



ERIC A. KLEIN

Partner

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PRACTICE AREAS

- Corporate

INDUSTRIES

- Emerging Growth/Venture Capital
- Healthcare
- Outsourcing

OVERVIEW

Eric Klein leads the national health care practice, and is a partner in the Century City office, of Sheppard Mullin Richter & Hampton LLP, a full service AmLaw 100 law firm with offices throughout California, New York, Washington, D.C. and Shanghai. With over twenty-three years of practical legal and business experience, his practice focuses on the healthcare and related industries. Known in the business community for his creative solutions and deal-making ability, Eric uses deep industry knowledge, entrepreneurial solutions, sophisticated negotiation skills and effective legal process to meet the complex business and legal needs of both established and emerging companies.

Working with a wide variety of health care provider and payor organizations, Eric assists institutional for-profit and non-profit health care clients with business law matters, financing transactions, managed care contracting, mergers, acquisitions and joint ventures, disease management programs, hospitalist programs, information technology systems and regulatory matters. Eric acts as outside counsel for a number of health care entities, providing ongoing business planning and strategic risk management advice. He regularly counsels boards of directors and trustees on structuring issues, growth initiatives, risk management and executive compensation. In helping clients with financing needs, he has worked with most of the leading West and East Coast health care investors and investment banks to raise debt financing, facilitate acquisitions and secure venture or private equity financing.

Recently, Eric has assisted clients with acquisition projects for eleven California hospitals, including the purchase of Alvarado Hospital in San Diego from Tenet Healthcare by Plymouth Health, LLC and the purchase of Memorial Hospital of Gardena and East Los Angeles Doctors Hospital by Avanti Hospitals LLC. Eric also has worked on hospital alliances and joint ventures, conversion of nonprofit hospitals into for-profit hospitals, credit facilities for hospitals, establishment and acquisition of outpatient treatment centers, outsourcing of hospital departments, and hospital syndications. Eric recently has worked on the formation of a hospital group purchasing organization in coordination with a large generic pharmaceutical company. He also has assisted with payor contracting and disputes, governmental investigations and licensing, and hospital-physician contracts and joint ventures. He recently has assisted with several revenue cycle management projects.

On the physician side, Eric recently helped to architect, negotiate and document the combination last year of two of the largest medical groups in California, Healthcare Partners and Talbert Medical Group. In the last two years Eric has also advised on the sale of Lakeside Systems, Inc. to an affiliate of Regal Medical Group, the merger of Northridge IPA with Healthcare Partners, and several other major physician organization transactions. He has represented many of the major medical groups and IPAs in Southern and Northern California, assisting them with strategic transactions, operational matters and regulatory issues. He also represented a leading private equity fund this year in the acquisition of a national single-specialty, physician-owned healthcare provider. He is regularly called upon to structure complex joint ventures involving physicians, to establish effective physician compensation systems and to

undertake Stark analyses.

Eric also has experience with disease state management organizations. Last year, he structured a national strategic alliance for NICU case management services with a leading insurance company. He has helped establish and operate: (i) cancer care programs involving entities such as Cedars-Sinai Medical Center and Salick Health Care, the John Wayne Cancer Institute at St. John's Hospital and Medical Center, St. Bernadine Medical Center and two of the leading national cancer care physician organizations; (ii) pediatric programs, including pediatric specialty pharmaceutical programs and neonatology; (iii) wound care programs; (iv) behavioral health programs, having restructured one of the largest behavioral health networks in Southern California; and (v) hospitalist programs, having established programs at hospitals in over fifteen states for the leading national hospitalist company.

In addition, Eric has deep experience in health care information systems and technology. Recent projects included the acquisition of a leading healthcare information technology provider; a national licensing agreement for a healthcare data encryption company; hospital information technology outsourcing and transition services agreements. Eric also represents a number of private equity funds focused on the healthcare industry, including in connection with an investment into an outsourced revenue cycle management company. Other assignments have included: the development and national rollout of a personal data assistant (PDA)-based information system for hospital-based physicians; the creation of a company that provides real-time PDA-based ICU information; the acquisition and customization of an eligibility and credentialing system; and the implementation of an integrated financial system.

In the area of Knox-Keene regulation, Eric recently obtained a Knox-Keene license for a new vision services plan in nine months, one of the fastest licensure processes in the history of the Department of Managed Health Care. He also successfully convinced the Department of Managed Health Care to alter a critical financial policy in order to complete an HMO acquisition transaction. He has assisted Knox-Keene plans with licensure issues, compliance and corrective action plans, restructuring, acquisitions and disposition of plans, holding company structures, and credit facilities.

Eric maintains an active transactional practice, including strategic partnering, outsourcing and licensing transactions, negotiated and hostile mergers and acquisitions, nonprofit/for-profit agreements and conversions, debt and equity financings, cross-border acquisitions and venture capital financing. He represents both privately held and publicly traded companies, working with both emerging companies and Fortune 500 companies.

Prior to joining Sheppard Mullin, Eric was the head of the West Coast healthcare and corporate practice at national law firm Katten Muchin Rosenman LLP, and earlier was a founding partner in the Los Angeles firm of Klein & Martin LLP (named during its existence as one of the top forty health law firms in the United States) and grew it to sixteen attorneys before its merger with Shaw Pittman LLP in 2001. He also practiced in the Bay Area with firms McCutchen, Doyle, Brown and Enersen LLP and Howard Rice Nemerovski Canady Falk and Rabkin, and in the Los Angeles office of Davis Wright Tremaine LLP.

Eric has been active in professional organizations and has published articles in a number of legal and business publications, including a recent article in the *Harvard Business Review* and an article in the *National Law Journal* on guiding private equity funds through healthcare acquisitions. He lectures at the UCLA Anderson School of Business on business planning, entrepreneurial operations, securities law and intellectual property issues.

Eric also lectures nationally on negotiation skills and has trained many business leaders, investment bankers, lawyers and entrepreneurs in basic and advanced negotiation techniques.

EDUCATION

- J.D., Boston University School of Law, 1985
- A.B., Princeton University, 1981, magna cum laude

ADMISSIONS

- California, 1986
- U.S. District Court, Northern District of California

HONORS

- He has received the highest quality rating of "AV" from the Martindale-Hubbell legal directory.
- Southern California Super Lawyer for Securities and Corporate Finance in Los Angeles Magazine and Southern California Super Lawyers Magazine, 2005 and 2006, 2009

MEMBERSHIPS

- Board of Advisors, UCLA Anderson School of Business Ventures Program
- Member, American Bar Association Section of Intellectual Property Law, Intellectual Technology Transfer Committee
- Member, Association for Corporate Growth Los Angeles Program Committee
- Member, Software Council of Southern California – Los Angeles Executive Committee
- Member, Los Angeles Ventures Association
- Previous Executive Committee Member, California Institute of Technology/Massachusetts Institute of Technology Enterprise Forum

ARTICLES

- "Electronic Records Mandates May Clash With Privacy Laws", *The National Law Journal*, June 8, 2009
- Private Equity Funds Seek Health Care Acquisitions, *The National Law Journal*, June 23, 2008