

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

SC HEALTHCARE HOLDING, LLC *et al.*,

Debtors.¹

Chapter 11

Case No. 24-10443 (TMH)

Jointly Administered

SUPPLEMENT TO FOURTH INTERIM FEE APPLICATION OF
DUANE MORRIS LLP

Duane Morris LLP (“Duane Morris” or the “Firm”), special counsel to the debtors and debtors in possession (collectively, the “Debtors”) hereby supplements the *Fourth Interim Fee Application of Duane Morris LLP* (the “Fourth Interim Application”) for the period January 1, 2025 through and including March 31, 2025 (the “Application Period”) by attaching, as Exhibits A through E hereto, certain schedules requested by the *Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under United States Code by Attorneys in Larger Chapter 11 Cases* (the “UST Guidelines”). In addition, Duane Morris respectfully states as follows to address the questions set forth under section C.5 of the UST Guidelines:

- a. During the Application Period, Duane Morris did not agree to any variations from, or alternatives to, its standard or customary billing rates, fees, or terms.
- b. The fees sought by Duane Morris in the Fourth Interim Application are less than 10% higher than the fees budgeted in the budget provided by Duane Morris to the Debtors for Application Period.

¹ The last four digits of SC Healthcare Holding, LLC’s tax identification number are 2584. The mailing address for SC Healthcare Holding, LLC is c/o Petersen Health Care Management, LLC P.O. Box 620 Delavan, IL 61734. Due to the large number of debtors in these Chapter 11 Cases, whose cases are being jointly administered, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information is available on a website of the Debtors’ claims and noticing agent at www.kccllc.net/Petersen.



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- c. The professionals included in the Fourth Interim Application did not vary their hourly rate based on the geographic location of the bankruptcy cases.
- d. The Fourth Interim Application did not include any fees dedicated to revising time records or preparing and revising invoices that would not normally be compensable outside of bankruptcy.
- e. The time period covered by the Fourth Interim Application includes approximately 6.40 hours with a value of \$8,522.50 was spent by Duane Morris to ensure that the time entries subject to the Fourth Interim Application comply with the Local Rules of the United States Bankruptcy Court for the District of Delaware and do not disclose privileged or confidential information. This review and any revisions associated therewith are a necessary component of Duane Morris' preparation of each monthly fee application.
- f. The Fourth Interim Application does include rate increases since the effective date of the Court's approval of Duane Morris' retention. Beginning January 1, 2025, each of the attorneys' respective rates increased as set forth herein.

Dated: May 15, 2025

Respectfully submitted,

/s/ Drew S. McGehrin
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*Special Counsel for the Debtors and Debtors
in Possession*

EXHIBIT A**CUSTOMARY AND COMPARABLE
COMPENSATION DISCLOSURES**

Duane Morris' hourly rates for services provided in this case are comparable or identical to hourly rates charges in similar cases by similarly skilled attorneys. Duane Morris is court-appointed Special Counsel pursuant to Bankruptcy code Section 327(e) and has performed services in connection with "Special Matters" as defined in the *Debtors' Application for Entry of an Order Authorizing the Retention and Employment of Duane Morris as Special Counsel to the Debtors and Debtors in Possession for Certain Specified Matters, Effective as of May 1, 2024* [Docket No. 343], and as approved by this Court. These services include regulatory, corporate, transactional, and bankruptcy expertise, rendered in connection with multiple sales of health care related assets. The rates charged by Duane Morris for the services performed in the prior calendar year in each of these practice areas are comparable to the services performed are set forth below.

Category of Timekeeper	Blended Hourly Rate		
	Billed In comparable practice areas for the preceding calendar year ¹	Billed Firm-wide for preceding calendar year	Billed This Application
Partner	\$905.00	\$825.00	\$1,166.79
Special Counsel	\$762.00	\$691.00	\$1,020.00
Associate	\$572.00	\$534.00	\$775.00
Paralegal	\$430.00	\$331.00	\$585.00
Aggregated:	\$667.25	\$595.25	\$1,139.19

¹ This column reflects the blended 2024 rates charged across the practice areas for services provided in this case as Section 327(e) counsel in the following sections of the firm: Corporate, Real Estate, Healthcare and Business Reorganization and Financial Restructuring Practice Group.

