

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re) Chapter 11
)
Integrated Health Services, Inc., et al.,) Case No. 00-389 (MFW)
)
Debtors.) Jointly Administered

**FINAL APPLICATION OF TUCKER ALAN INC.,
AS SPECIAL PROFESSIONAL CONSULTANT TO PROFESSIONALS OF THE
DEBTORS AND DEBTORS-IN-POSSESSION, FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FROM MAY 25, 2000 THROUGH OCTOBER 31, 2002**

FEE APPLICATION COVER SHEET - PART I

Name Of Applicant: TUCKER ALAN INC.

Authorized To Provide Professional Services To: Vinick & Docherty, Special Litigation Management Counsel for Debtors and Debtors-in-Possession, and Other Professionals for the Debtors and Debtors-in-Possession

Effective Date Of Retention: August 1, 2000

Interim Period For Which Compensation And Reimbursement Is Sought: N/A

Amount Of Interim Compensation Sought As Actual, Reasonable, And Necessary: \$ -

Amount Of Interim Expense Reimbursement Sought As Actual, Reasonable, And Necessary: \$ -

Final Period For Which Compensation And Reimbursement Is Sought: May 25, 2000 through October 31, 2002

Amount Of Final Compensation Sought As Actual, Reasonable, And Necessary: \$ 1,953,465.00

Amount Of Final Expense Reimbursement Sought As Actual, Reasonable, And Necessary: \$ 201,210.00

This is an: Interim Final Application

Previously filed applications:

	<u>Date Filed</u>	<u>Period Covered</u>	<u>Requested Fees</u>	<u>Requested Expenses</u>	<u>Approved Fees</u>	<u>Approved Expenses</u>
#1	September 26, 2000	May 25, 2000 thru July 31, 2000	\$327,608.00	\$68,497.00	\$327,608.00	\$68,497.00
#2	October 26, 2000	Aug. 1, 2000 thru Aug. 31, 2000	\$332,109.50	\$41,346.00	\$332,109.50	\$41,346.00
#3	November 22, 2000	Sept. 1, 2000 thru Sept. 30, 2000	\$204,325.00	\$36,184.00	\$204,325.00	\$36,184.00
#4	December 28, 2000	Oct. 1, 2000 thru Oct. 31, 2000	\$186,754.00	\$15,474.00	\$186,754.00	\$15,474.00
#5	January 25, 2001	Nov. 1, 2000 thru Nov. 30, 2000	\$167,452.50	\$11,076.00	\$167,452.50	\$11,076.00
#6	February 27, 2001	Dec. 1, 2000 thru Dec. 31, 2000	\$124,771.00	\$5,154.00	\$124,771.00	\$5,154.00
#7	April 2, 2001	Jan. 1, 2001 thru Jan. 31, 2001	\$74,665.50	\$349.00	\$74,665.50	\$349.00
#8	April 24, 2001	Feb. 1, 2001 thru Feb. 28, 2001	\$79,283.00	\$3,963.00	\$79,283.00	\$3,963.00
#9	May 18, 2001	Mar. 1, 2001 thru Mar. 31, 2001	\$59,074.00	\$1,205.00	\$59,074.00	\$1,205.00
#10	June 19, 2001	Apr. 1, 2001 thru Apr. 30, 2001	\$62,393.50	\$3,316.00	\$62,393.50	\$3,316.00
#11	July 23, 2001	May 1, 2001 thru May 31, 2001	\$47,571.50	\$2,777.00	\$47,571.50	\$2,777.00
#12	September 6, 2001	June 1, 2001 thru June 30, 2001	\$136,382.00	\$11,104.00	\$136,382.00	\$11,104.00
#13	October 2, 2001	July 1, 2001 thru July 31, 2001	\$14,222.50	\$156.00	\$14,222.50	\$156.00
#14	October 5, 2001	Aug. 1, 2001 thru Aug. 31, 2001	\$19,315.00	\$109.00	\$19,315.00	\$109.00
#15	November 1, 2001	Sept. 1, 2001 thru Sept. 30, 2001	\$7,135.50	\$105.00	\$7,135.50	\$105.00

Previously filed applications (continued):

