

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY	
Caption in Compliance with D.N.J. LBR 9004-2(c) SILLS CUMMIS EPSTEIN & GROSS, P.C. Jack M. Zackin (JZ-2540) Valerie A. Hamilton (VH-5697) One Riverfront Plaza Newark, NJ 07102 (973) 643-7000 Attorneys for Debtor and Debtor-in-Possession	
In re: PASCACK VALLEY HOSPITAL ASSOCIATION, INC. <div style="text-align: center;">Debtor.</div>	Case No. 07-23686 (RG) Hon. Rosemary Gambardella Chapter 11

Recommended Local Form: <input checked="" type="checkbox"/> Followed <input type="checkbox"/> Modified
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APPLICATION FOR RETENTION OF PROFESSIONAL

1. The applicant, Pascack Valley Hospital Association, Inc., is the (check all that apply):

<input type="checkbox"/> Trustee	<input type="checkbox"/> Chap. 7	<input type="checkbox"/> Chap. 11	<input type="checkbox"/> Chap. 13
<input checked="" type="checkbox"/> Debtor	<input checked="" type="checkbox"/> Chap. 11	<input type="checkbox"/> Chap. 13	
<input type="checkbox"/> Official Committee of _____			

2. The applicant seeks to retain the following professional, Bederson & Company, to serve as (check all that apply):

<input type="checkbox"/> Attorney for:	<input type="checkbox"/> Trustee	<input type="checkbox"/> Debtor in Possession
<input type="checkbox"/> Official Committee of _____		

- Accountant for: Trustee Debtor in Possession
 Official Committee of _____
 Other Professional:
 Realtor Appraiser Special Counsel
 Auctioneer Other (specify): _____

3. The employment of the professional is necessary because, as the Debtor winds down its administrative operations, it continues to reduce its personnel. Notwithstanding the reduction in staffing, the Debtor continues to have certain administrative accounting and reporting obligations that it must fulfill, including, without limitation, depositing the Debtor's cash receipts, maintaining accurate records regarding the Debtor's patient receivables and their aging, and preparing and filing final tax returns and monthly operating reports for the Debtor. Currently, the monthly gross payroll for the Finance Department is approximately \$46,000. The retention of Bederson & Company will enable the Debtor to further reduce its workforce, by transferring the services being performed by the Debtor's Finance Department to Bederson & Company, and will enable the Debtor to conserve its financial resources.

4. Bederson & Company has been selected because of its excellent reputation and wealth of experience in accounting and tax-related matters, particularly in a bankruptcy context. Bederson was chosen from among several accountants that the Debtor interviewed for this engagement. Bederson's agreement to perform the requested services for a flat-fee of \$32,000 (only a portion of which will be paid by the Estate, as set forth in Paragraph 5 below) is noteworthy, in that it allows the Debtor to know, with certainty at the time of Bederson's

engagement, the actual cost that the Estate will pay for Bederson's services. The Debtor believes that Bederson & Company is well qualified to represent the Debtor in connection with these services, and that it will do so in a cost-effective and efficient manner. The Debtor respectfully requests that it be authorized to retain Bederson & Company as of the date of the filing of this Application.

5. The retention of Bederson & Company is cost-efficient to the Debtor's estate. Bederson & Company has agreed to perform the services for the Debtor and each of its affiliates for a flat fee of \$32,000. This fee will be equitably divided among the Debtor and its affiliated entities, based upon the extent of services required by each. Accordingly, the \$32,000 fee for Bederson's services will be paid by the Debtor (82.65%) and the affiliates (17.35%), as follows:

Debtor - \$26,450

Well Care Group - \$560

LifeKey Ventures - \$2,750

Pascack Community Services - \$1,280

Pascack Valley Hospital Foundation - \$960

In light of the flat fee compensation to be paid to Bederson, the Debtor respectfully requests that the requirement that Bederson file an application for compensation pursuant to 11 U.S.C. § 330 be waived.

