly Partner in charge of US Healthcare Corporate Finance for Andersen 1998 – 2002; Partner in Healthcare Corporate finance since 1992; 18 years investment banking experience	75.5
Leslie H. Feldman	Executive Director at Eureka Capital Markets since 2002; Formerly Director at Andersen Healthcare Corporate Finance from 2000 – 2002; 8 years investment banking experience; 3 years private equity experience	150.7
V. Matthew Marcos	Executive Director at Eureka Capital Markets since 2002; Formerly Senior Associate at Andersen Healthcare Corporate Finance from 2001 – 2002; 2 years investment banking experience; 4 years project finance/merchant banking experience	190.8
Steven B. Boyd	Associate at Eureka Capital Markets since 2002; Formerly Analyst at Andersen Healthcare Corporate Finance 2001 – 2002; 2 years experience in financial advisory services	<u>44.2</u>
<b>Grand Total Hours:</b>		<b>461.2</b>

**Project Category Time Summary**

Project Category Code	Project Category	Total Hours
A	General Chapter 11 Advisory	76.7
B	Review of HIS Businesses	140.3
C	Sale Process / POR	165.7
D	Calls with Creditors and Meetings with Committee and Committee's Counsel	<u>78.5</u>
<b>Total Hours:</b>		<b>461.2</b>

MONTHLY TIME REPORT - JANUARY  
INTEGRATED HEALTH SERVICES

Steven B. Boyd

Date	Project	Time Spent	Description
01/04/2003	B	2.0	Review LTC and Symphony 11/02 financial results
01/09/2003	A	2.0	Recovery analysis
01/21/2003	A	2.5	Recovery analysis
01/24/2003	B	1.4	Review symphony numbers
01/27/2003	A	1.0	Recovery analysis
01/28/2003	A	1.6	Recovery analysis
01/31/2003	A	2.0	Recovery analysis
TOTAL HOURS		12.5	

MONTHLY TIME REPORT - JANUARY  
 INTEGRATED HEALTH SERVICES

Stephen A. Greene

Date	Project	Time Spent	Description
01/03/2003	B	0.3	Discussion with L. Feldman re: Symphony
01/06/2003	B	0.4	Discussion with Otterbourg re: Litho
01/06/2003	B	0.3	Discussion with Otterbourg re: Symphony
01/06/2003	B	0.2	Discussion with G. Sansone re: Symphony
01/07/2003	B	0.3	Discussion with Otterbourg re: Symphony
01/08/2003	B	0.7	Discussion with G. Sansone re: Symphony
01/08/2003	D	0.3	Discussion with TCW re: status of case
01/08/2003	B	0.2	Discussion with L. Feldman re: Symphony
01/09/2003	B	0.5	Discussion with Otterbourg re: Symphony
01/10/2003	B	0.3	Discussion with G. Sansone re: Symphony
01/13/2003	C	0.8	Discussion with G. Sansone and L. Feldman re: sale process
01/17/2003	C	0.2	Discussion with Cammeby's re: sale process
01/17/2003	B	0.6	Discussion with M. Marcos re: Symphony
01/18/2003	C	1.6	Review of bids
01/18/2003	C	1.1	Conference call with A&M, Kaye Scholer et al re: bids
01/18/2003	C	0.4	Discussion with G. Sansone re: bids
01/20/2003	C	0.3	Review of response letter to bidders
01/21/2003	C	0.3	Discussion with G. Sansone re: bids
01/21/2003	C	0.8	Discussion with Tutera et al re: bid
01/21/2003	C	0.2	Discussion with Otterbourg re: bids
01/21/2003	C	0.7	Discussion with A&M et al re: Cammebys
01/21/2003	C	0.2	Discussion with G. Sansone re: THI
01/21/2003	C	0.9	Conferene call with A&M, Kaye Scholer et al re: bids
01/21/2003	C	0.5	Discussion with L. Feldman re: bids
01/21/2003	C	0.2	Discussion with G. Sansone re: bids
01/22/2003	C	0.9	Meeting with A&M, Kaye Scholer et al re: auction
01/22/2003	C	6.1	Attended IHS auction
01/23/2003	C	0.4	Discussion with G. Sansone re: sale process
01/24/2003	C	0.7	Discussion with Otterbourg re: plan issues
01/24/2003	C	0.5	Discussion with L. Feldman re: plan issues
01/29/2003	C	0.6	Discussion with Otterbourg re: intercreditor settlement
01/29/2003	C	0.4	Review of Otterbourg letter and discussion with Otterbourg thereon
01/30/2003	C	0.5	Discussion with Otterbourg re: Otterbourg letter
01/30/2003	C	0.3	Review of Briarwood commitment letter
01/30/2003	D	0.3	Discussion with Stonehill re: status
01/30/2003	D	0.2	Discussion with BofA re: status
01/30/2003	A	0.3	Discussion with G. Sansone re: cash
01/30/2003	C	0.4	Discussion with Otterbourg and D. Weidner re: intercreditor settlement

TOTAL HOURS 23.9

MONTHLY TIME REPORT - JANUARY  
 INTEGRATED HEALTH SERVICES

V. Matthew Marcos

Date	Project	Time Spent	Description
01/03/2003	C	1.5	Review Symphony results
01/03/2003	D	0.5	Call w/ Creditor
01/03/2003	C	2.0	Review of EBITDA calc
01/03/2003	C	0.8	Call w/ B. Bennett re: EBITDA calc
01/06/2003	D	0.5	Call w/ Creditor
01/06/2003	B	0.8	Call w/ B Bennett re: Insurance
01/06/2003	B	0.8	Call w/ R Lord, M Box
01/07/2003	C	1.0	Review excluded liabilities
01/07/2003	B	0.8	Call w/ R Lord, M Box
01/07/2003	C	0.8	Review recovery analysis
01/07/2003	C	0.5	Call w/ B Johnsen, T Hughes re: recovery
01/08/2003	A	0.8	Review recovery analysis
01/09/2003	C	0.8	Call w/ B. Bennett re: EBITDA calc
01/13/2003	D	0.8	Call w/ Creditor
01/14/2003	C	0.8	Call w/ B Bennett re: medicaid rate cuts
01/17/2003	C	0.7	Various calls w/ B Johnsen re: W/C, EBITDA calc, recovery
01/17/2003	C	0.5	Call w/ B. Bennett re: EBITDA calc
01/17/2003	D	0.5	Call w/ Creditor
01/17/2003	B	0.6	Discussion with S. Greene re: Symphony
01/20/2003	C	0.8	Various calls w/ B Johnsen re: W/C, EBITDA calc, recovery
01/20/2003	D	0.5	Call w/ Creditor
01/21/2003	C	2.0	Various calls w/ B Johnsen re: W/C, EBITDA calc, recovery
01/21/2003	D	0.5	Call w/ Creditor
01/22/2003	D	0.5	Call w/ creditor
01/22/2003	D	1.5	Review of disclosure statement
01/23/2003	D	0.5	Call w/ creditor
01/23/2003	D	1.5	Review of disclosure statement
01/24/2003	D	0.8	Call w/ creditor
01/24/2003	C	1.0	Review Symphony severance
01/27/2003	D	0.8	Call w/ creditor
01/28/2003	D	0.5	Call w/ creditor
01/30/2003	D	1.0	Review disclosure statement
01/30/2003	D	0.5	Call w/ creditor
TOTAL HOURS		27.9	

