

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

970



FROM: Department of Mental Health

SUBMITTAL DATE:
August 31, 2010

SUBJECT: Ratify the Amendment to the Agreement with Netsmart Technologies, Inc.

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Ratify Amendment #1 to the Agreement for optional products and services with Netsmart Technologies, Inc. for FY 10/11;
2. Authorize the Riverside County Purchasing Agent to sign the Amendment with Netsmart Technologies, Inc. for \$2,717,034 and an aggregate amount of \$4,929,921 for a four year period upon execution of this Amendment; and
3. Authorize the Riverside County Purchasing Agent to annually renew, amend, increase and/or decrease this Agreement with Netsmart Technologies, Inc. for up to 10% of the approved Agreement amount through June 30, 2015.

BACKGROUND: On March 16, 2010, Agenda Item 3.46, the Chairman of the Riverside County Board of Supervisors approved a four year, \$2,212,887 agreement between the Department of Mental Health (DOMH) and Netsmart Technologies, Inc. (Netsmart) for Netsmart to provide the DOMH a new Behavioral Health Information System (BHIS) as mandated by Federal and State law.

(Continued on page 2)

FORM APPROVED COUNTY COUNSEL

JW:BL BY: NEAL R. KIPNIS DATE 8/31/10 Jerry Wengerd, Director
Department of Mental Health

**FINANCIAL
DATA**

Current F.Y. Total Cost:	\$2,050,000	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11

SOURCE OF FUNDS: Mental Health Services Act (MHSA) – State Funds

Positions To Be Deleted Per A-30 ☐

Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

BY: Debra Courmoyer
Debra Courmoyer

Policy ☒ Policy ☒

Consent ☐ Consent ☐

Dep't Recomm.:

Per Exec. Ofc.:

Prev. Agn. Ref.: 3/16/10; (3.46)

District: ALL

Agenda Number:

3.61

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

RCIT 10/11/10
Greg Stoddard, CTO

Department of Mental Health

Purchasing: Mark Seller, Assistant Director

SUBJECT: Ratify the Amendment to the Agreement with Netsmart Technologies, Inc.

BACKGROUND (continued):

On May 13, 2010, the California State Department of Mental Health approved the DOMH's Mental Health Services Act (MHSA) Capital Facilities and Needs Project Work Plan, which allocates funds to the DOMH to utilize for the performance of technological support and the completion of the previously approved new BHIS. These funds will allow DOMH to purchase additional products and services to address areas of information management not currently or significantly addressed by existing modules. As a result, the DOMH has identified for purchase and implementation the following optional products and services through its previously Board approved Netsmart Agreement:

1) Provider Connect Application and Maintenance	\$2,235,500
2) Avatar Managed Services Organization (MSO)	\$ 88,047
3) Avatar Client Funds Management System (CFMS)	\$ 83,101
4) Avatar California Practice Management (CalPM)	\$ 154,898
5) Avatar RADplus; and	\$ 122,288
6) Professional Services	\$ 33,200
Total Optional Products and Services:	\$2,717,034

These optional products and services selected by DOMH will help address key financial, clinical and management processes, as well as help maximize revenue, improve service levels, and provide a higher quality of care.

PERIOD OF PERFORMANCE:

The Amendment is effective commencing July 1, 2010 and will continue through June 30, 2011, with the option to renew annually through June 30, 2015, if deemed necessary by the DOMH, and upon the availability of applicable Federal, State or County Funds.

FINANCIAL IMPACT:

This Amendment will increase the FY 10/11 Agreement with Netsmart from \$2,212,887 to \$4,929,921, which will be utilized in the next three (3) years. Funding for this Amendment is provided through the Prop. 63 MHSA Funds – Capital Facilities and Technological Needs, and no additional County funds are required. The contract contains a termination provision in the event of the unavailability of any Federal and/or State funds.