6. A complete description of the services for which Bederson is being engaged is set forth in the engagement letter annexed as Exhibit A to the Certification filed in support of this Application.

7. To the best of the applicant's knowledge, the professional's connection with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee, is as follows:

- None
- Describe connection: As set forth in the Certification of Sean Raquet, CPA filed in support of this Application.

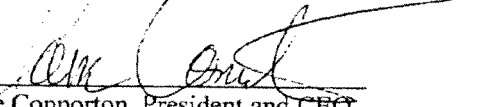
8. To the best of the applicant's knowledge, the professional (check all that apply):

- does not hold an adverse interest to the estate.
- does not represent an adverse interest to the estate.
- is disinterested under 11 U.S.C. § 101(14).
- does not represent or hold any interest adverse to the debtor or the estate with respect to the matter for which it will be retained under 11 U.S.C. § 327(e).
- Other; explain: _____

9. If the professional is an auctioneer, appraiser or realtor, the location and description of the property is as follows: _____

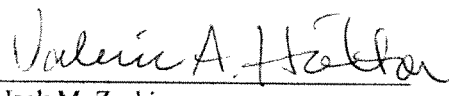
WHEREFORE, the applicant respectfully requests authorization to employ the professional to render services in accordance with this application, with compensation to be paid as an administrative expense in accordance with the terms of the engagement letter submitted herewith, and in such amounts as the Court may hereafter determine and allow.

PASCACK VALLEY HOSPITAL ASSOCIATION, INC.
Debtor and Debtor-in-Possession

By: 
Jane Connorton, President and CEO

- and -

SILLS CUMMIS & GROSS, P.C.
Counsel for Pascack Valley Hospital Association, Inc.
Debtor and Debtor-in-Possession

By: 
Jack M. Zackin
Valerie A. Hamilton

Date: April 4, 2008

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)

Sills Cummis Epstein & Gross, PC
One Riverfront Plaza
Newark, NJ 07102
Telephone: 973-643-7000
Attorneys for the Debtor

PASCACK VALLEY HOSPITAL ASSOCIATION, INC.

DEBTOR

Case No: 07-23686 (RG)

Judge: Rosemary Gambardella

Chapter: 11

Recommended Local Form:

Followed

Modified

**CERTIFICATION OF PROFESSIONAL IN SUPPORT OF
APPLICATION FOR RETENTION OF PROFESSIONAL**

I, Sean Raquet, CPA, CFE, being of full age, certify as follows:

1. I am seeking retention as Accountant to the Chapter 11 Debtor
2. My Professional credentials include: I am a Certified Public Accountant and a Certified Fraud Examiner. Bederson and Company has the appropriate accounting skills and personnel needed to perform the accounting services required by this Estate, which include the services detailed in the copy of the executed engagement letter attached to this Certification. Such firm has previously been employed as accountants for Debtors and has extensive experience and expertise in performing this type of service.
3. I am a member of or associated with the Firm of: Bederson & Company LLP 347 Mt. Pleasant Avenue, West Orange, NJ 07052
4. The proposed arrangement for compensation, including hourly rates, if applicable, are as follows:

Bederson & Company typically bills Estates at its normal hourly rates as follows:

<u>Senior Partner:</u>	Edward P. Bond	\$ 500.00
<u>Partners:</u>	Timothy J. King	\$ 375.00
	Matthew Schwartz	\$ 375.00
	P. Dermott O'Neill	\$ 375.00
	Charles Lunden	\$ 375.00
	Sean Raquet	\$ 300.00
<u>Directors:</u>	Joseph Puskas	\$ 265.00
<u>Managers:</u>	Kimberly Sevonty	\$ 305.00
	Shari Hartstein	\$ 260.00
<u>Senior Accountants:</u>	Robert Pieloch	\$ 195.00
	Harold Parnes	
	Joseph Sullivan	
	Christopher Phillipps	
	Aaron Todoroff	
<u>Semi Sr. Accountant:</u>	Lionel Parnes	\$ 160.00
<u>Staff Accountant:</u>	Mitchell Skolnick	\$ 135.00
<u>Para Professionals:</u>	Carol Galante	\$ 115.00

In this case, Bederson & Company agrees to bill the Estate a fixed fee of \$32,000.