MONTHLY TIME REPORT - JANUARY  
 INTEGRATED HEALTH SERVICES

Leslie H. Feldman

Date	Project	Time Spent	Description
01/03/2003	B	0.3	Discussion with S. Greene re: Symphony
01/06/2003	C	1.0	Call with Company - auction process and timing
01/06/2003	B	1.0	Review of synthetic lease
01/07/2003	B	1.0	Call with G. Sansone - Recovery Analysis
01/07/2003	B	0.5	Call with B. Johnson - Severance
01/07/2003	B	0.2	Call with Otterbourg - Severance
01/07/2003	B	1.0	Call with B. Johnson - Symphony
01/08/2003	B	0.2	Discussion with S. Greene re: Symphony
01/08/2003	D	0.5	Call with Creditor
01/08/2003	D	0.8	Call with Creditor
01/09/2003	B	1.0	Review of Recovery Analysis
01/10/2003	A	0.8	Call with Otterbourg - claims
01/10/2003	B	1.5	Review LTC/Symphony EBITDA
01/17/2003	B	0.7	Various calls w/ B Johnsen re: W/C, EBITDA calc, recovery
01/17/2003	B	0.5	Call w/ B. Bennett re: EBITDA calc
01/17/2003	D	0.5	Call w/ Creditor
01/20/2003	B	0.8	Various calls w/ B Johnsen re: W/C, EBITDA calc, recovery
01/20/2003	D	0.5	Call w/ Creditor
01/21/2003	A	2.0	Review disclosure statement
01/21/2003	D	0.8	Call with Creditor
01/21/2003	C	0.5	Discussion with S. Greene re: bids
01/21/2003	B	2.0	Various calls w/ B Johnsen re: W/C, EBITDA calc, recovery
01/21/2003	D	0.5	Call w/ Creditor
01/22/2003	A	1.0	Call with Kaye Shcoler - disclosure statement
01/22/2003	A	0.8	Call with Otterbourg - disclosure statement
01/22/2003	D	0.5	Call w/ creditor
01/22/2003	A	1.5	Review of disclosure statement
01/23/2003	D	0.5	Call w/ creditor
01/23/2003	A	1.5	Review of disclosure statement
01/24/2003	C	0.5	Discussion with S. Greene re: plan issues
01/24/2003	D	0.8	Call w/ creditor
01/24/2003	B	1.0	Review Symphony severance
01/27/2003	D	0.8	Call w/ creditor
01/28/2003	D	0.5	Call w/ creditor
01/30/2003	A	1.0	Review disclosure statement
01/30/2003	D	0.5	Call w/ creditor

TOTAL HOURS

29.5

MONTHLY TIME REPORT - FEBRUARY  
 INTEGRATED HEALTH SERVICES

Stephen A. Greene

Date	Project	Time Spent	Description
02/06/2003	C	0.2	Discussion with Otterbourg re: hearing
02/06/2003	C	0.2	Discussion with Otterbourg re: hearing
02/07/2003	C	0.5	Discussion with G. Sansone re: status
02/10/2003	C	0.3	Discussion with Otterbourg re: status
02/10/2003	C	0.4	Discussion with G. Sansone re: Cammebys/THI
02/11/2003	C	0.3	Discussion with G. Sansone re: Cammebys/THI
02/11/2003	C	0.6	Discussion with Kaye Scholer et al re: Cammebys/THI
02/13/2003	C	0.3	Discussion with Cammebys re: status
02/12/2003	C	0.3	Discussion with G. Sansone re: Cammebys/THI
02/12/2003	C	0.4	Review of Schron letter re: negotiations with THI
02/12/2002	C	0.4	Discussion with G. Sansone re: Cammebys/THI
02/14/2003	C	0.7	Discussion with G. Sansone and M. Marcos re: audit issues
02/14/2003	C	0.6	Discussion with Oaktree re: status
02/20/2003	A	1.7	Quarterly fee application
02/24/2003	C	0.5	Discussion with G. Sansone re: status
02/27/2003	C	0.6	Discussion with G. Sansone re: hearing
TOTAL HOURS		8.0	



MONTHLY TIME REPORT - FEBRUARY  
 INTEGRATED HEALTH SERVICES

V. Matthew Marcos

Date	Project	Time Spent	Description
02/03/2003	C	1.5	Review of recovery analysis
02/03/2003	C	3.0	Review IHS performance during traing ride to Sparks
02/03/2003	B	0.8	Mtg w/ R Lord, P Lekas re: claims
02/03/2003	C	2.0	Mtg w/ G Sansone re: recovery, cash plan
02/04/2003	D	0.5	Call with creditor
02/04/2003	D	0.8	Call with creditor
02/04/2003	A	0.8	Call w/ G Sansone re: Admin claims
02/05/2003	C	0.8	Review of recovery analysis
02/06/2003	C	0.5	Call w/ S Karotkin re: synthetic lease
02/06/2003	D	0.5	Call J Barrow re: POR
02/09/2003	C	0.8	Review of recovery analysis
02/10/2003	B	0.5	Review of recovery analysis
02/11/2003	C	1.5	Call w/ m Box re: DIP renewal
02/11/2003	D	0.5	Call w/ Creditor
02/11/2003	C	1.0	Call w/ lender re: DIP
02/12/2003	C	1.5	Review of Symphony performance
02/12/2003	C	0.5	Call w/ G Sansone re: Symphony
02/12/2003	D	0.7	Call with Creditor
02/17/2003	C	1.0	Review of recovery analysis
02/18/2003	C	1.3	Review of recovery analysis
02/19/2003	C	6.0	Review of recovery analysis
02/21/2003	C	0.7	Review of recovery analysis
02/24/2003	C	0.8	Review of recovery analysis
02/25/2003	C	1.0	Premier settlement
02/25/2003	C	0.8	Review of recovery analysis
TOTAL HOURS		29.8	



