

## Hospitals seek new auction for old Pascack Valley facility

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The opponents of a proposal to reopen the former Pascack Valley Hospital in Westwood have asked a Bankruptcy Court judge to throw out the hospital's sale to Hackensack University Medical Center and hold a new auction.

The auction a year ago did not include the hospital's license, said attorney Paul DeFilippo, who represents The Valley Hospital and Englewood Hospital and Medical Center. If it had, Valley and Englewood would have bid more for it, he said.

"We want the court to go back to the auction, and start the bidding at \$45 million," he said Wednesday.

Valley and Englewood together bid \$45 million for Pascack at the auction in bankruptcy court. They lost to Hackensack, which bid \$45.5 million in partnership with Touro University.

Hackensack has proposed opening a 128-bed community hospital at the site of the bankrupt hospital. Last year, it reopened the emergency room at Pascack.

Hackensack has argued in legal papers that the license should go with the real estate and cannot be sold separately. The state Health Department also argued that a hospital license cannot be sold.

But the attorney for the bankrupt hospital, Jack Zackin, said that the license was not included in the sale.

Zackin received court approval to hire a consultant to assess the value of the hospital license and determine whether it can be sold. That report is pending.

In the motion filed this week, Valley and Englewood asked Bankruptcy Court Judge Rosemary Gambardella to vacate Pascack's sale. No date has been set for a hearing.

Meanwhile, Hackensack's attorneys asked the court this week to disqualify DeFilippo, Valley and Englewood's attorney.

Hackensack contends that DeFilippo, of the firm Wollmuth Maher & Deutsch, may have been privy to confidential information during his work with Englewood's former lawyers Garfunkel, Wild & Travis. That group has a Long Island branch office that once represented Touro University.

The Garfunkel firm withdrew as Englewood's attorneys last month, after Hackensack's attorneys alleged a conflict of interest.

DeFilippo said he would oppose the motion. A hearing is set for March 26.

After buying Pascack with Hackensack, Touro decided not to open in Westwood and is owed the balance of its investment by the hospital.

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