PRICE REASONABLENESS:

In the competitive evaluation process, the Evaluation Committee and DOMH determined that Netsmart's proposal, which included core products/services and optional products/services was the most responsive to the specifications and offered the best value to the County. Core products/services and optional products/services were part of the original evaluation.

1 **FIRST AMENDMENT TO THE AGREEMENT**
2 **BETWEEN**
3 **COUNTY OF RIVERSIDE DEPARTMENT OF MENTAL HEALTH**
4 **AND**
5 **NETSMART TECHNOLOGIES, INC.**

6 That certain Agreement between the County of Riverside (COUNTY) and Netsmart
7 Technologies, Inc. (CONTRACTOR), originally approved by the Riverside County Board of
8 Supervisors on March 16, 2010, Item 3.46, and is hereby amended for the first time for FY
9 2010/2011, effective July 1, 2010 through June 30, 2011, as follows:

- 10 • Add Amendment #1 – Exhibit A (Optional Products and Services) that extends the
11 CONTRACTOR's scope of work, effort, services and products, and increases the four
12 year, contract maximum obligation from \$2,212,887 to \$4,929,921.
- 13 • Add Amendment #1 – Exhibit B (InfoScriber End-User License), an addendum to the
14 terms and conditions of the COUNTY's use of the InfoScriber System.
- 15 • Section 4 of this Agreement shall be amended to read as follows:

16 **4. COMPENSATION**

17 **4.1** The COUNTY shall pay the CONTRACTOR for services performed and
18 expenses incurred in accordance with the terms of Schedule F and
19 Amendment #1 – Exhibit A, attached hereto and by this referenced
20 incorporated herein. Maximum payments by COUNTY to
21 CONTRACTOR shall not exceed four million, nine hundred twenty-nine
22 thousand, nine hundred and twenty-one dollars (\$4,929,921) for the Term
23 of Agreement including all expenses for the Scope of Work, effort,
24 services and products outlined in this Agreement. This is a fixed price
25 Agreement. The COUNTY is not responsible for any fees or costs
26 incurred above or beyond the contracted amount and shall have no
27 obligation to purchase any specified amount of services or products
28 beyond those specified within this Agreement.

- 1 • All other terms and conditions of this Agreement shall remain unchanged and in full
2 force and effect.

3 **IN WITNESS WHEREOF**, the Parties hereto have caused their duly authorized
4 representatives to execute this amendment.

5
6 **COUNTY OF RIVERSIDE**

7 Purchasing & Fleet Services
8 2980 Washington Street
9 Riverside, CA 92504

6 **CONTRACTOR**

Netsmart Technologies, Inc.
3500 Sunrise Highway, Suite D122
Great River, NY 11739

10
11 Signature: _____

12 Print Name: Robert J. Howdyshe11

13 Title: Purchasing Agent

14 Date: _____

Signature:  _____

Print Name: Joseph McGovern

Title: Executive Vice President

Date: 8-6-2010

15
16
17 **COUNTY COUNSEL**

18 Pamela J. Walls
19 *Approved as to Form*

20
21 By  _____
22 Deputy County Counsel

Amendment #1 – Exhibit A Optional Products and Services

The pricing for optional products, professional services and support services in the following sections will hold firm for the Term of the Agreement from the Agreement execution date and as mutually agreed to by and between both parties.

The unused balance of these funds can be shifted on the payment schedule with written approval from the COUNTY as long as the total amount is not increased. In addition, the COUNTY reserves the right to not purchase all options proposed and/or outlined in this agreement or any other associated agreement; and the COUNTY reserves the right to only purchase the amount of products, professional services and support services that are required to fulfill its systems and/or contractual obligation in this matter.

