

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

743



**FROM:** Riverside County Regional Medical Center

**SUBMITTAL DATE:**  
8/15/05

**SUBJECT:** Multi-year agreement between Surado Solutions, Inc. and Riverside County Regional Medical Center (RCRMC).

**RECOMMENDED MOTION:** That the Board of Supervisors:

- 1) Approve the multi-year agreement, between Surado Solutions, Inc. and RCRMC;
- 2) Authorize the Chairman to execute the agreement;
- 3) Direct the Clerk of the Board to retain one original and return two (2) original copies of the amendment to Riverside County Regional Medical Center - Contract Administration.

**BACKGROUND:**

This new agreement is for the development, support and license of a replacement case management system for the Medically Indigent Services Program (MISP). MISP acquired a system from Surado Solutions in 1996 to provide enhanced eligibility, claims processing and data reporting for the program. A review of the existing system identified changes and upgrades that would be required for compliance with Health Insurance Portability and Accountability Act (HIPAA) regulations.

DB:cm

*Douglas D. Bagley*  
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Douglas D. Bagley, Hospital Director

**FINANCIAL DATA**

Current F.Y. Total Cost:	\$144,236.90	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	0	Budget Adjustment:	No
Annual Net County Cost:	0	For Fiscal Year:	05/06

**SOURCE OF FUNDS:** Hospital Enterprise Funds

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**

*Dan Martinez*  
\_\_\_\_\_

- Policy  Policy
- Consent  Consent
- Dept't Recomm.: Per Exec. Ofc.:

Prev. Agn. Ref.:

District:

Agenda Number:

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

3.61

Purchasing: *Mar Delia*  
 IT DEPT  
 Departmental concurrence  
 Asst. Director

**SUBJECT:** Multi-year agreement between Surado Solutions, Inc. and Riverside County Regional Medical Center (RCRMC).

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**BACKGROUND (cont.):**

To research the market and compare the cost of a replacement system versus upgrading the current system, County Purchasing issued the formal request for proposal, PUARC324, in February 2004. Two responsive/responsible bids were received from Health Trio and Surado Solutions, Inc.

Surado Solution was the only vendor with hospital experience, and offering RCRMC the ability to modify processes for regulatory changes without additional programming cost.

**PRICE REASONABLENESS:**

Surado Solution was the lowest cost proposal received for the new system. In addition, comparing the cost of this new agreement after implementation versus upgrading and maintaining the current system this new agreement will save RCRMC an estimated annual amount of \$102,790., with an overall estimated savings for the five year period of \$513,790.

**FINANCIAL IMPACT:**

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

The combined hardware and software cost of this new agreement is in the amount of \$797,622.65, to be financed through the County awarded vendor Bank of America.

An additional cost for maintenance and support will start after the successful completion of the first productive use in the amount of \$62,106.00 for years two and three, and \$65,211.00 for years four and five.

Below are the costs associated with the term of this agreement.

	<b>Principal</b>	<b>Interest</b>	<b>Maintenance</b>	<b>Annual Cost</b>
<b>FYE 2006</b>	\$124,093.12	\$20,143.78		\$144,236.90
<b>FYE 2007</b>	\$153,421.21	\$19,663.07	\$62,106.00	\$235,190.28
<b>FYE 2008</b>	\$158,494.22	\$14,590.06	\$62,106.00	\$235,190.28
<b>FYE 2009</b>	\$163,734.94	\$ 9,349.34	\$65,211.00	\$238,295.28
<b>FYE 2010</b>	\$169,148.97	\$ 3,935.31	\$65,211.00	\$238,295.28
<b>FYE 2011</b>	\$ 28,730.19	\$ 117.19		\$ 28,847.38
<b>Totals</b>	<b>\$797,622.65</b>	<b>\$67,798.75</b>	<b>\$254,634.00</b>	<b>\$1,120,055.40</b>

**REVIEW/APPROVAL:**

County Counsel, County Purchasing, and County Information Services have reviewed and concur with this request.

# FORM 11 Review – Riverside County Information Technology

**SUBJECT: RCRMC – Surado Solutions MISP Case Management System**



**Review Date: August 26, 2005**

- Conforms/meets County technology standards*
- Outside County technology standards*
- Outside County technology standards - compatible with standards*
- Standards do not exist for this County Technology*

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## Comments:

The Regional Medical Center has contracted with Surado Solutions as its MISP information system provider since 1996. This request will replace the existing outdated system with a HIPAA compliant case management system from Surado Solutions that also provides enhanced functionality at a lower overall cost of operation. Riverside County Information Technology has reviewed this contract with Surado Solutions. The review process ensured the technologies proposed in the contract were compatible with the County's network infrastructure, and compliant with the Information Systems Security Policy. The contract terms were also reviewed and the RCIT Department is in agreement with the contract terms specified.

The system platforms and databases used to support Surado's proprietary applications are compliant with County Technology Standards as defined by the Department Technology Standards Committee.

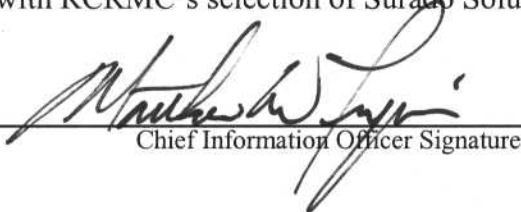
Riverside County Information Technology will not serve in a project management capacity and the project will be coordinated and overseen by RCRMC staff. The role of RCIT has been the technical review of the direction and viability of the technology.

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## CIO RECOMMENDATION:

We concur with RCRMC's selection of Surado Solution's MISP Case Management System.

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Chief Information Officer Signature