

**RENEWAL AND AMENDMENT NO. 4
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN Latham & Watkins LLP AND
THE NATIVIDAD MEDICAL CENTER
FOR
Legal Services**

This Renewal and Amendment No. 4 to Agreement ("Agreement"), dated May 1, 2010 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Latham & Watkins LLP (Contractor), with respect to the following:

RECITALS

WHEREAS, the County and Contractor amended the Agreement previously on October 1, 2010 via Amendment No. 1, and on July 1, 2011 via Amendment No. 2, and on July 1, 2012 via Amendment No.3; and

WHEREAS, the County and Contractor wish to amend the Agreement to extend the term end date to allow for existing services to continue; and

WHEREAS, the County and Contractor wish to amend the Agreement to increase the amount of the Agreement by \$500,000 (over two years) because of the term extension.

AGREEMENT

NOW, THEREFORE, the parties agree to amend the Agreement as follows:

1. Contractor will continue to provide NMC with the same scope of services as stated in the original Agreement (No. A-11791).
2. Section 6 of the original agreement, "RATES FEES AND CHARGES" paragraph four, shall be amended by removing, "*The maximum amount of the County's liability over the full term of this agreement is \$100,000.*" and replacing it with "*The maximum amount of the County's liability over the full term of this agreement (No. A-11791) is \$1,500,000 for the full term of the Agreement*".
3. Section 6 of the original agreement "RATES FEES AND CHARGES" paragraph four shall be amended by removing, "*The term of this Agreement is from May 1, 2010 to April 30, 2011*" and replacing it with "*The term of this Agreement is May 1, 2010 to June 30, 2015 unless sooner terminated pursuant to this Agreement*".
4. Except as provided herein, all remaining terms, conditions and provisions of the Agreement and Amendment Nos.1, 2 and 3 are unchanged and unaffected by this Amendment and shall continue in full force and effect as set forth in the Agreement.
5. A copy of this Renewal and Amendment No. 4 and all previous amendments shall be attached to the original Agreement (No. A-11791).
6. The effective date of this Renewal and Amendment No. 4 is July 1, 2013.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

Natividad Medical Center

By: _____
Sid Cato, NMC Contracts Manager

Date: _____

By: [Signature]
Harry Weis, NMC Chief Executive Officer

Date: 5/14/13

APPROVED AS TO LEGAL PROVISIONS

By: [Signature]
Anne Brauer [Signature]
Monterey County, Deputy County Counsel

Date: 5/24/13

APPROVED AS TO FISCAL PROVISIONS

By: [Signature]
Gary Giboney
Monterey County Auditor/Controller's Office

Date: 5/24/13

Contractor

Latham & Watkins LLP
Contractor's Business Name*** (see instructions)

[Signature]
Signature of Chair, President, or Vice-President

Jerry Peters, Partner
Name and Title

Date: May 9, 2013

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Name and Title

Date: _____

*****Instructions**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required)



COUNTY OF MONTEREY - BOARD OF SUPERVISORS

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File #:	A 13-197	Name:	Latham & Watkins LLC Renewal and Amendment No 4
Type:	BoS Agreement	Status:	Consent Agenda
File created:	7/18/2013	In control:	Board of Supervisors
On agenda:	8/27/2013	Final action:	
Title:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 4 to the Agreement (A-11791) with Latham & Watkins LLP for Legal Services at NMC, extending the Agreement to June 30, 2015 for a total Agreement amount not to exceed \$1,500,000 (a \$500,000 increase over two years) in the aggregate.		
Sponsors:	Sid Cato		
Attachments:	1. Latham & Watkins Renewal & Amendment # 4 , 2. Completed Board Order		

History (0) Board Report

Title

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 4 to the Agreement (A-11791) with Latham & Watkins LLP for Legal Services at NMC, extending the Agreement to June 30, 2015 for a total Agreement amount not to exceed \$1,500,000 (a \$500,000 increase over two years) in the aggregate.

