



# Monterey County

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## Board Report

Legistar File Number: A 17-217

June 27, 2017

**Introduced:** 5/31/2017

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13003) with Foley & Lardner, LLP for independent consulting and legal services with respect to healthcare matters at Natividad Medical Center, extending the agreement an additional one (1) year period (July 1, 2017 through June 30, 2018) for a revised full agreement term of July 1, 2015 through June 30, 2018, and adding \$630,000 for a revised total agreement amount not to exceed \$1,230,000.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) of the original cost of the agreement per each amendment.

### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A-13003) with Foley & Lardner, LLP for independent consulting and legal services with respect to healthcare matters at Natividad Medical Center, extending the agreement an additional one (1) year period (July 1, 2017 through June 30, 2018) for a revised full agreement term of July 1, 2015 through June 30, 2018, and adding \$630,000 for a revised total agreement amount not to exceed \$1,230,000.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) of the original cost of the agreement per each amendment.

### **SUMMARY/DISCUSSION:**

Foley & Lardner, LLP specializes in healthcare law, and has for years provided advice and counsel, in consultation with the Office of the County Counsel, on a variety of healthcare-related issues to NMC. The firm represents the California Association of Public Hospitals (CAPH) and works frequently with the state government and CAPH in drafting legislation for the benefit of public hospitals statewide. The firm's expertise in public hospital healthcare law, in areas such as Medi-Cal funding to hospitals, specifically regarding the structuring Medicaid financing for safety net providers in the context of disproportionate share hospital payment programs and under federal Medicaid demonstrations authorized under

Section 1115 of the Social Security Act, is of significant importance to Natividad Medical Center.

\$262,500 of the \$630,000 increase currently requested is slated for use in this current Fiscal Year 2016-17 with the remaining \$367,500 slated for next FY17-18. This is due to Foley & Lardner's assistance with a significant transaction involving many attorney hours over several months.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this amendment No. 1 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. This amendment No. 1 has also been reviewed and approved by NMC's Finance Committee on March 23, 2017 and by its Board of Trustees on April 7, 2017.

**FINANCING:**

The cost for this amendment No. 1 is \$630,000, of which \$262,500 is included in the Adopted Budget for Fiscal Year 2016-17 and \$367,500 is included in the FY17-18 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

Economic Development

Administration

The services rendered in this agreement provide legal consulting services, as needed, with respect to healthcare matters; the outcome of which contributes to assisting NMC run efficient business operations.

Health and Human Services

Infrastructure

Public Safety

Prepared by: Daniel Leon, Chief Financial Officer, 783-2561

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Foley and Lardner LLP Amendment 1

Foley and Lardner LLP Agreement

Foley and Lardner LLP Spend Sheet

Attachments on file with the Clerk of the Board