

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

606



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:

5/06/04

SUBJECT: Fourth Amendment to the Master Agreement with Cerner Corporation for Remote System Management Services.

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Ratify the Amendment to the Agreement with Cerner Corporation and Riverside County Regional Medical Center (RCRMC), effective April 1, 2005;
- 2) Authorize the Chairman to execute the Amendment;
- 3) Direct the Clerk of the Board to retain one (1) original and return two (2) original copies of the Amendment to RCRMC - Contract Administration.

BACKGROUND: In 1997, the Health Services Agency competitively bid and consequently contracted with Cerner Corporation for the automated Laboratory, Radiology, and In-patient Pharmacy applications, approved by the Board April 1, 1997, Agenda Item 3.38. The applications provide critical functionality to clinicians and providers. In 2000, the Health Services Agency contracted with Cerner Corporation expanding services to include remote monitoring and managing of the entire Cerner technical environment, approved by the Board, April 25th, 2000, Agenda Item 3.13, with an amendment continuing the service approved by the Board May 4, 2004 Agenda Item 3.21.

FORM APPROVED
COUNTY COUNSEL

DB/cm

MAY 12 2005

Douglas D. Bagley
Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 94,500.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	0	Budget Adjustment:	No
	Annual Net County Cost:	0	For Fiscal Year:	04/05 - 05/06

SOURCE OF FUNDS: Enterprise Fund	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

Don Martin

Dept's Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 4/1/97, 4/25/00, 5/4/04 | **District:** | **Agenda Number:** 3.38, 3.13, 3.21

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

3.37

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JUSTIFICATION:

This Amendment continues the remote management services for an additional twelve month period commencing April 1, 2005. Under the proposed amendment, Cerner Corporation will continue to manage the entire technical environment providing a true single point of accountability. The RCRMC support staff will have immediate access to Cerner experts, 24 hours a day 7 days a week. This support provides RCRMC a level of service and response no other vendors can provide. In 2004 RCRMC consulted with the research and advisory firm, Gartner, to identify alternatives. The research and advisory firm did not find any viable alternative, and reaffirmed Cerner Corporation is the only known solution in providing the comprehensive set of services as a single point of accountability.

PRICE REASONABLENESS:

Cerner's remote management services for all applications are offered at the same price in this amendment, as the previous twelve month period.

A comparison of the cost for this service was made with current County Contracted Consultants. Cerner Corporation provides the necessary Database Administrators, System/Application programmers, and Systems Managers with the detailed operational management experience with their product, in a 24 hour, 7 day a week operation. The County Contractor's consulting cost would be substantially higher comparing an average rate for the same 24 hour, 7 day a week operation. Finding and retaining skilled consultants with the Cerner System would represent additional challenges and risks in reliability and availability of the Cerner System.

REVIEW/APPROVAL:

This procurement was reviewed and approved by the County Purchasing Agent.

FINANCIAL IMPACT:

All costs for this amendment will come from RCRMC Enterprise Funds.

The total current fiscal year cost is for three months, in the amount of ninety four thousand five hundred (\$94,500.) dollars.

The total annual cost for fiscal year ending 2006 is for nine months, in the amount of two hundred eighty three thousand five hundred (\$283,500.) dollars.