	<u>Date Filed</u>	<u>Period Covered</u>	<u>Requested Fees</u>	<u>Requested Expenses</u>	<u>Approved Fees</u>	<u>Approved Expenses</u>
#16	April 23, 2002	Oct. 1, 2001 thru Feb. 28, 2002	\$19,330.50	\$38.00	\$19,330.50	\$38.00
#17	August 9, 2002	Mar. 1, 2002 thru June 30, 2002	\$36,994.00	\$176.00	\$36,994.00	\$176.00
#18	October 23, 2002	July 1, 2002 thru August 31, 2002	\$49,762.00	\$126.00	\$49,762.00	\$126.00
#19	November 25, 2002	Sept. 1, 2002 thru Oct. 31, 2002	\$ 4,316.00	\$ 55.00	\$ 4,316.00	\$ 55.00
Total for All Filed Applications			<u>\$1,953,465.00</u>	<u>\$201,210.00</u>	<u>\$1,953,465.00</u>	<u>\$201,210.00</u>

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

**FINAL APPLICATION OF TUCKER ALAN INC.,
AS SPECIAL PROFESSIONAL CONSULTANT TO PROFESSIONALS OF
THE DEBTORS AND DEBTORS-IN-POSSESSION, FOR ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR THE PERIOD MAY 25, 2000 THROUGH OCTOBER 31, 2002**

Tucker Alan Inc. ("Tucker Alan") respectfully represents as follows:

1. Tucker Alan has been retained in some matters by the law firm of Vinick & Docherty, as a special professional consultant in connection with certain regulatory compliance matters. Pursuant to an order of this Court, Vinick & Docherty has been retained as special litigation management counsel to Integrated Health Services, Inc., and certain of its direct and indirect subsidiaries, as debtors and debtors-in-possession herein (collectively, the "Debtors") in these Chapter 11 cases. In some other matters, Tucker Alan has been retained by the Debtor directly or by other law firms retained by the Debtor. Although in some instances Tucker Alan has been retained and employed by Vinick & Docherty, or other law firms, and not by the Debtors directly, the Debtors will be paying Tucker Alan's approved professional fees and expenses from assets of the Debtors' estates.

2. On February 2, 2000 (the "Filing Date"), each of the Debtors filed a voluntary petition for reorganization under Chapter 11 of Title 11 of the United States Bankruptcy Code (the "Bankruptcy Code").

3. Tucker Alan was initially retained as an Ordinary Course Provider and provided services under the direction of Vinick & Docherty. However, the scope and magnitude of the work increased, making it necessary to be retained under Section 327(e), or alternatively 327(a), of the Bankruptcy Code. On or about September 22, 2000, Tucker Alan submitted for the Court's approval an Application for Order Authorizing Retention and Employment of Tucker Alan Inc. as Special Professional Consultant To Vinick & Docherty, Special Litigation Counsel For The Debtors and Debtors-In-Possession (the "Tucker Alan Retention Application"). Tucker Alan's retention was approved by an order of this Court on November 2, 2000.

4. On or about December 11, 2000, Tucker Alan submitted for the Court's approval an Application for Supplemental Order Modifying Scope of Retention and Employment of Tucker Alan Inc. as Special Professional Consultant to Professionals of the Debtors and Debtors-in-Possession (the "Tucker Alan Supplemental Application"). This was due to requests by the Debtors or counsel to the Debtors for Tucker Alan to perform additional areas of work. The modifications to Tucker Alan's retention were approved by an order of this Court on or about January 3, 2001.

5. By its Administrative Order Establishing Procedures for Interim Compensation And Reimbursement Of Expenses Of Professionals (the "Interim Compensation Order") dated February 2, 2000, the Court established a procedure for interim compensation and reimbursement of expenses for all professionals in these cases. The Court modified this procedure by its Order, Under 11 U.S.C. Sections 105(a) And 331, Establishing Revised Procedures For Interim Compensation And Reimbursement Of Expenses Of Professionals (the "Revised Interim Compensation Order") dated February 22, 2001. Pursuant to the Revised Interim Compensation Order, Tucker Alan submitted nineteen fee applications covering the period May 25, 2000 through October 31, 2002. Tucker Alan's first, second, third, and fourth