MONTHLY TIME REPORT - MARCH  
INTEGRATED HEALTH SERVICES

Steven B. Boyd

Date	Project	Time Spent	Description
03/06/2003	B	5.0	Review LTC and Symphony FY2002 numbers and June 2003 numbers
TOTAL HOURS		5.0	

MONTHLY TIME REPORT - MARCH  
INTEGRATED HEALTH SERVICES

Stephen A. Greene

Date	Project	Time Spent	Description
03/04/2003	C	1.7	Conference call with Otterbourg, Weil et al re: Premiere settlement
TOTAL HOURS		1.7	

MONTHLY TIME REPORT - MARCH  
 INTEGRATED HEALTH SERVICES

V. Matthew Marcos

Date	Project	Time Spent	Description
03/03/2003	D	0.5	Call w/ Creditor
03/03/2003	D	0.8	Call w/ Creditor
03/03/2003	D	0.5	Call w/ Creditor
03/03/2003	D	2.0	Review recovery analysis re: Premiere settlement
03/04/2003	C	2.0	Review recovery with LHF
03/04/2003	A	0.8	Call w/ B Johnsen re Recovery
03/04/2003	A	1.0	Review recovery
03/04/2003	D	1.5	UCC Call
03/05/2003	D	0.5	Call w/ Creditor
03/05/2003	D	0.5	Call w/ Creditor
03/05/2003	D	1.0	Call w/ Creditor
03/05/2003	C	0.8	Various calls w/ B. Bennett, M. Box
03/05/2003	A	3.0	Review POR and recovery
03/05/2003	C	0.3	Call w/ S. Karotkin re: POR
03/10/2003	D	0.5	Call w/ Creditor
03/10/2003	D	0.8	Call w/ Creditor
03/10/2003	C	0.8	Call w/ J. Barrow-Bosshart re: Premiere, Pharmacia
03/11/2003	D	0.5	Call w/ Creditor
03/12/2003	D	0.5	Call w/ Creditor
03/12/2003	B	1.5	Call w/ B Johnsen re: Pharmacia
03/12/2003	D	0.5	Call w/ Creditor
03/13/2003	C	1.5	Call w/ B Johnsen re: Pharmacia
03/13/2003	C	0.8	Review recovery analysis
03/14/2003	C	0.8	Call w/ B Johnsen re: Pharmacia
03/17/2003	D	0.5	Call w/ Creditor
03/17/2003	A	0.8	Review Jan 2003 financials
03/17/2003	A	0.5	Call w/ M Box re: Jan 03 financials
03/18/2003	C	1.0	Various calls B Bennet, M Box re: LTC financials
03/18/2003	D	0.8	Call w/ Creditor
03/18/2003	C	0.8	Various calls B Bennet, M Box re: LTC financials
03/19/2003	D	0.5	Call w/ Creditor
03/19/2003	C	1.0	Various calls w/ T Hughes, B Johnsen re: W/C, EBITDA calc, recovery
03/19/2003	C	1.0	Various calls w/ T Hughes, B Johnsen re: W/C, EBITDA calc, recovery
03/21/2003	C	1.5	Review working capital projections
03/21/2003	B	0.8	Call w/ B. Bennett re: working capital
03/21/2003	D	0.8	Call w/ Creditor
03/24/2003	C	1.0	Review w/ M Box EBITDA covenant calc
03/24/2003	C	1.5	Call w/ PD re: claims
03/24/2003	B	1.3	Review of EBITDA calc.
03/24/2003	C	0.8	Call w/ M Box re: EBITDA calc
03/25/2003	B	1.5	Review certain provisions of SPA
03/25/2003	C	2.0	Call w/ B Johnsen, LHF re: sale closing
03/28/2003	D	0.8	Call w/ Creditor
03/28/2003	C	1.5	Various calls w/ T Hughes, B Johnsen re: W/C, EBITDA calc, recovery
03/31/2003	C	1.0	Call w/ P Mancuso re: AIG
03/31/2003	D	0.5	Call w/ Creditor
03/31/2003	D	0.5	Call w/ creditor
03/31/2003	C	1.0	Various calls w/ T Hughes, B Johnsen re: W/C, EBITDA calc, recovery

TOTAL HOURS 46.8

MONTHLY TIME REPORT - MARCH  
 INTEGRATED HEALTH SERVICES

Leslie H. Feldman

Date	Project	Time Spent	Description
03/03/2003	B	0.5	Call with G. Sansone - Claims
03/04/2003	B	1.3	Call with Debtor - LTC/claims/Premiere settlement
03/06/2003	D	0.5	Call w/ Creditor
03/06/2003	D	0.5	Call w/ Creditor
03/06/2003	D	0.5	Call w/ Creditor
03/07/2003	B	0.3	Call with G. Sansone - Claims
03/07/2003	B	0.5	Discuss with S. Greene - Claims
03/07/2003	B	1.0	Call with B. Johnson - lease rejection
03/07/2003	B	0.5	Call with Otterbourg - Premiere
03/10/2003	B	0.3	Call with G. Sansone - Leases
03/10/2003	B	0.3	Call with Otterbourg - Leases
03/10/2003	B	0.3	Call with Otterbourg - Portfolio
03/10/2003	A	1.0	Call with Otterbourg - POR
03/13/2003	B	0.5	Call with Otterbourg - lease rejection
03/13/2003	B	0.5	Call with Kaye Scholer- lease rejection
03/13/2003	D	1.0	Call w/ Creditor
03/13/2003	D	0.8	Call w/ Creditor
03/13/2003	D	0.5	Call w/ Creditor
03/17/2003	B	8.0	Visit to Debtor - claims
03/18/2003	B	8.0	Visit to Debtor - claims
03/24/2003	B	0.5	Call with P.Deutshe/Pam Lekes
03/24/2003	C	1.5	Call w/ B.Johnsen/B. Bennet/M.Box - conditions to closing
03/25/2003	C	0.8	Call with Otterbourg
03/25/2003	D	0.5	Call with Creditor
03/25/2003	D	0.5	Call with Creditor
03/27/2003	B	0.8	Call with Otterbourg - Claims
03/28/2003	B	1.0	Call with B. Johnson / D. Saunders - Sparks facility
03/31/2003	B	0.3	Call with B. Johnson - claims
03/31/2003	B	0.3	Call with Otterbourg - Claims
03/31/2003	B	0.3	Call with S. Karotkin - Sparks
03/31/2003	B	0.5	Call with Kaye Scholer- claims

