



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** COUNTY COUNSEL

**File #:** 20-651

Board Meeting Date: 9/15/2020

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** John C. Beiers, County Counsel

**Subject:** Third amendment with Athene Law LLP to provide outside legal services

**RECOMMENDATION:**

Adopt a resolution authorizing a third amendment to the agreement with Athene Law LLP, increasing the amount payable by \$75,000 to an amount not to exceed \$250,000.

**BACKGROUND:**

In 2018, the County Counsel's Office entered into an agreement with Athene Law LLP (Athene) to provide legal services in support of the County Health System. Athene currently provides specialized legal services related to appeals of multiple years of Medi-Cal cost reports for the San Mateo Medical Center (SMMC) and the County's operation of skilled nursing facility beds on its hospital license. The agreement (Agreement) is for the term July 1, 2018, through June 30, 2021, and initially authorized up to \$100,000 in expenditures for these legal services. In 2019, this Board adopted a resolution authorizing an amendment to the agreement increasing the amount payable by \$50,000 to an amount not to exceed \$150,000. In 2020, the parties further amended the agreement, increasing the amount payable by \$25,000 to an amount not to exceed \$175,000.

**DISCUSSION:**

In recent years SMMC has seen a substantial reduction in the Medi-Cal reimbursement rate for its skilled nursing beds located at SMMC and at Burlingame Skilled Nursing (formerly Burlingame Long Term Care), as a result of Department of Health Care Services (DHCS) audits. Since 2018, Athene has supported SMMC through various stages of appeal of the audits for FY14, FY15, FY16, and FY17. Because of the complexity of issues raised in the formal hearing for FY14, the hearing extended longer than anticipated. As the matters continue to be litigated, this office seeks to further amend the agreement to increase the amount payable by an additional \$75,000, to a total amount not to exceed \$250,000. Given the complex nature of the issues referred to Athene and the firm's familiarity with both AB85 health realignment and the County Health System, that firm is uniquely able to efficiently provide the services described in the agreement.

The resolution contains the County's standard provision allowing amendments of the County's fiscal obligation by a maximum of \$25,000 (in aggregate).

**FISCAL IMPACT:**

The value of the amendment is \$75,000. Sufficient appropriations have been included in the County Counsel's FY 2020-21 Recommended Budget.