5. To the best of my knowledge, after reasonable and diligent investigation, my connection with the debtor(s), creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee, is as follows:

None

Describe connection: _____

6. To the best of my knowledge, after reasonable and diligent investigation, the connection of my firm, its members, shareholders, partners, associates, officers and/or employees with the debtor(s), creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee, is as follows:

None

Describe Connection: We perform services for Counsel in other matters completely unrelated to this case.

7. To the best of my knowledge, my firm, its members, shareholders, partners, associates, officers and/or employees and I (check all that apply):

- do not hold an adverse interest to the estate.
- do not represent an adverse interest to the estate.
- are disinterested under 11 U.S.C. §101(14).
- do not represent or hold any interest adverse to the debtor or the estate with respect to the matter for which I will be retained under 11 U.S.C. 327(e).
- Other, Explain: _____

8. If the professional is an auctioneer,

a. A surety bond in accordance with D.N.J. LBR 2014-1(B)(2) is attached.

Yes No

b. My qualifications and previous experience as an auctioneer include: N/A

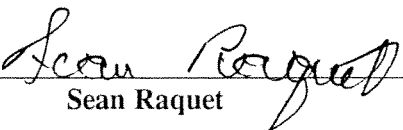
c. Have you or any member of your firm ever been convicted of any criminal offense, other than motor vehicle violations: Yes No

If yes, explain:

9. If the professional is an auctioneer, appraiser or realtor, the location and description of the property is as follows: _____

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Date: March 13, 2008


Sean Raquet

BEDERSON & COMPANY LLP
Name of Professional



March 11, 2008

Leonard Weil
Chief Financial Officer
Pascack Valley Hospital Association, Inc.
250 Old Hook Road
Westwood, New Jersey 07675

Re: Pascack Valley Hospital Association, Inc.
Case no. 07-23686- RG

Dear Mr. Weil:

This letter constitutes a retainer agreement between Pascack Valley Hospital Association, Inc. (the "Debtor") and Bederson & Company LLP ("Bederson") (ID# 22-2978848) under which we will provide the following services in connection with the Debtor's dissolution:

- Prepare monthly operating reports beginning with the April 2008 report to be filed with the Federal Bankruptcy Court;
- Prepare the final tax returns for the Debtor and the following related entities:
 1. Life Key Ventures;
 2. Passaic Community Services;
 3. Well Care, Inc. and
 4. Pascack Valley Hospital Foundation.
- Beginning with the first week in May, deposit cash receipts of the Debtor and maintain the Debtor's patient receivable aging weekly until such time that the patient receivables are sold or deemed uncollectible by the Debtor's Board of Directors or its representatives;
- Deposit the related parties' cash receipts on an as needed basis;
- Assist counsel with dissolution of the Debtor and related entities;
- Prepare checks for approved invoices for the authorized signatory's signature and mailing and
- Other tasks as requested by the Board of Directors or Debtor's counsel.

Edward Wood, Chief Financial Officer
10000 Capital Valley Hospital Administration Bldg.
Columbus, Ohio 43242
614.794.1000

The Debtor will provide us with the following documents for the Debtor and the related entities to assist us in completing our engagement:

- Access, including remote access (if available), to the financial reporting system;
- Training, as required, on the Debtor's financial reporting system;
- Bank reconciliations as of March 31, 2008 for all bank accounts;
- Bank statements for the period from January 1, 2007 through March 31, 2008;
- Paid bills from January 1, 2008 through April 30, 2008;
- Monthly operating reports from the case's inception through March 31, 2008;
- Any and all account analysis prepared to support the balance sheet, income statement and other schedules included on the monthly operating reports;
- April 30, 2008 patient receivable agings and accounts payable agings;
- December 31, 2007 and 2006 financial statements for the Debtor and the related entities (if prepared) and the 2007 and 2006 Federal and State tax returns for all entities;
- Property and equipment depreciation schedules as of December 31, 2007;
- Payroll tax returns for the year ended December 31, 2007 and the quarters ending March 31 and June 30, 2008, 2008 W-2 forms and the 2008 year-to-date payroll registers;
- Payroll tax deposit confirmations for those made for the period January 1, 2008 through the last pay period in 2008 and
- Any and all data files used in preparing the monthly bank reconciliations and monthly operating reports.

The Debtor and related entities acknowledge and agree that, in rendering its services, Bederson will be using and relying on the information provided by the Debtor and related entities without independent verification thereof. Bederson does not assume responsibility for the accuracy or completeness of the information provided in connection with this engagement.

We will not be responsible for the following:

- Any and all claims analysis and claims distributions, including, but not limited to, the Bondholders and Unsecured Creditors and
- Pension plan administration matters.

We agree to accept \$32,000 as our fee for the above services.


If this letter correctly expresses your understanding, please sign this letter where indicated and return the original to us.



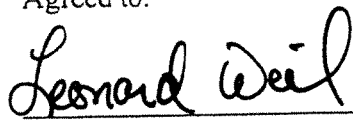
We sincerely appreciate this opportunity to work with you.

Very truly yours,

BEDERSON & COMPANY LLP


Sean Raquet, CPA, CFE

Agreed to:



Leonard Weil
Chief Financial Officer
Pascack Valley Hospital Association, Inc.



UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)

SILLS CUMMIS & GROSS, P.C.

Jack M. Zackin (JZ-2540)

Valerie A. Hamilton (VH-5697)

One Riverfront Plaza

Newark, NJ 07102

(973) 643-7000

Attorneys for Debtor and Debtor-in-Possession

In Re:

PASCACK VALLEY HOSPITAL
ASSOCIATION, INC.

Debtor.

Case No.: 07-23686 (RG)

Judge: Rosemary Gambardella

Chapter: 11

Recommended Local Form:

Followed

Modified

**ORDER AUTHORIZING
RETENTION OF BEDERSON & COMPANY**

The relief set forth on the following pages, numbered two (2) and three (3) is hereby
ORDERED.

In re: Pascack Valley Hospital Association, Inc.

Case No.: 07-23686 (RG)

Applicant: Pascack Valley Hospital Association, Inc.

(check all that apply) Trustee: Chap. 7 Chap. 11 Chap. 13.
 Debtor: Chap. 11 Chap. 13
 Official Committee of _____

Name of Professional: Bederson & Company

Address of Professional: 347 Mt. Pleasant Avenue

West Orange, NJ 07052

Attorney for (check all that apply):
 Trustee Debtor-in-Possession
 Official Committee of _____

Accountant for:
 Trustee Debtor-in-Possession
 Official Committee of _____

Other Professional:
 Realtor Appraiser Special Counsel Auctioneer
 Other (specify): _____

Upon the applicant's request for authorization to retain the professional named above,

It is hereby ORDERED as follows:

1. The applicant is authorized to retain the above party in the professional capacity noted.

2. The Debtor is hereby authorized to compensate Bederson & Company in accordance with the flat fee arrangement set forth in Paragraph 5 of the application and retention letter annexed thereto. Bederson is not required to file an application for compensation pursuant to 11 U.S.C. § 330.

3. The effective date of the retention is the date the application was filed with the Court.

SILLS CUMMIS & GROSS P.C.
Jack M. Zackin (JZ-2540)
Valerie A. Hamilton (VH-5697)
One Riverfront Plaza
Newark, NJ 07102
(973) 643-7000
www.sillscummis.com
Attorneys for Debtor and Debtor-in-Possession

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

PASCACK VALLEY HOSPITAL
ASSOCIATION, INC.

