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Attorneys for the Chapter 11 Debtors and  
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT**  
**CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re  
VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,  
Debtors and Debtors In Possession.

- ☒ Affects All Debtors
- ☐ Affects Verity Health System of California, Inc.
- ☐ Affects O'Connor Hospital
- ☐ Affects Saint Louise Regional Hospital
- ☐ Affects St. Francis Medical Center
- ☐ Affects St. Vincent Medical Center
- ☐ Affects Seton Medical Center
- ☐ Affects O'Connor Hospital Foundation
- ☐ Affects Saint Louise Regional Hospital Foundation
- ☐ Affects St. Francis Medical Center of Lynwood Foundation
- ☐ Affects St. Vincent Foundation
- ☐ Affects St. Vincent Dialysis Center, Inc.
- ☐ Affects Seton Medical Center Foundation
- ☐ Affects Verity Business Services
- ☐ Affects Verity Medical Foundation
- ☐ Affects Verity Holdings, LLC
- ☐ Affects DePaul Ventures, LLC
- ☐ Affects DePaul Ventures - San Jose Dialysis, LLC
- Debtors and Debtors In Possession.

Lead Case No. 2:18-bk-20151-ER

Jointly Administered with:

Case No. 2:18-bk-20162-ER  
Case No. 2:18-bk-20163-ER  
Case No. 2:18-bk-20164-ER  
Case No. 2:18-bk-20165-ER  
Case No. 2:18-bk-20167-ER  
Case No. 2:18-bk-20168-ER  
Case No. 2:18-bk-20169-ER  
Case No. 2:18-bk-20171-ER  
Case No. 2:18-bk-20172-ER  
Case No. 2:18-bk-20173-ER  
Case No. 2:18-bk-20175-ER  
Case No. 2:18-bk-20176-ER  
Case No. 2:18-bk-20178-ER  
Case No. 2:18-bk-20179-ER  
Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases  
Honorable Ernest M. Robles

**AMENDED DISCLOSURE DECLARATION  
IN SUPPORT OF THE CONTINUED  
RETENTION OF ATHENE LAW LLP AS  
AN ORDINARY COURSE PROFESSIONAL**

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Verity Health System of California, Inc., and its affiliates, Debtors and Debtors-In-Possession,  
submit to the Bankruptcy Court, and is arranging for service upon creditors and parties of interest,  
the attached Amended Disclosure Declaration Of Felicia Y. Sze In Support Of Continued Retention  
Of Athene Law LLP As An Ordinary Course Professional At An Increased Monthly Amount.

Dated: June 11, 2019

DENTONS US LLP  
SAMUEL R. MAIZEL  
TANIA M. MOYRON  
JOHN A. MOE, II

By: /s/John A. Moe, II  
JOHN A. MOE, II

Attorneys for Debtors and Debtors In Possession

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Debtors and Debtors In Possession.

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Case No. 2:18-bk-20180-ER  
Case No. 2:18-bk-20181-ER

Chapter 11 Cases

Judge: Hon. Ernest M. Robles

**AMENDED DISCLOSURE DECLARATION OF  
FELICIA Y. SZE IN SUPPORT OF  
CONTINUED RETENTION OF ATHENE LAW  
LLP AS AN ORDINARY COURSE  
PROFESSIONAL AT AN INCREASED  
MONTHLY AMOUNT**

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1 I, FELICIA Y. SZE, hereby declare that the following is true to the best of my knowledge,  
2 information and belief.

3 1. I am the sole partner of Athene Law, LLP (the “Firm”), which maintains offices in  
4 San Francisco, California. Our mailing address is 5432 Geary Boulevard, #200, San Francisco,  
5 California 94121. The Firm advises a wide range of healthcare provider clients with respect to  
6 reimbursement and regulatory compliance advice.

7 2. This Declaration is submitted in connection with an Order of the United States  
8 Bankruptcy Court for the Central District of California, Los Angeles Division dated October 29,  
9 2018 [Docket No. 693], authorizing the above-captioned debtor and debtor in possession (the  
10 “Debtor”) to retain certain professionals in the ordinary course of business during the pendency of  
11 the Debtor’s chapter 11 cases, effective as of the Petition Date.

12 3. As set forth in my original Declaration filed on November 12, 2018 [Docket No.  
13 \_\_\_\_], the Firm, through me and other attorneys of the firm, had represented and advised the  
14 Debtors prepetition as outside legal counsel on Medi-Cal reimbursement matters, Medi-Cal  
15 reimbursement appeals, and other regulatory guidance, since our inception in July 2018.<sup>1</sup> I had  
16 represented and advised the Debtors as outside legal counsel at my prior firm of Rotenberg &  
17 Sze, LLP from July 2017 to June 2018, and previously, as an attorney at Hooper, Lundy &  
18 Bookman, P.C.

19 4. As I also explained in my previously filed Declaration, the Firm had represented  
20 the Debtors prepetition in multiple administrative appeals against the California Department of  
21 Health Care Services with respect to reimbursement from the Medi-Cal program and has advised  
22 the Debtors in connection to various regulatory/reimbursement matters in the past. I had advised  
23 the hospitals and medical group on various reimbursement matters involving public and private  
24 payors.

