



Monterey County

Board Order

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

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

**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:  _____
Harry Weis, NMC Chief Executive Officer

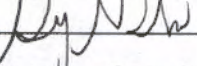
Date: 5/14/13

APPROVED AS TO LEGAL PROVISIONS

By:  _____
Anne Brauer 
Monterey County, Deputy County Counsel

Date: 5/24/13

APPROVED AS TO FISCAL PROVISIONS

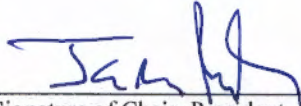
By:  _____
Gary Giboney
Monterey County Auditor/Controller's Office

Date: 5/24/13

Contractor

Latham & Watkins LLP

Contractor's Business Name*** (see instructions)

 _____
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:	<p>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.</p>		
Sponsors:	Sid Cato		
Attachments:	<p>1. <u>Latham & Watkins Renewal & Amendment # 4</u>, 2. <u>Completed Board Order</u></p>		

[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