Debtor.

Case No. 07-23686

Hon. Rosemary Gambardella

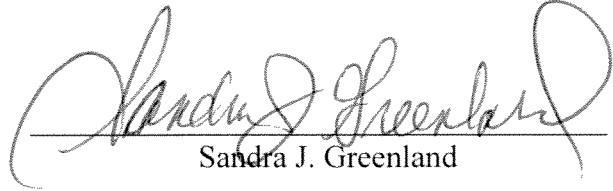
Chapter 11

CERTIFICATE OF SERVICE

SANDRA J. GREENLAND, of full age, certifies as follows:

1. I am a Paralegal employed with the firm of Sills Cummis & Gross P.C. ("Sills Cummis"), attorneys for Debtor and Debtor-in-Possession.
2. On April 4, 2008, the following documents were filed electronically with the United States Bankruptcy Court for the District of New Jersey.
Application for Retention of Professional;
Certification of Professional in Support of Application for Retention of Professional; and
Proposed form of Order.
3. In addition to the parties which were served electronically with a Notice of Electronic Filing by the Court, on April 4, 2008, I caused a true and correct copy of the above-stated documents to be served upon the parties on the attached service list marked Exhibit "A" by U.S. First-Class Mail.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.



Sandra J. Greenland

Dated: April 4, 2008

EXHIBIT A
SERVICE LIST

Mitchell B. Hausman, Esq.
Office of the United States Trustee
One Newark Center
Suite 2100
Newark, NJ 07102

William W. Kannel, Esq.
Kevin J. Walsh, Esq.
Mintz, Levin, Cohn, Ferris, Glovsky and
Popeo, P.C.
One Financial Center
Boston, MA 02111
Counsel to the Bond Trustees

Richard M. Meth, Esq.
Day Pitney LLP
P.O. Box 1945
Morristown, NJ 07962-1945
Local Counsel for The Bank of New York

Warren J. Martin, Jr., Esq.
Brett S. Moore, Esq.
Porzio, Bromberg & Newman, P.C.
100 Southgate Parkway
P.O. Box 1997
Morristown, NJ 07962-1997
Counsel for Unsecured Creditors'
Committee

Sheila E. Calello, Esq.
McCarter & English, LLP
Four Gateway Center
100 Mulberry Street
Newark, NJ 07102-4096
Counsel for Commerce Bank, N.A.
Requesting Notice

Marc S. Pfeuffer, Esq.
Pension Benefit Guaranty Corporation
1200 K Street, N.W.
Washington, DC 20005
Counsel for PBGC Requesting Notice

Mitchell Malzberg, Esq.
Mitnick & Malzberg, PC
29 Race Street
P.O. Box 429
Frenchtown, NJ 08825
Counsel for Health Professionals & Allied
Employees Requesting Notice

Thomas L. Jacob, Esq.
Air Products and Chemicals, Inc.
7201 Hamilton Boulevard
Allentown, PA 18195-1501
Creditor Requesting Notice

Leslie A. Berkoff, Esq.
Lee J. Mendelson, Esq.
Moritt Hock Hamroff & Horowitz LLP
400 Garden City Plaza
Garden City, NY 11530
Counsel for General Electric Capital Corp.
and General Electric Company d/b/a
GE Healthcare Financial Services
Requesting Notice

Joel M. Shafferman, Esq.
The Law Offices of Joel Shafferman, LLC
350 Fifth Avenue, Ste. 2723
New York, NY 10118
Counsel for Genestor, LLC Requesting
Notice

Ben H. Becker, Esq.
Becker Meisel LLC
Eisenhower Plaza II
354 Eisenhower Parkway, Suite 2800
Livingston, NJ 07039
Counsel for Pantheon Capital LLC
Requesting Notice