TOTAL HOURS 33.8

MONTHLY TIME REPORT - APRIL  
 INTEGRATED HEALTH SERVICES

Steven B. Boyd

Date	Project	Time Spent	Description
04/07/2003	A	2.0	Review outstanding claims and recovery analysis
04/09/2003	B	2.0	Review LTC Mortgaged and owned facilities
04/10/2003	A	1.5	Review POR claims class
04/10/2003	A	2.0	Review and sort IHS unsecured claims from poorman douglass
04/11/2003	A	2.5	Review and sort IHS unsecured claims from poorman douglass
04/11/2003	C	1.0	Call with S. Greene and Kaye Scholer re: Briarwood
04/14/2003	A	0.5	Call with D. Reyes of Poorman Douglas re: claims
04/14/2003	A	1.5	Assorted calls regarding claims
04/14/2003	A	2.0	Review and IHS unsecured claims
04/16/2003	C	2.0	Review and calculate Old & Cold 10% debt ownership rule

TOTAL HOURS 17.0

MONTHLY TIME REPORT - APRIL  
 INTEGRATED HEALTH SERVICES

Stephen A. Greene

Date	Project	Time Spent	Description
04/02/2003	C	0.5	Discussion with H&H re: liquidating agent agreement
04/09/2003	C	0.7	Discussion with Kaye Scholer et al re: Briarwood
04/11/2003	C	0.4	Discussion with L. Feldman re: liquidating agent agreement
04/11/2003	C	0.7	Discussion with H&H re: liquidating agent agreement
04/11/2003	C	1.0	Conference call with Kaye Scholer et al re: Briarwood
04/11/2003	C	2.0	Discussion with H&H re: liquidating agent agreement
04/14/2003	C	1.7	Review of Liquidating LLC and liquidating manager agreements and discussion
04/14/2003	C	1.7	Discussion with L. Feldman re: agreements
04/15/2003	C	2.1	Meeting with A&M, Kaye Scholer et al re: Briarwood
04/15/2003	C	3.8	Meeting with Briarwood et al re: sale issues
04/15/2003	C	1.2	Discussion with H&H re: agreements
04/15/2003	C	1.7	Meeting with Kaye Scholer, Well et al re: agreements
04/15/2003	C	1.3	Meeting with A&M, Kaye Scholer et al re: Briarwood
04/16/2003	C	2.8	Review of draft agreements and discussion thereon with H&H, Kaye Scholer and L.
04/16/2003	C	0.4	Discussion with M. Marcos re: exit financing
04/16/2003	C	1.0	Discussion with Kaye Scholer, Otterbourg et al re: agreements
04/16/2003	D	1.5	Conference call with Creditors Committee re: status
04/16/2003	A	0.9	Discussion with M. Marcos re: liquidity issues
04/17/2003	A	0.4	Discussion with M. Marcos re: liquidity issues
04/17/2003	A	1.3	Discussion with A&M et al re: liquidity issues
04/18/2003	A	1.1	Discussion with Otterbourg re: liquidity issues
04/22/2003	A	0.4	Discussion with M. Marcos re: liquidity issues
04/22/2003	A	1.5	Discussion with A&M, M. Marcos et al re: liquidity issues
04/23/2003	A	1.0	Discussion with Otterbourg, M. Marcos re: liquidity issues
04/23/2003	A	1.4	Review of cash forecast and discussion thereon with M. Marcos
04/23/2003	A	1.2	Discussion with A&M et al re: liquidity issues
04/24/2003	A	0.3	Discussion with M. Marcos re: liquidity issues
04/24/2003	A	3.3	Conference call with Creditors Committee re: liquidity issues and follow-up with
04/25/2003	A	0.9	Discussion with Otterbourg re: liquidity and plan issues
04/25/2003	A	0.8	Discussion with A&M re: liquidity issues
04/30/2003	C	0.9	Discussion with Otterbourg re: confirmation issues
TOTAL HOURS		39.9	