Report

RECOMMENDATION:

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 4 to the Agreement (A-11791) with Latham & Watkins LLP for Legal Services at NMC, extending the Agreement to June 30, 2015 for a total Agreement amount not to exceed \$1,500,000 (a \$500,000 increase over two years) in the aggregate.

SUMMARY/DISCUSSION:

Latham & Watkins LLP is one of the pre-eminent law firms representing healthcare systems and local community hospitals throughout the United States. Their healthcare attorneys have specific experience with the nuanced regulations that govern the healthcare industries, including those related to fraud and abuse, Medicare/Medicaid reimbursement, healthcare regulatory requirements, financing regulation, and licensing.

On July 27, 2010 the Board of Supervisors approved the original Agreement with Latham & Watkins for Legal Services at NMC in an amount not to exceed \$100,000 for the period May 1, 2010 to April 30, 2011 (Agreement). On January 11, 2011, the parties entered into an Amendment No. 1 to the Agreement, increasing the maximum liability by \$300,000 and extending the Agreement to June 30, 2011. During Fiscal Year 2010-2011, Latham & Watkins provided significant legal services to the County of Monterey, to ensure that the County's agreements complied with state and federal healthcare and Medicare compliance laws. The potential sanctions for noncompliance with these laws are severe and include civil and criminal liability, as well as debarment or exclusion from participation in Medicare.

The parties' Agreement expired on June 30, 2011. Services nevertheless continued since June 30, 2011 without interruption. On November 15, 2011 the Board approved Renewal and Amendment No. 2 to the Agreement. The law firm's services continued to be needed in the area of healthcare professional agreements compliance and as NMC readied for changes initiated by healthcare reform. The Agreement was extended to June 30, 2012. The Renewal and Amendment No. 2 increased the maximum liability by \$600,000, for a total not to exceed Agreement amount of \$1,000,000 in the

aggregate, and allowed continuation of services and payment for services on the same terms and conditions as the expired Agreement without interruption for the period July 1, 2011 to June 30, 2012.

Amendment No. 3 extended the Agreement to June 30, 2013 without increasing the maximum liability under the Agreement. This Renewal and Amendment No. 4 extends the Agreement an additional two years to June 30, 2015, increasing the maximum liability by \$250,000 per year for a total increase of \$500,000. This will permit Latham to continue to review NMC's agreements for regulatory compliance and to provide legal advice and consultation regarding the impact of healthcare reform on these agreements.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Renewal and Amendment No. 4 as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Renewal and Amendment No. 4 as to fiscal provisions. The Renewal and Amendment No. 4 has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

The cost for this Renewal and Amendment No. 4 is \$500,000 over two years. \$250,000 is included in the Fiscal Year 2013/2014 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

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

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Renewal and Amendment No. 4, Original Agreement, Amendment 1, Renewal and Amendment No. 2 and Amendment 3

Attachments on file with the Clerk to the Board's Office



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-11791

Upon motion of Supervisor Salinas, seconded by Supervisor Parker and carried by those members present, the Board of Supervisors hereby:

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 4 to the Agreement (A-11791) with Latham & Watkins LLP for Legal Services at NMC, extending the Agreement to June 30, 2015 for a total Agreement amount not to exceed \$1,500,000 (a \$500,000 increase over two years) in the aggregate.

PASSED AND ADOPTED on this 27th day of August 2013, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas and Parker

NOES: None

ABSENT: Supervisor Potter

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 76 for the meeting on August 27, 2013.

Dated: September 3, 2013
File Number: A 13-197

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By 
Deputy



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File #:	A 12-061	Version: 1	Name:	Latham & Watkins Amendment #3
Type:	BoS Agreement		Status:	Consent Agenda
File created:	5/3/2012		In control:	Board of Supervisors
On agenda:	6/12/2012		Final action:	

Title: Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 3 to the Agreement (A-11791) with Latham & Watkins LLP for Legal Services at NMC, extending the Agreement to June 30, 2013 for a total Agreement amount not to exceed \$1,000,000 (no change to previously approved amount) in the aggregate.

