

Lawrence B. Gill, # 180157
Rosa A. Shirley, # 310455
Kristina Sherry, # 294975
NELSON HARDIMAN, LLP
1100 Glendon Ave. 14th Floor
Los Angeles, CA 90024
Telephone: (310) 203-2800
Facsimile: (310) 203-2727
Email: lgill@nelsonhardiman.com
Email: rshirley@nelsonhardiman.com
Email: ksherry@nelsonhardiman.com

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION

In re

VERITY HEALTH SYSTEM OF
CALIFORNIA, INC., *et al.*,

Debtors and Debtors In Possession.

☒ Affects All Debtors

☐ Affects Verity Health System of
California, Inc.

☐ Affects O'Connor Hospital

☐ Affects Saint Louise Regional Hospital

☐ Affects St. Francis Medical Center

☐ Affects St. Vincent Medical Center

☐ Affects Seton Medical Center

☐ Affects O'Connor Hospital Foundation

☐ Affects Saint Louise Regional Hospital
Foundation

☐ Affects St. Francis Medical Center of
Lynwood Foundation

☐ Affects St. Vincent Foundation

☐ Affects St. Vincent Dialysis Center, Inc.

☐ Affects Seton Medical Center Foundation

☐ Affects Verity Business Services

☐ Affects Verity Medical Foundation

☐ Affects Verity Holdings, LLC

☐ Affects De Paul Ventures, LLC

☐ Affects De Paul Ventures - San Jose
Dialysis, LLC

Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered With:

Case No. 2:18-bk-20162-ER

Case No. 2:18-bk-20163-ER

Case No. 2:18-bk-20164-ER

Case No. 2:18-bk-20165-ER

Case No. 2:18-bk-20167-ER

Case No. 2:18-bk-20168-ER

Case No. 2:18-bk-20169-ER

Case No. 2:18-bk-20171-ER

Case No. 2:18-bk-20172-ER

Case No. 2:18-bk-20173-ER

Case No. 2:18-bk-20175-ER

Case No. 2:18-bk-20176-ER

Case No. 2:18-bk-20178-ER

Case No. 2:18-bk-20179-ER

Case No. 2:18-bk-20180-ER

Case No. 2:18-bk-20181-ER

Chapter 11 Cases

Judge: Hon. Ernest M. Robles

**NELSON HARDIMAN, LLP'S MONTHLY FEE
APPLICATION FOR ALLOWANCE AND
PAYMENT OF INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR
THE PERIOD AUGUST 31, 2018 THROUGH
SEPTEMBER 30, 2018**



NELSON HARDIMAN LLP
1100 Glendon Avenue, 14th Floor
LOS ANGELES, CALIFORNIA 90024

1. Nelson Hardiman, LLP (the "Firm") submits its Monthly Fee Application (the "Application") for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for the Period **August 31, 2018 through September 30, 2018** (the "Application Period") for work performed for the Debtors. In support of the Application, the Firm respectfully represents as follows:

2. Pursuant to an order entered by this Court on October 30, 2018, the Firm serves as special healthcare regulatory counsel to the above-captioned Debtors. The Firm hereby applies to the Court for allowance and payment of interim compensation for services rendered and reimbursement of expenses incurred during the Application Period.

3. The Firm billed a total of **\$8,446.00** in fees and expenses during the Application Period. The total fees represent **14.2** hours expended during the period covered by this Application. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
8/31/2018 – 9/30/18	\$8,446.00	\$0	\$8,446.00

4. Accordingly, the Firm seeks allowance of interim compensation in the amount of a total of **\$6,756.80** at this time. This total is comprised as follows: **\$6,756.80** (80% of the fees for services rendered) plus **\$0.00** (100% of the expenses incurred).

5. For the postpetition period, the Firm has been paid to date as follows:

Application Period	Amount	Description
First (8/31/18 - 9/30/18)	\$ 0.00	80% of fees and 100% of expenses
Second N/A	\$N/A	80% of fees and 100% of expenses
Total Paid to the Firm to Date	\$ 0.00	

6. To date, the Firm is owed as follows (excluding amounts owed pursuant to this Application):

Application Period	Amount	Description
First (8/31/18 - 9/30/18)	\$ 0.00	20% fee holdback
Second N/A	\$N/A	20% fee holdback
Total Owed to the Firm to Date	\$ 0.00	

7. Attached as **Exhibit A** hereto is the name of each professional who performed services in connection with these cases during the period covered by this Application and the

1 hourly rate for each such professional. Attached hereto as **Exhibit B** are the detailed time and
2 expense statements for the Application Period.