MONTHLY TIME REPORT - APRIL  
 INTEGRATED HEALTH SERVICES

V. Matthew Marcos

Date	Project	Time Spent	Description
04/01/2003	C	2.0	Meeting w/ C Smith re: Sparks sale
04/01/2003	C	0.8	Call w/ E Erstad re: Symphony Financials
04/01/2003	D	0.7	Call w/ Creditor
04/07/2003	A	0.8	Call w/ PD re: claims
04/07/2003	A	0.5	Call w/ J Barrow re: Pharmedica
04/08/2003	B	1.0	Call w/ M Box, R Lord re: lender CA
04/08/2003	B	1.5	Various calls w/ Lender re: due diligence process, CA
04/08/2003	B	0.8	Various calls w/ M Box, B Bennett re: due diligence process, CA
04/09/2003	A	0.8	Call w/ PD re: claims
04/09/2003	B	3.0	Various calls w/ lender re: exit fin.
04/09/2003	B	0.5	Call w/ R Lord re CA for exit lender
04/09/2003	B	0.5	Call w/ R lord, Lender, M Box re: CA
04/09/2003	B	0.8	Review revised CA for exit lender
04/14/2003	B	3.0	Various calls w/ Lender re: due diligence process
04/14/2003	D	0.5	Call w/ Creditor
04/14/2003	B	1.5	Various calls w/ B. Bennett, M. Box re: lender due diligence
04/14/2003	B	0.7	Review borrowing base for exit financing
04/14/2003	B	2.0	Various calls w/ M Box, B Bennett re: cash plan
04/15/2003	B	0.8	Various calls w/ lender re: lender due diligence
04/15/2003	B	2.0	Various calls w/ M Box, B Bennett re: cash plan
04/15/2003	D	0.5	Call w/ Creditor
04/16/2003	D	0.8	Call w/ Creditor
04/16/2003	B	0.8	Call w/ Lender re: due diligence process
04/16/2003	B	0.7	Various calls w/ M Box, B Bennett re: cash plan
04/16/2003	B	1.5	Review HIPPA ammendment
04/16/2003	C	0.4	Discussion with S. Greene re: exit financing
04/16/2003	A	0.9	Discussion with S. Greene re: liquidity issues
04/17/2003	A	0.4	Discussion with S. Greene re: liquidity issues
04/17/2003	D	0.5	Call w/ Creditor
04/17/2003	B	1.5	Various calls w/ M Box, B Bennett re: cash plan
04/17/2003	D	1.5	Review revised cash plan
04/17/2003	B	1.5	Call w/ B Bennett, SAG, B Johnsen, J Bondi, M Box re: cash plan
04/21/2003	B	0.8	Various calls w/ M Box, B Bennett re: cash plan
04/21/2003	D	0.5	Call w/ Creditor
04/21/2003	B	1.0	Review revised cash plan
04/21/2003	D	0.8	Call w/ Creditor
04/22/2003	B	2.0	Various calls w/ M Box, B Bennett re: cash plan
04/22/2003	B	2.0	Review revised cash plan
04/22/2003	D	0.8	Call w/ Creditor
04/22/2003	A	0.4	Discussion with S. Greene re: liquidity issues
04/22/2003	A	1.5	Discussion with A&M, M. S. Greene et al re: liquidity issues
04/23/2003	B	1.0	Call w/ S. Greene, J. Barrow re: cash plan and Litho
04/23/2003	B	3.0	Various calls w/ M Box, B Bennett re: cash plan
04/23/2003	B	3.0	Review revised cash plan
04/23/2003	A	1.4	Review of cash forecast and discussion thereon with S. Greene
04/24/2003	B	3.0	Review revised cash plan
04/24/2003	B	3.0	Various calls w/ M Box, B Bennett re: cash plan
04/24/2003	D	0.8	Call w/ Creditor
04/24/2003	B	1.5	UCC call re: Litho Stip
04/24/2003	B	1.0	Review Litho stip
04/24/2003	A	0.3	Discussion with S. Greene re: liquidity issues
04/25/2003	D	0.5	Call w/ Creditor
04/28/2003	D	0.5	Call w/ creditor
04/28/2003	C	0.8	Call w/ B Bennett, M Box re: EBITDA calc, lender, fees
04/28/2003	A	0.5	Review summary of objections to POR
04/30/2003	C	0.8	Review EBITDA calc
04/30/2003	C	0.8	Calls w/ M Box re: EBITDA calc

TOTAL HOURS 66.9



MONTHLY TIME REPORT - MAY  
INTEGRATED HEALTH SERVICES

Steven B. Boyd

Date	Project	Time Spent	Description
05/01/2003	B	2.0	Review LTC and Symphony YTD operating results
05/02/2003	B	1.5	Call with B. Bennett & M. Box re: LTC & Symphony EBITDA
05/07/2003	A	3.0	Recovery analysis
05/08/2003	A	0.7	Call with T. Hughes re: recovery analysis
05/12/2003	A	2.5	Call with T. Hughes, M. Box and M. Marcos re: recovery analysis

TOTAL HOURS 9.7

MONTHLY TIME REPORT - MAY  
INTEGRATED HEALTH SERVICES

Stephen A. Greene

Date	Project	Time Spent	Description
05/01/2003	C	1.3	Discussion with A&M, Kaye Scholer et al re: Briarwood and government settlement
05/05/2003	A	0.3	Review of THI agreement and discussion thereon with Otterbourg
05/06/2003	D	0.4	Discussion with BofA re: status
TOTAL HOURS		2.0	

MONTHLY TIME REPORT - MAY  
 INTEGRATED HEALTH SERVICES

V. Matthew Marcos

Date	Project	Time Spent	Description
05/05/2003	C	0.8	Call w/ lender re: exit financing
05/06/2003	C	1.0	Review EBITDA calc
05/06/2003	D	0.5	Call w/ Creditor
05/06/2003	D	0.5	Call w/ Creditor
05/06/2003	C	1.5	Calls w/ B Bennett re: EBITDA calc, objections to POR
05/07/2003	C	1.0	Review recovery analysis
05/07/2003	C	8.0	Confirmation hearing
05/08/2003	C	0.5	Review lease cure schedule
05/08/2003	C	1.0	Review recovery analysis
05/08/2003	C	1.0	Call w/ M Box re: closing issues
05/09/2003	B	1.0	Review confirmation order
05/09/2003	C	0.8	Call w/ PD re: claims
05/09/2003	D	0.5	Call w/ Creditor
05/12/2003	D	0.5	Call w/ Creditor
05/12/2003	D	0.8	Call w/ Creditor

TOTAL HOURS 19.4

MONTHLY TIME REPORT - MAY  
 INTEGRATED HEALTH SERVICES

V. Matthew Marcos

Date	Project	Time Spent	Description
05/01/2003	B	1.5	Call with Debtor - EBITDA / Cash
05/05/2003	B	1.0	Call with Debtor - EBITDA / Cash
05/08/2003	B	1.5	Call with A&M - Recovery Analysis
05/08/2003	B	0.5	Call with Otterbourg - Settlements
05/08/2003	B	1.0	Call with D. Reyes - Claims
05/07/2003	B	1.0	Review recovery analysis
05/07/2003	D	8.0	Confirmation hearing
05/08/2003	B	0.5	Review lease cure schedule
05/08/2003	B	1.0	Review recovery analysis
05/08/2003	C	1.0	Call w/ M Box re: closing issues
05/09/2003	D	1.0	Review confirmation order
05/09/2003	B	0.8	Call w/ PD re: claims
05/09/2003	D	0.5	Call w/ Creditor
05/12/2003	D	0.5	Call w/ Creditor
05/12/2003	D	0.8	Call w/ Creditor
<b>TOTAL HOURS</b>		<b>20.6</b>	

**EXHIBIT B  
TO FEE APPLICATION**

**Expense Summary**

<b>Expense Category</b>	<b>Total Expenses</b>
Travel, Meals and Entertainment	\$ 3,127
Office Services (telephone, copying)	\$ 1,877
<b>Total Expenses:</b>	<b>\$ 5,004</b>