interim fee applications were approved by the Court on or about November 13, 2000, December 14, 2000, December 19, 2000, and March 7, 2001, respectively, in accordance with the original procedure established in the Interim Compensation Order. Tucker Alan's fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth, fourteenth, fifteenth, sixteenth, seventeenth, eighteenth, and nineteenth interim fee applications were submitted to the Court on or about January 25, 2001, February 28, 2001, April 2, 2001, April 24, 2001, May 18, 2001, June 19, 2001, July 23, 2001, September 6, 2001, October 2, 2001, October 5, 2001, November 1, 2001, April 23, 2002, August 9, 2002, October 23, 2002, and November 22, 2002, respectively. In accordance with the revised Interim Compensation Order, a No Order Required Certification Of No Objection was filed with respect to the fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth, thirteenth, fourteenth, fifteenth, sixteenth, seventeenth, eighteenth, and nineteenth interim fee applications on or about February 27, 2001, March 22, 2001, May 1, 2001, May 22, 2001, June 12, 2001, July 20, 2001, August 17, 2001, October 2, 2001, November 2, 2001, November 2, 2001, November 29 2001, May 17, 2002, September 13, 2002, November 20, 2002, and December 13, 2002, respectively. In accordance with the procedure established in the Revised Interim Compensation Order, Tucker Alan's fifth, sixth, seventh, and eighth interim fee applications were presented to the Court for approval in conjunction with a hearing on May 25, 2001 and were approved by the Court on October 26, 2001. Tucker Alan's ninth, tenth, and eleventh interim fee applications were presented to the Court for approval in conjunction with a hearing on September 13, 2001 and were approved by the Court on October 26, 2001. Tucker Alan's twelfth, thirteenth, fourteenth, and fifteenth interim fee applications were presented to the Court for approval in conjunction with a hearing on January 24, 2002 and were approved by the Court on March 1, 2002. Tucker Alan's sixteenth interim fee application was presented to the Court for approval in conjunction with a hearing on May 29, 2002 and was

approved by the Court on May 29, 2002. Tucker Alan's seventeenth interim fee application was presented to the Court for approval in conjunction with a hearing scheduled for September 27, 2002 and was approved by the Court on October 1, 2002. Tucker Alan's eighteenth and nineteenth interim fee application were presented to the Court for approval in conjunction with a hearing scheduled for February 26, 2003. Tucker Alan's eighteenth interim fee application was approved by the Court on February 26, 2003. Tucker Alan's nineteenth interim fee application was approved by the Court on March 12, 2003.

6. Tucker Alan submits this Final Fee Application for approval of final compensation for the period from May 25, 2000 through October 31, 2002. This application is made pursuant to the provisions of sections 327, 330 and 331 of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, the Tucker Alan Retention Application, the Tucker Alan Supplemental Application, and the Revised Interim Compensation Order.

7. Professional services and expenses for which compensation and reimbursement are sought in this application were rendered and expended at the direction of the Debtor directly on behalf of the Debtors pursuant to Chapter 11 of the Bankruptcy Code. Tucker Alan believes it is appropriate that it be compensated for the time spent and reimbursed for the expenses incurred in connection with these matters.¹

¹ The hours and fees in Tucker Alan's interim fee applications do not include amounts that Tucker Alan has voluntarily absorbed. Pursuant to Local Rule 2016-2 of the United States Bankruptcy Court for the District of Delaware, Tucker Alan represents that it charges for expenses in the following manner:

- (1) Airfare: All airfare charges represent coach airfare.
- (2) Duplicating: Not charged.
- (3) Telecommunications: Long distance calls and outgoing facsimile transmittals are not billed. The costs of teleconference connection services are billed at cost.
- (4) Computer Research: Tucker Alan's practice is to bill clients for computer research at actual cost, which does not include amortization for maintenance and equipment.
- (5) Overtime Expenses: Tucker Alan's practice is to allow any individual working more than eleven hours per weekday or six hours per weekend day to charge a per diem to cover the cost of a working meal.
- (6) Local Car Service: Tucker Alan's practice is to allow individuals to charge ground transportation for late-

8. Tucker Alan has performed many different services at the direction of Vinick & Docherty, another law firm, or the Debtor directly in connection with certain regulatory compliance matters. The principal professional services Tucker Alan has rendered on behalf of the Debtors' counsel may be grouped into the following nineteen work areas:

- (i) Sampling Work – All Locations
- (ii) Sampling Work – Location #1
- (iii) Sampling Work – Location #2
- (iv) Sampling Work – Location #3
- (v) Sampling Work – Location #4
- (vi) Sampling Work – Location #5
- (vii) Transaction Testing – Phase II
- (viii) Interviews
- (ix) Location #6 Review
- (x) Location #7 Review
- (xi) Location #8 Review
- (xii) RehabWorks Corporate Integrity Agreement
- (xiii) Confidential Review
- (xiv) Summarization of Findings
- (xv) Preparation of Fee and Employment Applications

night travel home.
(7) Delivery Services: Tucker Alan's practice is to charge overnight delivery and courier services at actual cost.

9. Descriptions of the work performed in these areas during each fee application period are included in our nineteen interim fee applications.² In addition, the full scope of and breadth of Tucker Alan's services are reflected in the detailed time records attached as Exhibit "C" to each of our nineteen interim fee applications. These logs show the professionals recording time for these matters on a daily basis, how much time was recorded by each professional, and descriptions of the services provided. Due to the sensitive nature of the services performed and the fact that some of Tucker Alan's work product is privileged and protected from disclosure, the Vinick & Docherty and other attorneys have asked that Tucker Alan provide only general descriptions of the work performed at counsel's direction in our publicly filed time logs. Tucker Alan has maintained the more detailed versions of these time logs in the event that further explanation of the tasks performed is needed.