Attachments: [Latham & Watkins LLP Amendment #3, Completed Board Order](#)

[History \(0\)](#)
[Text](#)

Title

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 3 to the Agreement (A-11791) with Latham & Watkins LLP for Legal Services at NMC, extending the Agreement to June 30, 2013 for a total Agreement amount not to exceed \$1,000,000 (no change to previously approved amount) in the aggregate.

Body

RECOMMENDATION:

It is recommended the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 3 to the Agreement (A-11791) with Latham & Watkins LLP for Legal Services at NMC, extending the Agreement to June 30, 2013 for a total Agreement amount not to exceed \$1,000,000 (no change to previously approved amount) in the aggregate.

SUMMARY/DISCUSSION:

Latham & Watkins LLP is one of the pre-eminent law firms representing healthcare systems and local community hospitals throughout the United States. Their healthcare attorneys have specific experience with the nuanced regulations that govern the healthcare industries, including those related to fraud and abuse, Medicare/Medicaid reimbursement, healthcare regulatory requirements, financing regulation, and licensing.

On July 27, 2010 the Board of Supervisors approved the original Agreement with Latham & Watkins for Legal Services at NMC in an amount not to exceed \$100,000 for the period May 1, 2010 to April 30, 2011 ("Agreement"). On January 11, 2011, the parties entered into an Amendment No. 1 to the Agreement, increasing the maximum liability by \$300,000 and extending the Agreement to June 30, 2011. The parties' Agreement expired on June 30, 2011. Services nevertheless continued since June 30, 2011 without interruption. On November 15, 2011 the Board approved Renewal and Amendment No. 2 to the Agreement. The Renewal and Amendment No. 2 increased the maximum liability by \$600,000, for a total not to exceed Agreement amount of \$1,000,000 in the aggregate, and allowed continuation of services and payment for services on the same terms and conditions as the expired Agreement without interruption for the period July 1, 2011 to June 30, 2012. This Amendment No. 3 extends the Agreement to June 30, 2013 without increasing the maximum liability under the Agreement.

During Fiscal Year 2010-2011, Latham & Watkins provided significant legal services to the County of Monterey, to ensure that the County's agreements complied with state and federal healthcare and Medicare compliance laws. The potential sanctions for noncompliance with these laws are severe and include civil and criminal liability, as well as

debarment or exclusion from participation in Medicare. Because the requested services pertained to multiple healthcare professional agreements and, due to the severity of potential sanctions for noncompliance, required the skilled competence of healthcare law experts, the law firm's advice and counsel were both necessary and extensive. The law firm's services continued to be needed in the Fiscal Year 2011-2012 in the area of healthcare professional agreements compliance and as NMC readied for changes initiated by healthcare reform. Accordingly the maximum liability under the Agreement was increased by \$600,000 for FY 2011-2012, and the Agreement was extended to June 30, 2012. Amendment No. 3, extending the term of the Agreement through June 30, 2013 without increasing the County's maximum liability under the Agreement, is necessary to permit the continuation of Latham's services in the area of healthcare professional agreements compliance and healthcare reform.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Amendment as to fiscal provisions. The Amendment has also been reviewed and approved by Natividad Medical Center's Board of Trustees.

FINANCING:

As a result of Renewal and Amendment No. 2, the Board of Supervisors approved a \$600,000 increase for Fiscal Year 2011-2012 in the maximum liability in the Agreement (for a total Agreement amount not to exceed \$1,000,000 in the aggregate). As a result of this Amendment No. 3, no additional dollars will be added. As of May 8, 2012, for Fiscal Year 2011-2012, \$167,683.39 was spent for services. Remaining funds from previous years purchase orders (approximately \$550,000) will be rolled over for Fiscal Year 2012/2013. \$550,000 is included in the fiscal year 2012/2013 Recommended Budget. There is no impact to the General Fund.

Prepared by: Stacy Saetta, Deputy County Counsel, 755-5333

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Agreement, Amendments 1, 2, and 3.



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-11791

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta, and carried by those members present, the Board of Supervisors hereby:

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 3 to the Agreement (A-11791) with Latham & Watkins LLP for Legal Services at NMC, extending the Agreement to June 30, 2013 for a total Agreement amount not to exceed \$1,000,000 (no change to previously approved amount) in the aggregate.