Paul R. DeFilippo, Esq.
Wollmuth Maher & Deutsch LLP
One Gateway Center
Ninth Floor
Newark, NJ 07102
*Counsel for The Valley Hospital and
Englewood Hospital and Medical Center
Requesting Notice*

Michael A. Farina, Esq.
Thaler & Gertler, LLP
90 Merrick Avenue
Suite 400
East Meadow, NY 11554
*Counsel for Oceanside Institutional
Industries, Inc. Requesting Notice*

Russell R. Huntington, Esq.
Huntington Bailey, L.L.P.
312 Kinderkamack Road
Westwood, NJ 07675
*Counsel for Borough of Westwood
Requesting Notice*

Vincent A. D'Agostino, Esq.
Eric H. Horn, Esq.
Joseph M. Yar, Esq.
Lowenstein Sandler PC
65 Livingston Avenue
Roseland, NJ 07068
*Counsel for New York SMSA Limited
Partnership d/b/a Verizon Wireless
Requesting Notice*

St. Jude Medical S.C. Inc.
Attn: Accounts Receivable
807 Las Climas Parkway, Suite 400
Austin, TX 78746
Creditor Requesting Notice

Dale E. Barney, Esq.
Gibbons P.C.
One Gateway Center
Newark, NJ 07102-5310
*Counsel for Health Net of the Northeast,
Inc. Requesting Notice*

Karen L. Gilman, Esq.
Wolff & Samson PC
One Boland Drive
West Orange, NJ 07052
*Counsel for The Rehabilitation Hospital
@ Raritan Bay Medical Center, LLC
d/b/a Care One at Pascack Valley
Hospital Requesting Notice*

Jay Ganzman, Esq., DAG
Department of Law and Public Safety
Division of Law
25 Market Street
Trenton, NJ 08625
For Notice Purposes Only

Mr. John A. Calabria, Director
Office of Certificate of Need &
Healthcare Facility Licensure
NJ Dept of Health and Senior Services
171 Jersey Street
P.O. Box 358
Trenton, NJ 08625-0358
For Notice Purposes Only

Richard B. Honig, Esq.
Patricia A. Staiano, Esq.
Hellring Lindeman Goldstein & Siegal LLP
One Gateway Center
Newark, NJ 07102
*Counsel for Touro University College of
Medicine Requesting Notice*

Patricia A. Celano, Esq.
DeCotiis, FitzPatrick, Cole & Wisler, LLP
Glenpointe Centre West
500 Frank W. Burr Blvd.
Teaneck, NJ 07666
*Counsel for Hackensack University
Medical Center Requesting Notice*

Siemens Medical Solutions Diagnostic
Formerly Dade Behring Inc.
P.O. Box 6101 MS 802
Newark, DE 19714-6101
Attn: Yesim Brisbane
Creditor Requesting Notice

Primeshares
60 Madison Avenue, 2nd Floor
New York, NY 10011-1600
Creditor Requesting Notice

Sharil A. Clarke, Esq.
Sovereign Bank
619 Alexander Road
Princeton, New Jersey -89540
*Counsel for Sovereign Bank, Successor in
Interest to ICB Leasing, Corp.,
Requesting Notice*

Keith A. Bonchi, Esq.
Goldenberg, Mackler, Sayegh, Mintz,
Pfeffer, Bonchi & Gill
660 New Road, Suite No. 1-A
Northfield, NJ 08225
*Counsel for Borough of Westwood
Requesting Notice*

Steven L. Wittels, Esq.
Sanford Wittels & Heisler, LLP
440 West Street
Fort Lee, NJ 07024
*Counsel for Physician-Intervenors
Requesting Notice*

David M. Reeder, Esq.
Hoffman Polland & Furman PLLC
220 East 42nd Street, Suite 435
New York, NY 10017
*Counsel for Peter and Rina Berger
Requesting Notice*

Sean Raquet, CPA, CFE
Bederson & Company LLP
347 Mt. Pleasant Avenue
West Orange, NJ 07052