3 8. The Firm has served a copy of this Application on the Office of the United States
4 Trustee, the above-captioned debtors (the "Debtors"), counsel to the Debtors, and counsel to the
5 Official Committee of Unsecured Creditors (the "Committee") appointed in this case. The
6 Application was mailed by first class mail, postage prepaid, on or about November 16, 2018.
7 Notice of the filing of this Application was served on the foregoing parties as well as any party
8 who has requested special notice in this chapter 11 cases as of the date of the Notice. The Notice
9 was mailed by first class mail, postage prepaid, on or about November 16, 2018.

10 9. Pursuant to this Court's *Amended Order on Debtors' Motion Establishing*
11 *Procedures for Monthly Payment of Fees and Expense Reimbursement* that was entered on or
12 about November 16, 2018 [Docket No.826], the Debtors are authorized to make the payment
13 requested herein without a further hearing or order of this Court unless an objection to this
14 Application is filed with the Court and served upon the Notice Parties within ten (10) calendar
15 days after the date of mailing of the Notice of this Application. If such an objection is filed, the
16 Debtors are authorized to pay 80% of the uncontested fees and 100% of the uncontested expenses
17 without further order of the Court. If no objection is filed, the Debtors are authorized to pay 80%
18 of all fees requested in the Application and 100% of the uncontested expenses without further
19 order of the Court.

20 10. The interim compensation and reimbursement of expenses sought in this
21 Application is not final. Upon the conclusion of these cases, the Firm will seek fees and
22 reimbursement of the expenses incurred for the totality of the services rendered in these cases.
23 Any interim fees or reimbursement of expenses approved by this Court and received by the Firm
24 (along with any retainer) will be credited against such final fees and expenses as may be allowed
25 by this Court.

26 **WHEREFORE**, the Firm respectfully requests that the Debtors pay compensation to the
27 Firm as requested herein pursuant to and in accordance with the terms of the *Order Authorizing*
28 *Interim Fee Procedures*.

1 Dated: November 16, 2018

NELSON HARDIMAN, LLP

2
3 By

Lawrence B. Gill,
Of Counsel

NELSON HARDIMAN LLP
1100 Glendon Avenue, 14th Floor
LOS ANGELES, CALIFORNIA 90024

EXHIBIT A

Exhibit A
Professionals and Hourly Rates (8/31/18 – 9/30/18)

Professional	Title	Hourly Rate
Hope Levy-Biehl	Partner	\$639
Lawrence B. Gill	Of Counsel	\$510
Rosa A. Shirley	Attorney	\$467

EXHIBIT B

Exhibit B

Detailed Time and Expense Statements (8/31/18 – 9/30/18)

A. Time Statements

1. Matter 003 (Asset Disposition)

Professional Person's Name	Hourly Rate	Total Hours this Person	Total Fees this Person
Hope Levy-Biehl	\$639	8.30	\$5,303.70

2. Matter 007 (Business Operations)

Professional Person's Name	Hourly Rate	Total Hours this Person	Total Fees this Person
Hope Levy-Biehl	\$639	1.70	\$1,086.30
Rosa A. Shirley	\$467	2.00	\$934.00

3. Matter 012 (Employee and Fee Applications)

Professional Person's Name	Hourly Rate	Total Hours this Person	Total Fees this Person
Lawrence B. Gill	\$510	2.20	\$1,122.00

4. Combined Matters 003, 007 and 012

Professional Person's Name	Hourly Rate	Total Hours this Person	Total Fees this Person
Hope Levy-Biehl	\$639	10.00	\$6,390.00
Lawrence B. Gill	\$510	2.20	\$1,122.00
Rosa A. Shirley	\$467	2.00	\$934.00