PASSED AND ADOPTED on this 12th day of June 2012, by the following vote, to-wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 76 for the meeting on June 12, 2012.

Dated: June 25, 2012
File Number: A 12-0061

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By *Dennis Hancock*
Deputy

**AMENDMENT NO. 3 OF AGREEMENT (A-11791) BETWEEN THE
COUNTY OF MONTEREY &
LATHAM & WATKINS LLP**

WHEREAS, Latham & Watkins LLP, hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "COUNTY," previously entered into an agreement dated May 1, 2010, for the provision of legal services ("AGREEMENT") in an amount not to exceed \$100,000 for the period May 1, 2010 to April 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR amended the AGREEMENT, effective October 1, 2010 via AMENDMENT NO. 1, increasing the maximum liability by \$300,000 and extending the AGREEMENT to June 30, 2011;

WHEREAS, the AGREEMENT, as amended by AMENDMENT NO. 1, expired pursuant to its terms on June 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR entered into a Renewal and Amendment No. 2 of the AGREEMENT retroactive to July 1, 2011, extending the term of the renewed AGREEMENT through and including June 30, 2012; and increasing the maximum amount of COUNTY's liability over the full term of this Agreement to \$1,000,000 and \$600,000 for fiscal year 2011-2012;


WHEREAS, COUNTY and CONTRACTOR wish to further extend the term of parties' AGREEMENT through and including June 30, 2013; NOW THEREFORE,

For valuable consideration, the sufficiency of which is hereby acknowledged, COUNTY and CONTRACTOR agree as follows:

1. Paragraph 4, Section 6, Rates, Fees and Charges, is amended to extend the term date until June 30, 2013.
2. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT NO.3 OF AGREEMENT (A-11791) ("AMENDMENT NO. 3"), and shall continue in full force and effect as set forth in the AGREEMENT;
3. A copy of this AMENDMENT NO. 3 shall be attached to the original AGREEMENT dated May 1, 2010.
4. The effective date of this AMENDMENT NO. 3 is July 1, 2012.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

CONTRACTOR Latham + Watkins LLP

Signature 1 

Dated March 23, 2012

Printed Name Jerry Peters

Title Partner

Signature 2 _____

Dated _____

Printed Name _____

Title _____

***INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

NATIVIDAD MEDICAL CENTER

Signature 
Purchasing Manager

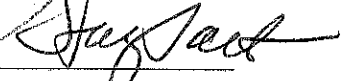
Dated 6-13-12

Signature 
NMC - CEO

Dated 6/18/12

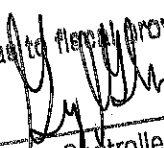
Approved as to Legality and Legal Form:

Charles J. McKee, County Counsel

By 

Stacy Saetta, Deputy
Attorneys for County and NMC

Dated: 5/1, 2012

Reviewed as to fiscal provisions

Auditor-Controller
County of Monterey
5-2-12

**AMENDMENT NO. 3 OF AGREEMENT (A-11791) BETWEEN THE
COUNTY OF MONTEREY &
LATHAM & WATKINS LLP**

WHEREAS, Latham & Watkins LLP, hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "COUNTY," previously entered into an agreement dated May 1, 2010, for the provision of legal services ("AGREEMENT") in an amount not to exceed \$100,000 for the period May 1, 2010 to April 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR amended the AGREEMENT, effective October 1, 2010 via AMENDMENT NO. 1, increasing the maximum liability by \$300,000 and extending the AGREEMENT to June 30, 2011;

WHEREAS, the AGREEMENT, as amended by AMENDMENT NO. 1, expired pursuant to its terms on June 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR entered into a Renewal and Amendment No. 2 of the AGREEMENT retroactive to July 1, 2011, extending the term of the renewed AGREEMENT through and including June 30, 2012; and increasing the maximum amount of COUNTY's liability over the full term of this Agreement to \$1,000,000 and \$600,000 for fiscal year 2011-2012;

