

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

)	CHAPTER 11
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INTEGRATED HEALTH SERVICES, INC., et. al.)	Case No. 00-389 (MFW)
)	
)	Jointly Administered
)	Regarding Docket No. 8387
)	Hearing Date: Feb. 26, 2003
)	at 9:30 a.m.

OBJECTION TO FINAL APPLICATION OF TUCKER ALAN, INC.

Buchanan/SCC, Inc., Galaxy Pest and Richard W. Wolfe (“Buchanan” or “Wolfe” or “Galaxy” or together the “Wolfe entities”) object to the Final Application of Tucker Alan, Inc., as Special Consultants to Professionals of the Debtors, and For Reimbursement of Expenses incurred [Docket No. 8387], and for grounds state as follows:

1. On February 2, 2000 (the “Petition Date”), Integrated and 437 of its affiliates filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (“the Code”).
2. By order of this Court, the Debtors’ cases have been procedurally, but not substantively, consolidated.
3. Pursuant to sections 1107 and 1108 of the Code, the various Debtors have continued to operate their businesses and manage their properties as debtors-in possession. No trustee or examiner has been appointed in the Debtors chapter 11 cases.

4. As part of first day orders, on February 2, 2000 this Honorable Court entered an administrative Order authorizing the Debtors to maintain their existing centralized cash management system, which allowed the Debtors to follow their prepetition practice of sweeping funds from each of the Debtor's accounts. The Debtors have advised the Court that they can electronically track each Debtor's receipts and disbursement through the system. The effect of the aforesaid order has been to permit, *inter alia*, each Debtor's professionals to be paid on a monthly basis from the concentration account.

5. On February 2, 2000 this Honorable Court entered an Order permitting the filing of fee applications on a month basis by all professionals retained under section 327 of the Code ("the Fee Procedures Order").

6. On or about February 3, 2003 the Debtors filed a final fee application on behalf of Tucker Alan requesting final approval of compensation in the amount of \$1,953,465.00 and reimbursement of expenses in the amount of \$201,210.00.

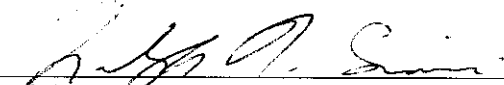
7. On January 21, 2003 the Wolfe entities filed their Motion to Determine and Apportion Professional Fees, Motion for Disgorgement of Interim Professional Fees and for certain other relief ("Wolfe entities Motion") [Docket No. 8711]. Said motion and exhibits are incorporated herein by reference.

8. The application for Tucker Alan's final compensation and reimbursement of expenses is premature. The Debtors seek an Order approving the final application for compensation and reimbursement of expenses which includes interim fees paid to date in cases which may, or may not, be reorganized or liquidated. In addition, for the reasons set out in the Wolfe entities Motion, any interim fees paid to Tucker Alan to date should be

disallowed (and disgorged) to the extent the services provided by Tucker Alan were on behalf of estates which are (or were) administratively insolvent. Tucker Alan's interim and final fees and expenses should only be allowed after the Court determines which estates incurred the fees and expenses and that those estates are administratively solvent. The fees and expenses can then only be paid if a plan of reorganization is confirmed in the cases where Tucker Alan provided the services.

Respectfully submitted this 12th day of February 2003.

Dated: February 12, 2003


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