**Expenses Detail**

**Travel Meals & Entertainment**

01/02/03	Matt Marcos	Taxi home - working late	\$8.00
01/03/03	Matt Marcos	Taxi home - working late	9.00
01/05/03	Matt Marcos	Taxi home - working late	8.00
01/06/03	Leslie Feldman	Dinner - Working Late with M. Marcos & S. Boyd	44.11
01/06/03	Matt Marcos	Taxi home - working late	8.00
01/07/03	Matt Marcos	Taxi home - working late	9.00
01/07/03	Leslie Feldman	Taxi home - working late	5.00
01/10/03	Matt Marcos	Taxi home - working late	9.00
01/07/03	Matt Marcos	Dinner - Working Late	27.00
01/08/03	Matt Marcos	Taxi home - working late	9.00
01/09/03	Leslie Feldman	Taxi to meeting	6.00
01/09/03	Leslie Feldman	Taxi home - working late	6.00
01/09/03	Matt Marcos	Taxi home - working late	8.00
01/10/03	Leslie Feldman	Taxi home - working late	5.00
01/10/03	Leslie Feldman	Dinner - Working Late	26.15
01/13/03	Matt Marcos	Taxi home - working late	8.00
01/14/03	Matt Marcos	Taxi home - working late	8.00
01/14/03	Matt Marcos	Working lunch	20.00
01/16/03	Matt Marcos	Taxi home - working late	9.00
01/17/03	Matt Marcos	Taxi home - working late	8.00
01/20/03	Matt Marcos	Taxi home - working late	8.00
01/21/03	Matt Marcos	Taxi home - working late	8.00
01/22/03	Matt Marcos	Taxi home - working late	9.00
01/23/03	Matt Marcos	Taxi home - working late	9.00
01/23/03	Leslie Feldman	Dinner - Working late with M. Marcos & S. Boyd	69.50
01/24/03	Leslie Feldman	Taxi home - working late	6.00
01/24/03	Leslie Feldman	Lunch - w/Creditor	113.50
01/24/03	Matt Marcos	Taxi home - working late	8.00
01/27/03	Matt Marcos	Taxi home - working late	8.00
01/28/03	Matt Marcos	Taxi home - working late	9.00
01/30/03	Matt Marcos	Taxi home - working late	8.00
01/31/03	Leslie Feldman	Working lunch with S. Boyd & M. Marcos	42.85
02/02/03	Matt Marcos	Train to/from Sparks, MD	408.00
02/02/03	Matt Marcos	Taxi to/from Baltimore Penn Station	70.00
02/02/03	Matt Marcos	Taxi to New York Penn Station	8.00
02/02/03	Matt Marcos	Hotel at Sparks, MD 2/2 through 2/3	209.46

**Travel Meals & Entertainment (Continued)**

02/02/03	Matt Marcos	Dinner - Working Late	24.00
02/03/03	Matt Marcos	Breakfast - Working at Sparks	7.00
02/04/03	Matt Marcos	Taxi from New York Penn Station	8.00
02/04/03	Matt Marcos	Breakfast - Working at Sparks	7.00
02/04/03	Matt Marcos	Working lunch	7.00
02/06/03	Matt Marcos	Taxi home - working late	7.00
02/07/03	Matt Marcos	Taxi home - working late	9.00
02/07/03	Steve Greene	Drive from Short Hills, NJ to Newark Penn Station	10.80
02/10/03	Matt Marcos	Taxi home - working late	8.00
02/11/03	Matt Marcos	Taxi home - working late	9.00
02/13/03	Leslie Feldman	Taxi to/from Weil Gosthal	13.00
02/13/03	Matt Marcos	Dinner - Working Late	32.75
02/14/03	Matt Marcos	Working Lunch	25.00
02/18/03	Leslie Feldman	Taxi home - working late	5.00
02/18/03	Matt Marcos	Taxi home - working late	9.00
02/19/03	Matt Marcos	Taxi home - working late	11.00
02/20/03	Leslie Feldman	Taxi home - working late	7.00
02/20/03	Matt Marcos	Taxi home - working late	9.00
02/21/03	Leslie Feldman	Taxi home - working late	6.00
02/21/03	Leslie Feldman	Dinner - Working Late	12.95
02/25/03	Matt Marcos	Taxi home - working late	9.00
02/28/03	Matt Marcos	Working Lunch	20.50
03/03/03	Matt Marcos	Taxi home - working late	6.00
03/04/03	Matt Marcos	Taxi home - working late	6.00
03/04/03	Steven Boyd	Taxi home - working late	11.00
03/04/03	Steven Boyd	Dinner - Working Late	8.43
03/05/03	Matt Marcos	Taxi home - working late	6.50
03/09/03	Matt Marcos	Taxi home - working late	7.00
03/10/03	Matt Marcos	Taxi home - working late	7.00
03/12/03	Matt Marcos	Taxi home - working late	6.00
03/17/03	Leslie Feldman	Taxi to New York Penn Station	5.00
03/17/03	Leslie Feldman	Working Lunch	8.06
03/17/03	Matt Marcos	Train to/from Sparks, MD	280.00
03/17/03	Matt Marcos	Hotel at Sparks 3/17 through 3/18	203.26
03/17/03	Matt Marcos	Working Lunch	6.50
03/18/03	Leslie Feldman	Hotel at Sparks 3/17	115.97
03/18/03	Leslie Feldman	Train to/from Sparks, MD	280.00
03/18/03	Leslie Feldman	Taxi from New York Penn Station	6.00
03/18/03	Leslie Feldman	Working Lunch	6.81
03/18/03	Leslie Feldman	Working Breakfast	11.96
03/18/03	Leslie Feldman	Dinner - Working Late	12.65
03/18/03	Matt Marcos	Taxi from New York Penn Station	6.50
03/18/03	Matt Marcos	Working Lunch	11.34
03/19/03	Matt Marcos	Taxi home - working late	6.00
03/20/03	Leslie Feldman	Taxi home - working late	5.00
03/21/03	Matt Marcos	Taxi home - working late	10.50
03/21/03	Matt Marcos	Dinner - Working Late	20.00
03/24/03	Matt Marcos	Taxi home - working late	6.00
03/24/03	Matt Marcos	Working Lunch	20.50
03/25/03	Matt Marcos	Taxi home - working late	6.00