EXHIBIT B**SUMMARY OF TIMEKEEPERS INCLUDED IN THE
FOURTH INTERIM APPLICATION**

Name	Title	Department	Date of First Admission	Hourly Rate Billed in the Application Period (\$)	Hours Billed in the Application Period	Fees Billed in the Application Period (\$)
Ron Oliner	Partner	Bankruptcy and Restructuring	California, 1990	\$1,400	13.50	\$18,900.00
Brian P. Kerwin	Partner	Corporate	Illinois, 1989	\$1,200	1.70	\$2,040.00
Michael A. Witt	Partner	Corporate	Illinois, 1995	\$1,125	47.40	\$53,325.00
Neville M. Bilimoria	Partner	Healthcare	Illinois, 1994	\$1,080	25.70	\$27,756.00
David B. Yelin	Partner	Real Estate	Illinois, 1986	\$1,260	10.80	\$13,608.00
Dietrich A. Loos	Special Counsel	Corporate	Illinois, 1998	\$1,020	9.50	\$9,690.00
Susan A. Bodie	Paralegal	N/A	N/A	\$585	2.70	\$1,728.00
Drew S. McGehrin	Senior Associate	Bankruptcy and Restructuring	Pennsylvania, 2016, Delaware, 2017	\$775	0.70	\$542.50
Totals					112.00	\$127,589.50

EXHIBIT C

BUDGET AND STAFFING PLAN

Duane Morris is retained as Special Counsel pursuant to Bankruptcy Code §327(e). Duane Morris prepared a budget for legal fees (exclusive of out-of-pocket costs) of \$300,000-\$500,000 per property or an aggregate for 82 properties of \$2,460,000-\$4,100,000. To date, Applicant's fees are substantially lower than as estimated.

EXHIBIT D**SUMMARY OF COMPENSATION AND EXPENSE REIMBURSEMENT**

SUMMARY OF COMPENSATION BY PROJECT CATEGORY		
Project Category	Hours Billed	Fees Sought (\$)
Post Petition Sale Matters	112.00	\$127,589.50
TOTAL	112.00	\$127,589.50

SUMMARY OF EXPENSE REIMBURSEMENT	
	Amount (\$)
N/A	N/A
TOTAL	\$0.00

EXHIBIT E

SUMMARY OF FOURTH INTERIM APPLICATION	
Name of Applicant	Duane Morris LLP
Name of Client	Debtors and Debtors In Possession
Time period covered by Fourth Interim Application	January 1, 2025 – March 31, 2025
Total compensation sought during the Application Period	\$127,589.50
Total expenses sought during the Application Period	\$0.00
Petition Date	March 20, 2024
Retention Date	June 20, 2024 (Effective as of May 1, 2024)
Date of order approving employment	June 20, 2024
Total compensation approved by interim order to date	\$1,350,307.00
Total expenses approved by interim order to date	\$362.32
Total allowed compensation paid to date	\$1,350,307.00
Total allowed expenses paid to date	\$362.32
Blended rate in the Fourth Interim Application for all attorneys	\$1,151.52
Blended rate in the Fourth Interim Application for all timekeepers	\$1,139.19
Compensation sought in the Fourth Interim Application already paid (or to be paid) pursuant to a monthly compensation order but not yet allowed (80%)	\$102,071.60
Expenses sought in the Fourth Interim Application already paid (or to be paid) pursuant to a monthly compensation order but not yet allowed (100%)	\$0.00
Number of professionals included in the Fourth Interim Application	8
If applicable, number of professionals in the Fourth Interim Application not included in staffing plan approved by client	N/A
If applicable, difference between fees budgeted and compensation sought during the Application Period	N/A
Number of professionals billing fewer than 15 hours to the case during the Application Period	6
Are any rates higher than those approved or disclosed at retention?	Yes