WHEREAS, COUNTY and CONTRACTOR wish to further extend the term of parties' AGREEMENT through and including June 30, 2013; NOW THEREFORE,

For valuable consideration, the sufficiency of which is hereby acknowledged, COUNTY and CONTRACTOR agree as follows:

1. Paragraph 4, Section 6, Rates, Fees and Charges, is amended to extend the term date until June 30, 2013.
2. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT NO.3 OF AGREEMENT (A-11791) ("AMENDMENT NO. 3"), and shall continue in full force and effect as set forth in the AGREEMENT;
3. A copy of this AMENDMENT NO. 3 shall be attached to the original AGREEMENT dated May 1, 2010.
4. The effective date of this AMENDMENT NO. 3 is July 1, 2012.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

CONTRACTOR Latham + Watkins LLP

Signature 1 

Dated March 23, 2012

Printed Name Jerry Peters

Title Partner

Signature 2 _____


Dated _____

Printed Name _____

Title _____

***INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement.

NATIVIDAD MEDICAL CENTER

Signature 

Dated 6-13-12

Purchasing Manager

Signature 

Dated 4/18/12

NMC - CEO

Approved as to Legality and Legal Form:

Charles J. McKee, County Counsel

By 

Stacy Saetta, Deputy
Attorneys for County and NMC

Dated: 5/1, 2012

Reviewed as to fiscal provisions


Auditor-Controller
County of Monterey

5-2-12

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	November 15, 2011	AGENDA NO.:
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment #2 to the Agreement with Latham & Watkins LLP for Legal Services at NMC in a total contract amount not to exceed \$1,000,000 in the aggregate, of which \$600,000 is for the period July 1, 2011 to June 30, 2012.	
DEPARTMENT:	Natividad Medical Center	

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment #2 to the Agreement with Latham & Watkins LLP for Legal Services at NMC in a total contract amount not to exceed \$1,000,000 in the aggregate, of which \$600,000 is for the period July 1, 2011 to June 30, 2012.

SUMMARY/DISCUSSION:

Latham & Watkins LLP is one of the pre-eminent law firms representing healthcare systems and local community hospitals throughout the United States. Their healthcare attorneys have specific experience with the nuanced regulations that govern the healthcare industries, including those related to fraud and abuse, Medicare/Medicaid reimbursement, healthcare regulatory requirements, financing regulation, and licensing.

On July 27, 2010, the Board of Supervisors approved the original Agreement with Latham & Watkins for Legal Services at Natividad Medical Center ("NMC") in an amount not to exceed \$100,000 for the period May 1, 2010 to April 30, 2011 ("Agreement"). On January 11, 2011, the parties entered into an Amendment No. 1 to the Agreement, increasing the maximum liability by \$300,000 and extending the Agreement to June 30, 2011. An Amendment No. 2 was drafted and reviewed by the parties but never sent to the Board for approval by the expiration of the Agreement. Services nevertheless continued since June 30, 2011, without interruption. This Renewal and Amendment No. 2 increases the maximum liability by \$600,000 and allows continuation of services and payment for services on the same terms and conditions as the expired Agreement without interruption for the period July 1, 2011 to June 30, 2012.

During Fiscal Year 10-11, Latham & Watkins provided significant legal services to the County of Monterey, to ensure that the County's agreements complied with state and federal healthcare and Medicare compliance laws. The potential sanctions for noncompliance with these laws are severe and include civil and criminal liability, as well as debarment or exclusion from participation in Medicare. Because the requested services pertained to multiple healthcare professional agreements and, due to the severity of potential sanctions for noncompliance, required the skilled competence of healthcare law experts, the law firm's advice and counsel were both necessary and extensive. The law firm's services will continue to be needed in the Fiscal Year 11-12 in the area of healthcare professional agreements compliance and as NMC readies itself for changes initiated by healthcare reform. Accordingly the maximum liability

under the Agreement has been increased by \$600,000 for FY 11-12 and the Agreement has been extended to June 30, 2012.