A. ProviderConnect Application and Maintenance

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
ProviderConnect Note: From Schedule E, CareLink is now called ProviderConnect.	\$495/year	1,500		\$742,500	\$742,500	\$742,500	\$2,227,500	ProviderConnect annual recurring costs payable in 12 equal monthly installments of \$61,875 commencing on the first day of the first month following installation.
ProviderConnect server hardware – includes server validation		1	\$8,000				\$8,000	Payable upon signing of the amendment (delivery charges apply)
TOTAL							\$2,235,500	

Note: The ProviderConnect product will be configured to supply remote providers the ability to view authorizations, request changes to existing authorizations, request new follow-up authorizations, enter services, view basic client demographic data and view the approved, pending, or denied status of services rendered. This is the scope of the ProviderConnect project. The product does not support the Provider ability to admit clients, model or view modeled content, produce specific State Reporting (e.g. CalOMS, CSI, OSHPD, and FSP), enter or view Progress Notes, Treatment Plans and Assessments.

B. Avatar Managed Services Organization (MSO) Tools and Annual Maintenance

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
Avatar MSO Member Enrollment MSO Member Transactions	\$15,000	1	\$15,000				\$15,000	Upon Installation
Avatar MSO Member Enrollment MSO Member Transactions annual Maintenance/ Support				\$3,000	\$3,150	\$3,307.50	\$9,457.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar MSO Member Termination MSO Member Transactions	\$5,000	1	\$5,000				\$5,000	Upon Installation
Avatar MSO Member Termination MSO Member Transactions - annual Maintenance/ Support				\$1,000	\$1,050	\$1,102.50	\$3,152.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar MSO Service Authorization MSO Member Transactions	\$10,000	1	\$10,000				\$10,000	Upon Installation
Avatar MSO Service Authorization MSO Member Transactions - annual Maintenance/ Support				\$2,000	\$2,100	\$2,205	\$6,305	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar MSO Batch Creation MSO Claims Adjudication	\$3,000	1	\$3,000				\$3,000	Upon Installation

Contract #: MHARC-92045-019-03/14 (Amendment #1 – Exhibit A)

[illegible]

C. Avatar Client Funds Management System (CFMS) Application and Maintenance

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
Client Funds Management System (CFMS)	\$50,000	1	\$50,000				\$50,000	Payable upon software installation
CFMS Maintenance and Support		1		\$10,500	\$11,025	\$11,576	\$33,101	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date.
TOTAL							\$83,101	

D. Avatar California Practice Management (CalPM) Tools and Annual Maintenance

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
Avatar CalPM Admission	\$15,000	1	\$15,000				\$15,000	Upon Installation
Avatar CalPM Admission annual Maintenance/ Support				\$3,000	\$3,150	\$3,307.50	\$9,457.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Discharge	\$5,000	1	\$5,000				\$5,000	Upon Installation
Avatar CalPM Discharge annual Maintenance/ Support				\$1,000	\$1,050	\$1,102.50	\$3,152.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Diagnosis	\$5,000	1	\$5,000				\$5,000	Upon Installation

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
Avatar CalPM Diagnosis annual Maintenance and Support				\$1,000	\$1,050	\$1,102.50	\$3,152.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Program Transfer	\$5,000	1	\$5,000				\$5,000	Upon Installation
Avatar CalPM Program Transfer annual Maintenance/ Support				\$1,000	\$1,050	\$1,102.50	\$3,152.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Leaves	\$5,000	1	\$5,000				\$5,000	Upon Installation
Avatar CalPM Leaves annual Maintenance/ Support				\$1,000	\$1,050	\$1,102.50	\$3,152.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Return from Leaves	\$5,000	1	\$5,000				\$5,000	Upon Installation
Avatar CalPM Return from Leaves annual Maintenance/ Support				\$1,000	\$1,050	\$1,102.50	\$3,152.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Individual Cash Posting Client Service and Payment	\$10,000	1	\$10,000				\$10,000	Upon Installation