25 \_\_\_\_\_  
26 <sup>1</sup> Athene Law, LLP has been in operation since July 1, 2018. Prior to that, I had practiced as a  
27 partner at a two-member firm, Rotenberg & Sze, LLP, for approximately a year. Prior to starting  
28 Rotenberg & Sze, LLP, I was a partner at Hooper, Lundy & Bookman, P.C., where I specialized  
in reimbursement (Medi-Cal, Medicare, managed care) and regulatory compliance. In both of  
these prior positions, I had provided legal services to Debtors and/or the Debtors’ predecessor,  
Daughters of Charity.

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1           5.       Postpetition, the Debtors requested, and the Firm has continued to provide services  
2 to the Debtors pursuant to section 327(b) of chapter 11 of title 11 of the United States Code (the  
3 “Bankruptcy Code”) with respect to such matters. More specifically, the Debtors have requested,  
4 and the Firm has continued to provide services to the Debtors in connection with ongoing  
5 representation regarding Medi-Cal reimbursement appeals, reimbursement guidance and other  
6 regulatory counsel.

7           6.       As I stated in my previously filed Declaration, the lawyers at the Firm focus their  
8 practice specifically in healthcare law and are well qualified to represent the Debtors. I have  
9 worked in the healthcare area (public and private) for approximately twenty years and have  
10 specialized my legal practice representing healthcare providers for the last fourteen years.

11          7.       Effective January 1, 2019, our hourly rates have been increased to \$525 for  
12 partners/counsel and \$250 to \$425 for associates.

13          8.       As set forth in my previously filed Declaration, the Firm understood the maximum  
14 monthly fee payable to the Firm as an Ordinary Course Professional was \$5,000.00 per month on  
15 a “rolling basis,” and that any amount above the “Cap Amount” could only be paid upon the  
16 filing and granting of an Application under sections 330 and 331 of the Bankruptcy Code.

17          9.       Prior to this declaration, the Firm’s representation of debtors on Medi-Cal  
18 reimbursement appeals consisted predominantly of a single matter. Debtors have now requested,  
19 and the Firm proposes to render, representation regarding multiple, additional Medi-Cal  
20 reimbursement appeals. Because we have been requested to perform this additional work, we  
21 have requested and the Debtors have agreed to an increased monthly cap of \$15,000 per month.

22          10.      To the best of my knowledge, formed after due inquiry, it is still my belief that  
23 neither I, the Firm nor any employee thereof has any connection with the Debtors or currently  
24 represents any creditors, other parties-in-interest, the United States Trustee or any person  
25 employed by the Office of the United States Trustee with respect to the matters upon which it is  
26 to be engaged, and the Firm does not, by reason of any direct or indirect relationship to,  
27 connection with, or interest in the Debtors, hold or represent any interest adverse to the Debtors,  
28 the estate or any class of creditors or equity interest holders other than (a) as described in

1 paragraph 12 below and (b) with respect to amounts due the Firm and Rotenberg & Sze, LLP as  
2 set forth below.

3 11. As I explained in my original Declaration, the Firm represents a myriad of  
4 healthcare provider and other clients, some of which are claimants of the Debtors in matters  
5 entirely unrelated to the Debtors and the Estates, including, without limitation, the County of San  
6 Mateo.

7 12. As I explained in my original Declaration, it is possible that the Firm may have in  
8 the past represented, currently represent, and may in the future represent entities that are  
9 claimants of the Debtors in matters entirely unrelated to the Debtors and the Estates.

10 13. I believe today, as I believed at the time of my original Declaration, that the Firm's  
11 representation of entities as described in paragraph 11 and 12, in matters entirely unrelated to the  
12 Debtors, is neither adverse to the Debtors' interests, or the interests of creditors or the estate, in  
13 respect of the matters for which the Firm has been and will continue to be engaged, nor will such  
14 services impair the Firm's ability to represent the Debtors in the ordinary course in this chapter 11  
15 case.

16 14. The Firm has not and will not represent any such entities described in paragraphs  
17 11 or 12 in connection with these pending chapter 11 cases and does not have any relationship  
18 with any such entity, attorneys or accountants that would be adverse to the Debtors or the Estates.

19 15. I continue to believe that the Firm does not hold or represent any interest  
20 materially adverse to the Debtors, the estate, creditors, or equity interest holders, as identified to  
21 the Firm, with respect to the matters in which the firm will be engaged.

22 16. As set forth in my original Declaration, no promises have been received by the  
23 Firm or any partner, associate or other professional thereof as to compensation in connection with  
24 these chapter 11 cases other than in accordance with the provisions of the Bankruptcy Code, the  
25 Federal Rules of Bankruptcy Procedure ("Bankruptcy Rule"), the Local Rules of the United  
26 States Bankruptcy Court for the Central District of California ("LBR"), and orders of this Court.

27  
28

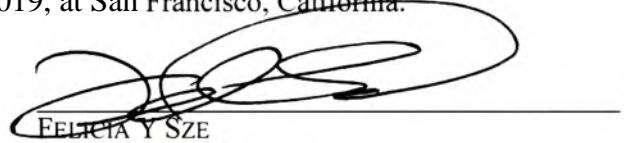
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1           17. The Firm has not shared, nor agreed to share any compensation received in  
2 connection with this chapter 11 case with another party or person, other than as permitted by  
3 section 504(b) of the Bankruptcy Code and Bankruptcy Rule 2016.

4           18. The foregoing constitutes the amended statement of the Firm pursuant to sections  
5 329 and 504 of the Bankruptcy Code and Bankruptcy Rules 2014 and 2016(b).

6           I declare, under penalty of perjury under the laws of the United States of America, that the  
7 foregoing is true and correct.

8           Executed this 10th day of June, 2019, at San Francisco, California.

9  
10 

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