OTHER AGENCY INVOLVEMENT:

The Renewal and Amendment No. 2 has been reviewed and approved by County Counsel and the Auditor/Controller's office. It has not been reviewed by the Natividad Medical Center Board of Trustees.

FINANCING:

The cost for this Amendment is \$600,000 and is included in the FY 11-12 Approved Budget. This action will not require any additional General Fund subsidy.

Prepared by:

Stacy Saetta
(831) 755-5333

~~October 13~~ November 9, 2011, 2011

Harry Weis
Chief Executive Officer

Attachments: Renewal and Amendment #2, Agreement, as amended, Board Order

**Before the Board of Supervisors in and for the
County of Monterey, State of California**

Agreement No. A-11791

Authorize the Purchasing Manager for Natividad)
Medical Center (NMC) to execute Renewal and)
Amendment No. 2 to the Agreement with Latham &)
Watkins LLP for Legal Services at NMC in a total)
contract amount not to exceed \$1,000,000 in the)
aggregate, of which \$600,000 is for the period July)
1, 2011 to June 30, 2012.....)

Upon motion of Supervisor Potter, seconded by Supervisor Armenta and carried by those members present, the Board hereby;

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Renewal and Amendment No. 2 to the Agreement with Latham & Watkins LLP for Legal Services at NMC in a total contract amount not to exceed \$1,000,000 in the aggregate, of which \$600,000 is for the period July 1, 2011 to June 30, 2012.

PASSED AND ADOPTED on this 15th day of November 2011, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker and Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on November 15, 2011.

Dated: November 17, 2011

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

**RENEWAL AND AMENDMENT NO. 2 OF AGREEMENT (A-11791)
BETWEEN THE COUNTY OF MONTEREY &
LATHAM & WATKINS LLP**

WHEREAS, Latham & Watkins LLP, hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "COUNTY," previously entered into an agreement dated May 1, 2010, for the provision of legal services ("AGREEMENT") in an amount not to exceed \$100,000 for the period May 1, 2010 to April 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR amended the AGREEMENT, effective October 1, 2010 via AMENDMENT NO. 1, increasing the maximum liability by \$300,000 and extending the AGREEMENT to June 30, 2011; and

WHEREAS, the AGREEMENT, as amended by AMENDMENT NO. 1, expired pursuant to its terms on June 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR wish to renew the AGREEMENT retroactive to July 1, 2011; and

WHEREAS, COUNTY and CONTRACTOR wish to extend the term of the renewed AGREEMENT through and including June 30, 2012; and

WHEREAS, COUNTY and CONTRACTOR wish to further amend the renewed AGREEMENT to increase the total AGREEMENT financial compensation in order to continue the services provided under this AGREEMENT; NOW THEREFORE,

For valuable consideration, the sufficiency of which is hereby acknowledged, COUNTY and CONTRACTOR agree as follows:

1. The AGREEMENT is renewed retroactive to July 1, 2011, and all of its provisions shall be deemed to have been in effect continuously since that time.
2. Paragraph 4, Section 6, Rates, Fees and Charges, is amended to extend the term date until June 30, 2012 and to increase the maximum amount of COUNTY's liability over the full term of this Agreement to \$1,000,000 and \$600,000 for fiscal year 2011-2012.
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this RENEWAL AND AMENDMENT NO. 2 OF AGREEMENT (A-11791) ("RENEWAL AND AMENDMENT NO. 2"), and shall continue in full force and effect as set forth in the AGREEMENT;
4. A copy of this RENEWAL AND AMENDMENT NO. 2 shall be attached to the original AGREEMENT dated May 1, 2010.