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
Avatar CalPM Individual Cash Posting Client Service and Payment annual Maintenance/ Support				\$2,000	\$2,100	\$2,205	\$6,305	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Update Client Data	\$10,000	1	\$10,000				\$10,000	Upon Installation
Avatar CalPM Update Client Data annual Maintenance/ Support				\$2,000	\$2,100	\$2,205	\$6,305	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Client Charge Input Client Service and Payment	\$10,000	1	\$10,000				\$10,000	Upon Installation
Avatar CalPM Client Charge Input Client Service and Payment - annual Maintenance/ Support				\$2,000	\$2,100	\$2,205	\$6,305	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Financial Eligibility	\$15,000	1	\$15,000				\$15,000	Upon Installation
Avatar CalPM Financial Eligibility annual Maintenance/ Support				\$3,000	\$3,150	\$3,307.50	\$9,457.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Client Appt. Scheduling	\$5,000	1	\$5,000				\$5,000	Upon Installation

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
Avatar CalPM Client Appt. Scheduling - Annual Maintenance/ Support				\$1,000	\$1,050	\$1,102.50	\$3,152.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
Avatar CalPM Practitioner Termination	\$5,000	1	\$5,000				\$5,000	Upon Installation
Avatar CalPM Practitioner Termination- annual Maintenance/ Support				\$1,000	\$1,050	\$1,102.50	\$3,152.50	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
TOTAL							\$154,898	

E. Avatar RADPlus Tools and Annual Maintenance

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
Web Services – RADplus – All modeled forms	\$50,000	1	\$50,000				\$50,000	Upon Installation
Web Services – RADplus – All modeled forms – annual Maintenance/ Support				\$10,000	\$10,500	\$11,025	\$31,525	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date.
RADplus Identity Management Web Service bundle (includes the following 8 line items)	\$25,000	1	\$25,000				\$25,000	Upon installation
RADplus User Definition – Create User Identity Management							Included in Identity Mgmt bundle	

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
RADplus User Definition – Activate User Identity Management							Included in Identity Mgmt bundle	
RADplus User Definition – Deactivate User Identity Management							Included in Identity Mgmt bundle	
RADplus User Definition – Does User Exist Identity Management							Included in Identity Mgmt bundle	
RADplus User Definition – Is User Active Identity Management							Included in Identity Mgmt bundle	
RADplus User Definition – Generate Password Identity Management							Included in Identity Mgmt bundle	
RADplus User Role Definition – Get User Role List							Included in Identity Mgmt bundle	
Avatar CalPM Practitioner Enrollment Identity Management							Included in Identity Mgmt bundle	
RADplus Identity Management Web Service bundle annual Maintenance/ Support				\$5,000	\$5,250	\$5,513	\$15,763	First year payable upon installation of software; subsequent years payable on anniversary of first year payment date
TOTAL							\$122,288	

F. Professional Services

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
CFMS Project Management (Units are Hours)	\$225	40	\$9,000				\$9,000	30% payable upon order, remaining 70% payable in six equal monthly payments subsequent to order.

Item Description	Unit Cost	# of Units	One-Time Fees	Year 1	Year 2	Year 3	Total All Fees	Payment Terms
CFMS Go-Live Support (Units are Hours)	\$200	16	\$3,200				\$3,200	30% payable upon order, remaining 70% payable in six equal monthly payments subsequent to order.
CFMS Training (Units are Hours)	\$187.50	16	\$3,000				\$3,000	30% payable upon order, remaining 70% payable in six equal monthly payments subsequent to order.
Web Services Project Management (Units are days). Note: Netsmart does not provide Web Services programming or programming training.	\$1,800	10	\$18,000				\$18,000	30% payable upon order, remaining 70% payable in six equal monthly payments subsequent to order.
TOTAL							\$33,200	

G. Summary of Costs of Optional Products and Services

Provider Connect Application and Maintenance	\$ 2,235,500
Avatar Managed Services Organization (MSO)	\$ 88,047
Avatar Client Funds Management System (CFMS)	\$ 83,101
Avatar California Practice Management (CalPM)	\$ 154,898
Avatar RADPlus	\$ 122,288
Professional Services	\$ 33,200
Total Optional Products and Services:	\$ 2,717,034

Amendment #1 – Exhibit B InfoScriber End-User License

1. Purpose

This supplements the original Avatar Agreement between Netsmart and the County and the amendment above. All of the terms and conditions of this Amendment apply to County use of the InfoScriber™ System with the following changes or additions only.