**Travel Meals & Entertainment (Continued)**

04/01/03	Matt Marcos	Taxi home - working late	6.50
04/08/03	Steven Boyd	Taxi home - working late	11.00
04/08/03	Steven Boyd	Dinner - Working Late	4.75
04/10/03	Steven Boyd	Taxi home - working late	10.00
04/10/03	Steven Boyd	Dinner - Working Late	8.43
04/14/03	Matt Marcos	Taxi home - working late	6.00
04/14/03	Steven Boyd	Taxi home - working late	12.00
04/14/03	Steven Boyd	Dinner - Working Late	5.50
04/15/03	Leslie Feldman	Taxi to Kaye Scholer	6.00
04/15/03	Leslie Feldman	Taxi from Kaye Scholer	6.00
04/15/03	Matt Marcos	Taxi home - working late	6.00
04/15/03	Steven Boyd	Taxi home - working late	10.00
04/15/03	Steven Boyd	Dinner - Working Late	8.53
04/16/03	Leslie Feldman	Taxi home - working late	5.00
04/16/03	Matt Marcos	Taxi home - working late	6.00
04/17/03	Matt Marcos	Taxi home - working late	6.00
04/21/03	Matt Marcos	Taxi home - working late	6.00
04/22/03	Matt Marcos	Taxi home - working late	6.50
04/23/03	Matt Marcos	Taxi home - working late	6.00
04/24/03	Matt Marcos	Taxi home - working late	6.00
04/24/03	Matt Marcos	Taxi home - working late	8.50
04/24/03	Matt Marcos	Dinner - Working Late	18.00
04/24/03	Matt Marcos	Working Lunch	15.00
04/25/03	Matt Marcos	Taxi home - working late	6.00
04/29/03	Leslie Feldman	Train to Wilimington, DE	99.00
04/29/03	Leslie Feldman	Train from Wilimington, DE	57.00
04/29/03	Leslie Feldman	Taxi to courthouse in Wilmington	7.00
04/29/03	Leslie Feldman	Taxi to Wilmington DE Penn Station	5.00
04/29/03	Leslie Feldman	Working Breakfast	5.20
04/30/03	Leslie Feldman	Taxi to New York Penn Station	5.00
05/07/03	Steven Boyd	Taxi home - working late	12.00
05/08/03	Steven Boyd	Taxi home - working late	11.00
05/12/03	Steven Boyd	Taxi home - working late	10.00
05/07/03	Steven Boyd	Dinner - Working Late	4.75
05/08/03	Steven Boyd	Dinner - Working Late	8.50
05/12/03	Steven Boyd	Dinner - Working Late	8.53
05/08/03	Leslie Feldman	Taxi home - working late	6.00
05/08/03	Leslie Feldman	Dinner - working late with Lawyers from Kaye Scholer	115.13
05/12/03	Matt Marcos	Taxi home - working late	6.00
<b>Total Travel Meals &amp; Entertainment</b>			<b>\$3,127.00</b>

**Office Services (Telephone, copying)**

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01/20/03	Leslie Feldman	Mobile phone service from 12/20/02 - 1/19/03	\$141.09
01/31/03	Matt Marcos	Mobile phone service from 1/01/03 - 1/31/03	97.58
01/31/03	Eureka Capital	Conference call expenses from 1/1/03 - 1/31/03	227.75
01/31/03	Eureka Capital	Business telephone usage from 1/01/03 - 1/31/03	61.68
02/01/03	Steve Greene	Long distance service from 1/01/03 - 1/31/03	11.20
02/01/03	Steve Greene	Mobile phone service from 1/01/03 - 1/31/03	20.70
02/20/03	Leslie Feldman	Mobile phone service from 1/20/03 - 2/19/03	36.56
02/28/03	Matt Marcos	Mobile phone service from 2/01/03 - 2/28/03	97.58
02/28/03	Eureka Capital	Business telephone usage from 2/01/03 - 2/28/03	245.30
03/01/03	Steve Greene	Long distance service from 2/01/03 - 2/28/03	8.65
03/01/03	Steve Greene	Mobile phone service from 2/01/03 - 2/28/03	11.25
03/20/03	Leslie Feldman	Mobile phone service from 2/20/03 - 3/19/03	41.47
03/31/03	Eureka Capital	Research costs	26.50
03/31/03	Matt Marcos	Mobile phone service from 3/1/03 - 3/31/03	97.58
03/31/03	Steve Greene	Long distance service from 3/01/03 - 3/31/03	7.28
03/31/03	Steve Greene	Mobile phone service from 3/1/03 - 3/31/03	5.04
03/31/03	Eureka Capital	Business telephone usage from 3/01/03 - 3/31/03	153.71
04/20/03	Leslie Feldman	Mobile phone service from 3/20/03 - 4/19/03	77.83
04/30/03	Matt Marcos	Mobile phone service from 4/01/03 - 4/30/03	99.00
04/30/03	Eureka Capital	Conference call expenses from 2/1/03 - 4/30/03	249.75
05/12/03	Steve Greene	Long distance service from 4/01/03 - 5/12/03	19.49
05/12/03	Leslie Feldman	Mobile phone service from 4/20/03 - 5/12/03	40.50
05/12/03	Matt Marcos	Mobile phone service from 5/1/03 - 5/12/03	99.00
<b>Total Office Services</b>			<b>\$1,877.00</b>

**EXHIBIT C**  
**SUMMARY TIME MAY 1, 2002 – MAY 12, 2003**

**Professional Time Summary**

<b>Name of Professional</b>	<b>Position of Professional</b>	<b>Total Hours</b>
Stephen A. Greene <sup>3</sup>	Managing Director	176.7
Leslie H. Feldman	Executive Director	672.6
V. Matthew Marcos	Executive Director	599.0
Steven B. Boyd	Associate	<u>550.8</u>
	<b>Total Hours (excluding consultant):</b>	<b>1,999.1</b>
	Blended Rate \$619.63/hour	
Stephen A. Greene	Consultant	<u>147.2</u>
	<b>Total Hours (including consultant):</b>	<b>2,146.3</b>
	Blended Rate \$577.14/hour	