RENEWAL AND AMENDMENT NO.2 OF AGREEMENT A-11791)
BETWEEN THE COUNTY OF MONTEREY &
LATHAM & WATKINS LLP

WHEREAS, Latham & Watkins LLP, hereinafter CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as COUNTY," previously entered into an agreement dated May 1, 2010, for the provision of legal services AGREEMENT") in an amount not to exceed \$100,000 for the period May 1, 2010 to April 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR amended the AGREEMENT, effective October 1, 2010 via AMENDMENT NO. 1, increasing the maximum liability by \$300,000 and extending the AGREEMENT to June 30, 2011; and

WHEREAS, the AGREEMENT, as amended by AMENDMENT NO. 1, expired pursuant to its terms on June 30, 2011; and

WHEREAS, COUNTY and CONTRACTOR wish to renew the AGREEMENT retroactive to July 1, 2011; and

WHEREAS, COUNTY and CONTRACTOR wish to extend the term of the renewed AGREEMENT through and including June 30, 2012; and

WHEREAS, COUNTY and CONTRACTOR wish to further amend the renewed AGREEMENT to increase the total AGREEMENT financial compensation in order to continue the services provided under this AGREEMENT; NOW THEREFORE,

For valuable consideration, the sufficiency of which is hereby acknowledged, COUNTY and CONTRACTOR agree as follows:

1. The AGREEMENT is renewed retroactive to July 1, 2011, and all of its provisions shall be deemed to have been in effect continuously since that time.
2. Paragraph 4, Section 6, Rates, Fees and Charges, is amended to extend the term date until June 30, 2012 and to increase the maximum amount of COUNTY's liability over the full term of this Agreement to \$1,000,000 and \$600,000 for fiscal year 2011-2012.
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this RENEWAL AND AMENDMENT NO. 2 OF AGREEMENT A-11791) RENEWAL AND AMENDMENT NO. 2"), and shall continue in full force and effect as set forth in the AGREEMENT;
4. A copy of this RENEWAL AND AMENDMENT NO. 2 shall be attached to the original AGREEMENT dated May 1, 2010.

Renewal and Amendment No. 2 of Agreement between County of Monterey and Latham & Watkins

IN WITNESS WHEREOF, the County and CONTRACTOR execute this RENEWAL AND AMENDMENT NO. 2 as follows:

COUNTY OF MONTEREY

M. L. [Signature]
Contracts/Purchasing Officer

Dated: 12-13-11

Approved as to Fiscal Provisions:
[Signature]
10-19-11

Approved as to Form:
Stacy Sathis
Deputy County Counsel

Dated: 10/18/11

[Signature]
Department Head Signature
10/11/11
Date

CONTRACTOR

By: *[Signature]*

Jerry Peters, Partner
Printed Name and Title

Dated: October 6, 2011

[Signature]
Print Name

IN WITNESS WHEREOF, the County and CONTRACTOR execute this RENEWAL AND AMENDMENT NO. 2 as follows:

COUNTY OF MONTEREY CONTRACTOR

By: 4 w? c.

Contracts/Purchasing Officer

Dated:

Approved as t iscaAV;olgisions:

Approved as to Form:

Depfty County 26 nsel

Dated: Jo/(/f

Department Head Signature

/.l(i- It,

Date

S'erry I?e 4ers, pwr

Printed Name and Title

Dated: d o-obe,r Lo I I

Print Name

Renewal and Amendment No. 2 of Agreement between County of Monterey and Latham & Watkins

2 of 2

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING:	January 11, 2011	AGENDA NO.:
SUBJECT:	Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #1 to the Agreement with Latham & Watkins LLP for Legal Services at NMC in an amount not to exceed \$400,000 (an increase of \$300,000) for the period October 1, 2010 to June 30, 2011.	
DEPARTMENT:	Natividad Medical Center	

RECOMMENDATION:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #1 to the Agreement with Latham & Watkins LLP for Legal Services at NMC in an amount not to exceed \$400,000 (an increase of \$300,000) for the period October 1, 2010 to June 30, 2011.

SUMMARY/DISCUSSION:

Latham & Watkins LLP is one of the pre-eminent law firms representing healthcare systems and local community hospitals throughout the United States. Their healthcare attorneys have specific experience with the nuanced regulations that govern the healthcare industries, including those related to fraud and abuse. Medicare/Medicaid reimbursement, healthcare regulatory requirements, financing regulation, and licensing. On July 27, 2010, the Board of Supervisors approved the original Agreement with Latham & Watkins for Legal Services at Natividad Medical Center ("NMC") in an amount not to exceed \$100,000 for the period May 1, 2010 to April 30, 2011 ("Agreement").

