

Health Group Of The Year: Latham

By **Melissa Maleske**

Law360, New York (January 6, 2016, 11:07 PM ET) -- A broad range of abilities bolstered Latham & Watkins LLP's health care practice in a year that saw it represent the lead arrangers in the financing of the blockbuster Anthem-Cigna merger and HCA Holdings in several acquisitions and False Claims Act cases, earning the firm a spot among Law360's Health Groups of the Year.



A prime example of the practice group's versatility is Latham's relationship with HCA Holdings Inc., the largest health care company in the U.S.

In addition to representing HCA in False Claims Act litigation matters, Latham has been guiding HCA through an expansion of its retail footprint. In November Latham represented HCA in its acquisition of 20 Nevada urgent-care centers, including six under development, from Urgent Care Extra. That deal along with one in October 2014 in which HCA, again represented by Latham, picked up 24 medical centers in Dallas-Fort Worth brought the company's urgent care center count to 65. In June, Latham helped guide HCA through an affiliation with the Santa Clara County Independent Practice Association, a deal that became particularly complex because it also entailed the acquisition of the managed care organization Pacific Partners Management Services Inc.

"Because of the significant regulatory work we do with HCA, that client is a great example of our breadth and how we can handle litigation and government investigations work as well as high-end transactional regulatory work for sophisticated clients," said Dan Settlemayer, a transactional and regulatory attorney who is global co-chair of Latham's health care and life sciences practices.



Dan Settlemayer

Such deals require both a geographic and substantive breadth of practice, according to Settlemayer.

"We marry a transactional platform with a sophisticated health care regulatory capability across jurisdictions, and we're one of the few firms that can deliver that capability," he said.

In addition to HCA, Latham represented Adventist Health, a client for more than 20 years, in a \$140 million acquisition of Lodi Health that closed in June, a deal that expanded Adventist's presence in the California Central Valley.

And Latham represented the lead arrangers in the financing of the \$54.2 billion merger of Anthem Inc. and Cigna Corp.

The deals see Latham taking a lead role in the narrative of consolidation in a post-Affordable Care Act health care field, Settelmayer said.

“In response to a reformed U.S. health care market, the payers are consolidating, and the provider organizations underneath those payers are consolidating as well,” he said. “And the SCCIPA deal involved a managed care acquisition, a critical link between hospitals and payers, which completes the triad of health care financing, institutional services and professional services.”

On the litigation side, Latham’s health care team has also showcased its skills as it represented big-name clients in landmark government investigations and actions in the past year.

Latham represented a client fielding the first FCA case to claim a pharmacy could be held liable for a drug manufacturer’s allegedly false price reporting. The firm represents Accredo Health Group Inc. in a Missouri FCA suit alleging a manufacturer falsely reported inflated average wholesale prices to a reporting company, resulting in Accredo submitting allegedly false claims for reimbursement.

Express Scripts Holding Co., the owner of Accredo and CuraScript Inc., was ensnared by another high-profile FCA case in which Novartis AG was another defendant. Latham guided Accredo to a \$60 million settlement in May, while Novartis agreed to pay \$390 million to end its involvement in the case.

And Latham obtained a dismissal of a False Claims Act suit for client UnitedHealthcare in August.

Katherine Lauer, global co-chair of Latham’s health care and life sciences practice group, said that as more FCA matters are actively litigated, the firm is able to bring its extensive trial experience to bear.



Katherine Lauer

“Our health care fraud defense team is exceptionally well prepared to work with clients to craft a multi-faceted approach to responding to government civil and criminal investigations and False Claims Act litigation,” Lauer said. “Our focus is on obtaining the optimal result for our client — whether negotiating a favorable settlement agreement, aggressively litigating a case against a qui tam relator, the government, or both, or taking the case up on appeal. “

--Editing by Brian Baresch.