



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 14

MEETING DATE: May 20, 2020

SUBJECT: Update on Disability Retirement Counsel RFP

SUBMITTED FOR: ___ Consent Deliberation and Action X Receive and File

RECOMMENDATION

Staff recommends the Board receive and file this update on SCERS' request for proposals (RFP) for disability retirement legal services.

PURPOSE

This item supports the 2019-20 Strategic Management Plan objective to minimize administrative expenses and demonstrate fiscal stewardship.

BACKGROUND

In January 2020, the Board authorized staff to issue a request for proposals (RFP) for disability retirement legal services. Staff issued the RFP on February 3, 2020, requesting responses by March 20. That deadline was later extended to April 3.

A total of four law firms submitted responses to the RFP: (1) Nossaman LLP (a national firm with offices in Sacramento), (2) Byers/Richardson (a two-lawyer firm based in San Rafael), (3) DSR Health Law (an 11-lawyer firm based in Sacramento), and (4) Cook Brown LLP (a 12-lawyer firm based in Sacramento). The County Counsel's Office did not submit a proposal.

Of these firms, staff selected Byers/Richardson and DSR Health Law to be interviewed.

- Patrick Richardson, a partner at Byers/Richardson, specializes in disability retirement hearings and appeals. He has been representing county retirement systems since 1999, including Marin, Sonoma, San Mateo, and Alameda. Mr. Richardson's references describe him as experienced, cost-effective, and in tune with the needs of county retirement systems. Mr. Richardson proposed an hourly rate of \$225, as well as several flat fee arrangements.
- Eunice Majam-Simpson, a shareholder at DSR Health Law, specializes in the representation of health plans and litigation involving medical conditions. As an

associate attorney at Nossaman from 2011 to 2013, Ms. Majam-Simpson represented SCERS in a number of service-connected disability retirement matters. Ms. Majam-Simpson's references describe her as responsive, customer-service oriented, and having strong litigation acumen. Ms. Majam-Simpson proposed a partner rate of \$395 per hour and associate rates in the range of \$175 to \$290 per hour.

(Staff did not find it necessary to interview Nossaman, with whom SCERS already has positive and abundant experience. Nossaman is already under contract with SCERS for partner rates of \$535 and associate rates in the range of \$279 to \$355.)

Staff interviewed Mr. Richardson on April 29 and Ms. Majam-Simpson on May 1. Both made favorable impressions and demonstrated experience, professionalism, and enthusiasm.

DISCUSSION

SCERS would be well-served by having a pool of disability retirement law firms at its disposal. Ideally, each firm would offer something different in terms of litigation resources and price point, such that SCERS can staff each case in a manner appropriate to its complexity and procedural posture. (For example, an unrepresented member pursuing a simple case in administrative hearing may call for different counsel than a represented claimant pursuing a complex case in Superior Court.) Additionally, access to multiple firms would protect SCERS if ever one firm turns out to be unavailable or conflicted out. A law firm pool consisting of Byers/Richardson, DSR Health Law, and Nossaman would give SCERS that diversity and optionality.

Staff believes that the appropriate next step is to engage Mr. Richardson and Ms. Majam-Simpson as counsel on one or two individual administrative matters, which can be accomplished via the Chief Executive Officer's current expenditure authority. Such limited engagements would allow staff to familiarize themselves with each attorney's working style and time-keeping practices, and to craft mutually acceptable billing arrangements. If those limited engagements turn out to be successful, SCERS can enter into a longer-term relationship with each firm via multi-year contracts, subject to the approval of this Board.

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