During the first several months of the Agreement, at a time when most of the County's agreements with healthcare professionals at NMC were undergoing amendment for the new fiscal year, Latham & Watkins provided sizeable legal services to the County of Monterey, to ensure that the County's agreements complied with state and federal healthcare and Medicare compliance laws. The potential sanctions for noncompliance with these laws are severe and include civil and criminal liability, as well as debarment or exclusion from participation in Medicare. Because the requested services pertained to multiple healthcare professional agreements and, due to the severity of potential sanctions for noncompliance, required the skilled competence of healthcare law experts, the law firm's advice and counsel were both necessary and extensive. The original maximum liability was reached as a result of services rendered through September 30, 2010. In order to compensate the firm for its legal services rendered since October 1, 2010, Amendment #1 to the Agreement has been given an effective date of October 1, 2010. The law firm's services will continue to be needed in the area of healthcare professional agreements compliance and as NMC readies itself for changes initiated by healthcare reform. Accordingly the Agreement has been extended to June 30, 2011.

OTHER AGENCY INVOLVEMENT:

The Amendment has been reviewed and approved by County Counsel, the Auditor/Controller's office and the Natividad Medical Center Board of Trustees.

FINANCING:

The cost for this Amendment is \$300,000 and is included in the 2010/2011 FY Approved Budget. This action will not require any additional General Fund subsidy.

Prepared by:
Stacy Saetta
(831) 755-5333
January 3, 2011

Harry Weis
Chief Executive Officer

Attachments: Amendment #1, Agreement, Board Order

Before the Board of Supervisors in and for the
County of Monterey, State of California

Agreement No.: A-11791

Authorize the Purchasing Manager for)
Natividad Medical Center (NMC) to execute)
Amendment No. 1 to the Agreement with)
Latham & Watkins LLP for Legal Services at)
NMC in an amount not to exceed \$400,000)
(an increase of \$300,000) for the period)
October 1, 2010 to June 30, 2011.....)

Upon motion of Supervisor Armenta, seconded by Supervisor Potter, and carried by those members present, the Board hereby;

Authorized the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment No. 1 to the Agreement with Latham & Watkins LLP for Legal Services at NMC in an amount not to exceed \$400,000 (an increase of \$300,000) for the period October 1, 2010 to June 30, 2011.

PASSED AND ADOPTED this 11th day of January 2011, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on January 11, 2011.

Dated: January 18, 2011

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

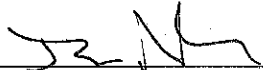
**AMENDMENT NO. 1
FOR PROFESSIONAL SERVICE AGREEMENT
BETWEEN Latham & Watkins AND
THE NATIVIDAD MEDICAL CENTER
FOR
Independent Consulting and Legal Services**

The parties to Professional Service Agreement, dated May 1, 2010 between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and Latham & Watkins (Contractor), hereby agree to amend their Agreement No. (A-11791) on the following terms and conditions:

1. Contractor will continue to provide NMC with the same scope of service as stated in the original Agreement No. (A-11791).
2. This Amendment shall become effective on October 1, 2010 and shall continue in full force and extending the term date until June 30, 2011.
3. The total amount payable by County to Contractor under Agreement No. (BPO757) shall not exceed the total sum of \$400,000 for the full term of the Agreement and \$400,000 for fiscal year 2010-2011.
4. All other terms and conditions of the Agreement shall continue in full force and effect.
5. A copy of this Amendment shall be attached to the original Agreement No. (A-11791).

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment and Professional Service Agreement on the basis set forth in this document and have executed this amendment on the day and year set forth herein.

CONTRACTOR

Signature 

Dated 9/22/10

Printed Name Jerry Peter

Title Partner

NATIVIDAD MEDICAL CENTER

Signature _____
Purchasing Manager

Dated _____

Signature 
NMC - CEO

Dated 10/8/10

Approved as to Legal Form:
Charles J. McKee, County Counsel

By _____
Stacy Saeita, Deputy
Attorneys for County and NMC

Dated: _____ 2010