10. Tucker Alan has endeavored to provide services to the Debtors in the most expeditious and economical manner possible.

11. As stated in the Affidavit of Anne Viseur, annexed hereto as Exhibit "A", no agreement or understanding exists between Tucker Alan and any other person for the sharing of compensation received or to be received for services rendered in or in connection with these cases.

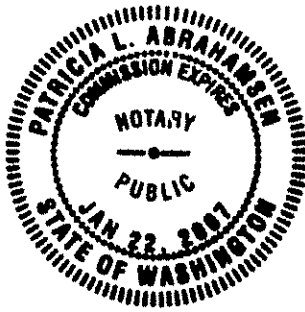
12. The undersigned has reviewed the requirements of Local Rule 2016-2 of the United States Bankruptcy Court for the District of Delaware ("Local Rule 2016-2") and certifies to the best of her information, knowledge and belief that this application complies with Local Rule 2016-2.

² Due to their voluminous nature, the interim fee applications filed by Tucker Alan are not attached to this Final Application. These interim fee applications have been filed with the Court and can be made available upon request.

WHEREFORE, Tucker Alan respectfully requests that this Court approve Tucker Alan's final compensation in the amount of \$1,953,465.00 and reimbursement of expenses in the amount of \$201,210.00 for the period from May 25, 2000 through October 31, 2002.

Dated: Seattle, Washington
October 24, 2003

Tucker Alan Inc.



Anne D. Visser

Anne D. Visser
Two North Central Avenue
Suite 1760
Phoenix, Arizona 85004
(602) 417-2500

Special Professional Consultant to Professionals of
the Debtors And Debtors-in-Possession

Sworn to before me this 24th day of October, 2003.

Patricia L. Abrahamsen

Patricia L. Abrahamsen, Notary Public in
and for the State of Washington, residing
in King County. My commission expires
January 22, 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)
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Debtors.)	Jointly Administered

**AFFIDAVIT OF ANNE VISEUR
PURSUANT TO 11 U.S.C. § 504 AND
RULE 2016 OF THE FEDERAL RULES
OF BANKRUPTCY PROCEDURE**

STATE OF NEW YORK)
 ss:
COUNTY OF NEW YORK)

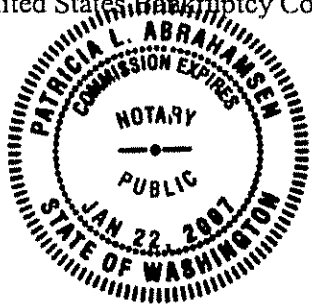
Anne Viseur, being duly sworn, deposes and states:

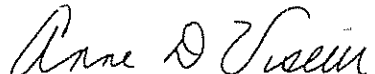
1. I am a member of the firm of Tucker Alan Inc. ("Tucker Alan") which has been retained as a special professional consultant to Vinick & Docherty, special litigation management counsel for the above-captioned debtors. On some other matters Tucker Alan has been retained by counsel to the debtors other than Vinick & Docherty, and on still other matters Tucker Alan has been retained directly by the above-captioned debtors.

2. In accordance with Rule 2016 of the Federal Rules of Bankruptcy Procedure and section 504 of title 11 of the United States Code, no agreement or understanding exists between Tucker Alan and any other person for a division of compensation or reimbursement received or to be received herein or in connection with the within Chapter 11 cases.

EXHIBIT A

3. This affidavit certifies that I have reviewed the requirements of Local Rule 2016-2 of the United States Bankruptcy Court for the District of Delaware and that the Final Application of Tucker Alan Inc., As Special Professional Consultant to Professionals of the Debtors and Debtors-In-Possession, For Final Allowance of Compensation and Reimbursement of Expenses for the Period May 25, 2000 through October 31, 2002, complies with Local Rule 2016-2 of the United States Bankruptcy Court for the District of Delaware.