**Project Category Time Summary**

<b>Project Category Code</b>	<b>Project Category</b>	<b>Total Hours</b>
A	General Chapter 11 Advisory	389.5
B	Review of IHS Businesses	551.5
C	Sale Process / POR	664.0
D	Calls with Creditors and Meetings with Committee and Committee's Counsel	<u>394.1</u>
	<b>Total Hours:</b>	<b>1,999.1</b>

<sup>3</sup> The time expended by Stephen A. Greene for the period of May 1, 2002 through September 8, 2002 covered in this Application was in his capacity as a consultant to Eureka and during such period he has not received any compensation other than reimbursement of actual and necessary expenses. Mr. Greene's time for the period of May 1, 2002 through September 8, 2002 is included in this Application for informational purposes. Effective September 9, 2002 Stephen A. Greene joined Eureka as a managing director. Further disclosure with respect to these issues is set forth in the Affidavit of Stephen A. Greene pursuant to Bankruptcy Rule 2014(a) with respect to the Employment and Retention of Eureka Capital Markets, LLC as financial advisors to the Official Committee of Unsecured Creditors filed with the Bankruptcy Court on October 2, 2002.

**EXHIBIT D**  
**COMPENSATION & EXPENSES**  
**BY FEE APPLICATION**

**Fee and Expenses By Fee Application**

Fee Application	Period Covered	Requested			Total Paid
		Fees	Expenses	Total	
1	5/1/02 – 6/30/02	\$200,000	\$1,029	\$201,029	\$201,029
2	7/1/02 – 9/30/02	300,000	2,179	302,179	302,179
3	10/1/02 – 12/31/02	300,000	3,297	303,297	303,297
4	1/1/03 – 5/12/03	438,710	5,004	443,714	443,714
	Total	\$1,238,710	\$11,509	\$1,250,219	\$1,250,219

**EXHIBIT E**  
**SUPPLEMENTAL DECLARATION**

UNITED STATES BANKRUPTCY COURT  
OF THE DISTRICT OF DELAWARE

-----X  
:   
In re: : Chapter 11  
:   
INTEGRATED HEATH SERVICES, INC., et. al. : Case Nos.: 00-B-00389(MFW)  
:   
: (Jointly Administered)  
:   
Debtors. :   
-----X

**SUPPLEMENTAL DECLARATION OF  
LESLIE H. FELDMAN UNDER BANKRUPTCY RULE 2016**

LESLIE H. FELDMAN, declares as follows:

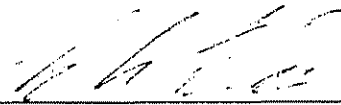
1. I am an executive director of Eureka Capital Markets, LLC (“Eureka”), a financial advisory firm registered with the National Association of Securities Dealers with offices in California and New York including 4001 MacArthur Boulevard, Suite 102, Newport Beach, CA 92660. I am authorized to execute this declaration on behalf of Eureka.
2. I submit this declaration pursuant to Federal Rule of Bankruptcy Procedure 2016 and in support of the Application of Eureka as financial advisor to the Official Committee of Unsecured Creditors for Allowance of Compensation for Professional Services rendered and for Reimbursement of Actual and Necessary Expenses incurred from January 1, 2003 through May 12, 2003. Eureka has rendered valuable professional services on behalf of the Official Committee of Unsecured Creditors (the “Committee”). I have personal knowledge of the materials set forth herein, and if called upon to testify, I could and would testify competently thereto.
3. No agreement or understanding exists between Eureka and any other persons for the sharing of compensation received, or to be received, for professional services rendered in or in connection with this case.
4. Eureka did not request or receive a retainer from the Debtors at the time of the filings.
5. No agreement or understanding prohibited by 18 U.S.C. section 155 has been or will be made by Eureka.



6. To the best of my knowledge, information and belief, subsequent to the retention of Eureka by the Committee, no principal or employee of Eureka has acquired or transferred, for his or her own account, any beneficial interest in, or claims against, any members of the Committee.

I declare under perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

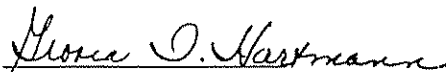
Executed this 24<sup>th</sup> day of October 2003



---

Leslie H. Feldman

SWORN TO AND SUBSCRIBED  
Before me this 24<sup>th</sup> day of October 2003



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Notary Public

GLORIA O. HARTMANN  
Notary Public, State of New York  
No. 01HA4885141  
Qualified in Suffolk County  
Commission Expires May 26, 1999 **2007**

IN THE UNITED STATES BANKRUPTCY COURT

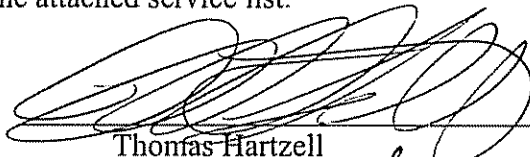
FOR THE DISTRICT OF DELAWARE

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

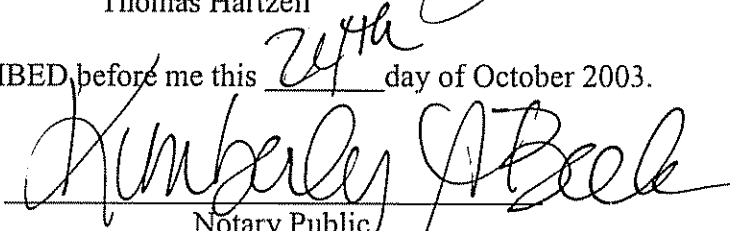
**AFFIDAVIT OF SERVICE**

STATE OF DELAWARE )  
 ) SS  
 NEW CASTLE COUNTY )

Thomas Hartzell, being duly sworn according to law, deposes and says that he is employed by the law firm of Young Conaway Stargatt & Taylor, LLP, attorneys for the Debtors in the within captioned matter, and that on the 24<sup>th</sup> day of October 2003, he caused a copy of the attached pleading to be served, as indicated, on the parties on the attached service list.

  
 Thomas Hartzell

SWORN TO AND SUBSCRIBED before me this 24<sup>th</sup> day of October 2003.

  
 Notary Public

KIMBERLY A. BECK  
 NOTARY PUBLIC  
 STATE OF DELAWARE  
 My commission expires Oct. 1, 2006

**CORE GROUP SERVICE LIST**  
**Integrated Health Services, Inc.**  
**10/24/2003**

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(of the Premiere Associates' Debtors)  
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