

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

5-88



FROM: Community Health Agency

SUBMITTAL DATE:
September 26 2006

SUBJECT: APPROVE THE SECOND AMENDMENT BETWEEN SIEMENS MEDICAL SOLUTIONS HEALTH SERVICES CORPORATION and the Riverside County Community Health Agency

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve and execute the second Amendment to the Agreement between Siemens Medical Solutions Health Services Corporation and the Community Health Agency in the amount of \$362,775 for contract period October 1, 2006 through December 30, 2007 pursuant to the applicable California Code; and
- 2) Authorize the Purchasing Agent to issue purchase orders to Siemens as needed for Professional Services Fees in an amount not to exceed \$ 50,000.

BACKGROUND: In September 2004, Item 3.9 the Riverside County Board of Supervisors approved the Agreement between the Community Health Agency (CHA) and Siemens Medical Solutions Health Services Corporation with the provision that CHA would provide an update as to the renewal status in September 2006.

FORM APPROVED COUNTY COUNSEL

Purchasing: [Signature] BY [Signature] Assistant Director
 SEP 18 2006
 Departmental Concurrence

[Signature]
Gary M. Feldman, M.D., Director,
Community Health Agency

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 217,665	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	

SOURCE OF FUNDS: Clinic revenue	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 [Signature]

Dep't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

JUN 26 50 64 5:35

Prev. Agn. Ref.: 9/14/04, 3.9; 12/13/05 3.4; 6/27/05 | **District:** All | **Agenda Number:**

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

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BACKGROUND (CONTINUED)

Subsequently on December 13, 2005, Item 3.4, the Riverside County Board of Supervisors approved the selection of a replacement Ambulatory Public Health Information system for the Public Health clinics which is BCA. The Siemens system will continue to be required by the clinics for patient scheduling, registration and for billing until the new BCA system is fully implemented. The Siemens system will be needed for billing and accounts receivable follow-up for six months after the replacement system is in place. The expected time frame, for the replacement system to complete these activities is December 2007.

On June 27, 2005, Item 3.11, the Riverside County Board of Supervisors approved the first amendment, the purchase of an optional application from Siemens. The application, DSAR, which stands for Distributed Signature Advanced Reporting became generally available through Siemens in 2005 and provides an onsite reporting database. DSAR will stay in place with CHA as an archive after the base clinic system, Siemens Signature, is shutdown. The updates that are currently running to load data on a regular basis from the Siemens Signature system to DSAR will stop at the end of the term of the Agreement and payments to Siemens will stop. Ongoing maintenance costs for the DB2 database software will continue though IBM or another third party.

Included in the Agreement was a pool of 500 hours of Professional Services to provide ongoing support and maintenance for the existing applications and consulting services as needed. The Professional Services hours were also intended to provide transition support for the migration to a new system including converting operational data or archiving historical data, collecting documentation of data structure with label descriptions, database mapping, cleansing of historical data and other assistance as required for completing a successful transition. There are approximately 200 hours remaining from this pool of hours. CHA may want to purchase up to 200 additional hours, at Siemens current hourly rate plus travel and living expenses not to exceed \$50,000, in order to complete the transition/conversion to the new BCA system.

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FINANCIAL INFORMATION

The 10% prompt payment discount on the base software continues as part of the original agreement.

The agreement costs break down as follows:

*Monthly Recurring Fees (\$22,585/mo)	\$338,775
(Including monthly WAN Fees and DSAR Fees)	
Utilization Fees (postage for statements) (average \$1,600)	<u>\$ 24,000</u>
Total:	\$362,775
Optional Professional Services Fees	\$ 50,000
(Including estimated travel and living expenses)	

*If processing requirements (PR) defined in terms of the number of patient visits increases more than 10% over the baseline sizing annually or on the basis of a new facility opening, the monthly recurring fees will increase at a rate of \$1.02 per PR. Data file price increases are possible if data storage is increased by more than 10% above the baseline for a cost ranging from 1.5 to 6.8 cents per record.

REVIEW/APPROVAL

The proposed amendment to the agreement has been reviewed and approved by the County Purchasing Agent and County Counsel.