Anne D. Viseur

Sworn to before me this
24th day of October, 2003



Notary Public

IN THE UNITED STATES BANKRUPTCY COURT

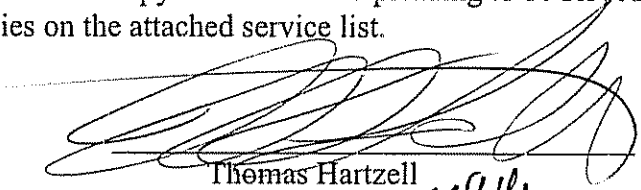
FOR THE DISTRICT OF DELAWARE

In re) Chapter 11
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INTEGRATED HEALTH SERVICES, INC., et al.,) Case No. 00 -389 (MFW)
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AFFIDAVIT OF SERVICE

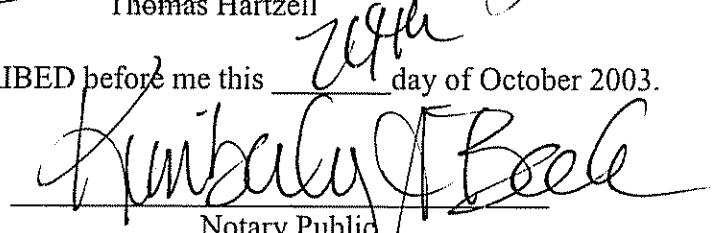
STATE OF DELAWARE)
) SS
NEW CASTLE COUNTY)

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 24th 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 24th 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

Abraham J. Backenroth, Esq.
Backenroth Frankel & Krinsky LLP
489 Fifth Avenue
New York, NY 10017
(Co-counsel for Briarwood)
First Class Mail

Donald A. Beskrone, Esq.
Staff Attorney
Office of the United States Trustee
844 N. King Street, Room 2311
Wilmington, DE 19801
U.S. Trustee
Hand Delivery

Mark D. Collins, Esq.
Richards Layton & Finger
One Rodney Square
P.O. Box 551
Wilmington, DE 19801
(Co-counsel for the DIP Lender)
Hand Delivery

Charlene Davis, Esq.
Elio Battista, Esq.
Neil B. Glassman, Esq.
The Bayard Firm
222 Delaware Avenue, Suite 900
P.O. Box 25130
Wilmington, DE 19899
(Counsel for LTC Healthcare Properties, Inc., et al)
(;Premiere Committee of Unsecured Creditors)
Hand Delivery

Dale Dube, Esq.
Michael D. DeBaecke, Esq.
Bonnie Glantz Fatell, Esq.
Jason W. Staib, Esq.
Blank Rome Comisky & McCauley, LLP
Chase Manhattan Centre, Suite 800
Wilmington, DE 19801
(Co-counsel for Replacement DIP Lender;)
(Blount Memorial Hospital; Sungard Data Systems)
Hand Delivery

Stuart Hirshfield, Esq.
Dewey Ballantine LLP
1300 Avenue of the Americas
New York, NY 10019
(Co-counsel for Replacement DIP Lender)
First Class Mail

IHS Liquidating LLC
c/o Eureka Capital
Attn: Matthew Marcos
21 East 40th Street, Suite 1300
New York, NY 10016
(Liquidating Agent)
First Class Mail

Stephen Karotkin, Esq.
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153-8007
(Counsel for the Prepetition Lenders)
First Class Mail

Richard Mason, Esq.
Wachtell, Lipton, Rosen & Katz
51 West 52 Street
New York, NY 10019
(Counsel for Certain Noteholders)
First Class Mail

Frederick B. Rosner, Esq.
Jaspan Schlesinger Hoffman LLP
1201 North Orange Street, Suite 1001
Wilmington, DE 19801
(Co-counsel for Briarwood)
Hand Delivery

Lee Stremba, Esq.
Charles P. Greenman, Esq.
Jenkins & Gilchrist Parker Chapin LLP
405 Lexington Avenue, 7th Floor
New York, NY 10174
(Co-counsel for the Debtors)
First Class Mail

Joanne B. Wills, Esq.
Steven K. Kortanek, Esq.
Stephanie Fox, Esq.
Klehr Harrison Harvey Branzburg & Ellers LLP
919 Market Street, Suite 1000
Wilmington, DE 19801
(Co-counsel for the Unsecured Creditors' Committee)
Hand Delivery

Marc D. Rosenberg, Esq.
Michael J. Cramers, Esq.
Kaye Scholer LLP
425 Park Avenue
New York, NY 10022
(Co-counsel for the Debtors)
First Class Mail

William M. Silverman, Esq.
Jenette Barrow-Bosshart, Esq.
Otterbourg Steindler Houston & Rosen, P.C.
230 Park Avenue
New York, NY 10169
Co-counsel for the Unsecured Creditors' Committee
First Class Mail

Gene B. Tarr, Esq.
Blanco Tackaberry Combs & Matamoros, P.A.
110 South Stratford Road
5th Floor
Winston-Salem, NC 271143
(Co-counsel for the Unsecured Creditors' Committee)
(of the Premiere Associates' Debtors)
First Class Mail