B. Expense Statements

1. Combined Matters 003, 007 and 012

Expense	Amount
N/A	\$0.00

Date	Prof	Matter ID/Client Sort Matter Description Narrative	Activity Code	Component Task Code	Units	Price	Value
Client Sort: Verity Health System of California							
09/11/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Multiple call with M. Kwok re: foundation current operations (.3) analyze Foundation clinic closure issues (1.7) calls to the CDPH RHB re: MRI units (.2) call to CDPH Medical Waste Management program re: generator permit (.1)		T	2.30	639.00	1,469.70
09/10/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Exchange emails with client re: possible Foundation clinic closure issues and begin analyzing same		T	0.20	639.00	127.80
09/13/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Review and analyze Wipfli facility closure plan (.3) review and analyze accreditation, certification and license summary document (.2)		T	0.50	639.00	319.50
09/17/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Calls, emails to L. Blitz, E. Delaney re: Wipfli report		T	0.20	639.00	127.80

Date	Prof	Matter ID/Client Sort Matter Description Narrative	Activity Code	Component Task Code	Units	Price	Value
09/18/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Follow up with L. Blitz re: updates to report (.2) telephone call with E. Delany, L. Blitz (.5) prepare background materials about Seton for Wipfli report (.6)		T	1.30	639.00	830.70
09/19/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Review and propose revisions to updated Wipfli report and request additional information from client for same (1.2)		T	1.20	639.00	766.80
09/20/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Review and analyze additional information re: Seton/Coastside residents (.1) Review and propose revision to board resolution re: Seton (.2)		T	0.30	639.00	191.70
09/21/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Review updated Wipfli report and exchange emails with L. Blitz re: same		T	0.30	639.00	191.70

Date	Prof	Matter ID/Client Sort Matter Description Narrative	Activity Code	Component Task Code	Units	Price	Value
09/25/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Prepare for and participate in telephone call with E. Delaney, E. Kim, K. Moloney re: options for regulatory issues for possible Coastside spin off and related strategies		T	0.90	639.00	575.10
09/26/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Exchange emails with E. Delaney, S. Maizel re: correspondence to AG		T	0.10	639.00	63.90
09/27/2018	HRL	5602-003/ Verity Health System of California Asset Disposition Begin to review and analyze mandatory billing requirements for physician services (for O'Connor Hospital) (.3) follow up with Dentons team re: Wipfli report and motion regarding Seton (.2) telephone call with E. Delaney re: developments at board meetings and order authentication developments at St. Francis (.5)		T	1.00	639.00	639.00
Client Sort: Verity Health System of California					8.30		5,303.70
Grand Total:					8.30		\$5,303.70

Date	Prof	Matter ID/Client Sort Matter Description Narrative	Activity Code	Component Task Code	Units	Price	Value
Client Sort: Verity Health System of California							
09/04/2018	RAS	5602-007/ Verity Health System of California Business Operations Extended research regarding notices of case pleadings and orders; file requests for notices accordingly.		T	2.00	467.00	934.00
09/20/2018	HRL	5602-007/ Verity Health System of California Business Operations Review correspondence and addendum for extension of Greeley engagement at St. Francis and exchange emails with client, Greeley re: same		T	0.20	639.00	127.80
09/27/2018	HRL	5602-007/ Verity Health System of California Business Operations Review correspondence from CMS and exchange emails with hospital team re: same (.2) telephone call with Dr. Del Junco, T. Armada re: developments with verbal orders at St. Francis and further analyze same (.7)		T	0.90	639.00	575.10
09/28/2018	HRL	5602-007/ Verity Health System of California Business Operations Research mandatory Medicare physician billing requirements		T	0.60	639.00	383.40

Date	Prof	Matter ID/Client Sort Matter Description Narrative	Activity Code	Component Task Code	Units	Price	Value
		Client Sort: Verity Health System of California			3.70		2,020.30
				Grand Total:	3.70		\$2,020.30

Date	Prof	Matter ID/Client Sort Matter Description Narrative	Activity Code	Component Task Code	Units	Price	Value
Client Sort: Verity Health System of California							
09/03/2018	LBG	5602-012/ Verity Health System of California Employee and Fee Applications Revise and finalize employment application and supporting declaration; send to T. Moyron		T	2.20	510.00	1,122.00
		Client Sort: Verity Health System of California			2.20		1,122.00
				Grand Total:	2.20		\$1,122.00