2. Supplemental Definitions

When used in this Amendment:

- (a) "Netsmart Agent" means an independent contractor hired by Netsmart for the purpose of maintaining, modifying, installing or uninstalling software necessary to the functioning of MMPS.
- (b) "DI Data" means drug interaction information made available under license from Multum Information Services, Inc. ("Multum").
- (c) "InfoScriber System" means the Netsmart/InfoScriber medication management and products and services to be provided by Netsmart to County hereunder.
- (d) "Specifications" in the original Agreement will include the InfoScriber User Manual and InfoScriber System Administration Manual.
- (e) "Upon Installation" means approved and accepted by the County of Riverside.
- (f) Capitalized terms used in this Amendment that are defined in the original Agreement have the same definition when used in this Amendment.

3. InfoScriber System License Grants

Subject to the terms and conditions of the original Agreement, as supplemented by the Amendment:

- (a) Netsmart grants County a non-exclusive, non-transferable license to access the InfoScriber System by registering and running the InfoScriber System through a Netsmart Web portal; to access and use Netsmart's online storage system for electronic medical records and associated healthcare information (the "Online Data Storage") and for any related content (the "Content"), and to use any other services made available by Netsmart in InfoScriber System (collectively, the "Netsmart Services").

(b) In exchange for this license, County agrees to pay Netsmart the applicable service fee set forth in the original Agreement (Schedule C, Part 3: Other Annual-Recurring Costs).

(c) County grants to Netsmart, its subsidiaries, affiliates, and Netsmart Agents who assist in the operation or maintenance of the InfoScriber System, a non-exclusive, non-transferable license (the "Usage License") to use the Patient Data for the sole purpose of operating the InfoScriber System for the benefit of County and its patients, including providing County and its authorized agents with access to Patient Data upon authorization, making some portions of the Patient Data available to individual patients if both they and County desire to do so, and maintaining the InfoScriber System (for example, creating backups of the Patient Data or moving it between servers). The Usage License does not confer on Netsmart any right to share Patient Data with third parties other than Netsmart Agents who are bound by agreements that contain confidentiality provisions equivalent to those contained in this Amendment. The grant of the Usage License is conditioned upon Netsmart agreeing to and abiding by all the terms and conditions in this Amendment. The forgoing restriction on Netsmart's use of Patient Data does not prohibit Netsmart from making use of Deidentified Data as that term is defined in the HIPAA Privacy Rule.

Netsmart has licensed the InfoScan Formulary Database TM ("IFDB") from Multimedia Information Technologies Division, Medimedia USA, Inc. ("MMIT") to provide various on-line formulary and referral capabilities as part of the InfoScriber System. All drug information provided in or through the InfoScriber System is obtained and licensed from Multum and such drug information service is referred to herein as the "Multum Service". County acknowledges that MMIT reserves and retains at all times its intellectual property rights in the IFDB, and Multum reserves and retains at all times its intellectual property rights in the Multum Service. The terms of County's use of the IFDB will be governed by MMIT's terms of use at www.ntst.com/products/InfoScriber.asp.

(d) County will not make the IFDB data available to any person, or entity including the government, whether affiliated or not, except as required by subpoena or other legal process. If County is required to disclose any such information, the County will notify Netsmart promptly in writing so that Netsmart, Multum or MMIT may seek a protective order or other appropriate remedy or, in Netsmart's sole discretion, waive compliance with the terms of this Amendment;

(e) County will not use the IFDB data in any mailing or to develop or support analysis.