

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS
 DATE: 9/17/14

Departmental Concurrence

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

418



FROM: Riverside County Regional Center (RCRMC)

SUBMITTAL DATE:
 September 23, 2014

SUBJECT: Approve the agreement via the competitive bid process between County of Riverside (RCRMC) and University HealthServices Consortium/NOVATION Group Purchasing Organization (GPO). [\$0] Hospital Enterprise Fund District 5

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the selection via the competitive bid process of University HealthServices Consortium/NOVATION as RCRMC's Group Purchasing Organization (GPO) for medical supplies, pharmaceuticals, healthcare related services and capital equipment, and;
2. Approve and authorize the Chairman of the Board to execute the Group Purchasing Master Agreement with University HealthServices Consortium/NOVATION effective upon signing and valid for one year thereof, and;
3. Authorize the Purchasing Agent to use Group Purchasing Organization pricing as a successful mean of having accomplished the competitive bid process for applicable county departments, and;
4. Authorize the Purchasing Agent to exercise the option to renew annually in one year increments for up to four additional years ending 2019.

Lowell Johnson
 Lowell Johnson
 Interim CEO

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: Hospital Enterprise Fund
 Budget Adjustment: No
 For Fiscal Year: FY 14/15

C.E.O. RECOMMENDATION:

APPROVE

BY: *Debra Cournoyer*
 Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: | District: 5 | Agenda Number:

3-59

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

FORM 11: Approve the agreement via the competitive bid process between County of Riverside (RCRMC) and University HealthServices Consortium/NOVATION Group Purchasing Organization (GPO). [\$0] Hospital Enterprise Fund District 5

DATE: September 23, 2014

PAGE: 2 of 3

BACKGROUND:

Summary

Approval of the above motions and selection of UHC/NOVATION is recommended by Huron Consulting. RCRMC joins Huron in recommending award to UHC/NOVATION based upon the results of RFP# MCARC-242 in which UHC/NOVATION was found to offer the best pricing, best coverage and most comprehensive value added programs. Riverside County's selection of UHC/NOVATION will result in Market Basket savings of \$557,058 yearly as well as expected gains of \$411,717 in added sharebacks over the current average of \$700,251. The five year Net Revenue projection of this relationship with UHC/NOVATION is \$4,843,875

University HealthSystem Consortium/NOVATION has proven its contracting process to be consistent with the philosophy and intent of Riverside County Ordinance 459.4 calling for competitive procurement of supplies and services used by county agencies. UHC/NOVATION will expand and maximize RCRMC's access to discounts on medical equipment, supplies and services and pharmacy items through the use of its contracts. UHC/NOVATION monitors market conditions, supply issues, and pricing on a daily basis. Continuous bids are issued approximately every two weeks to maintain market competitiveness ensuring RCRMC of the best pricing in the industry. RCRMC will realize some of the industry's most aggressive rebates and administrative fee sharebacks through use of UHC/NOVATION contracts. Rebates range from 1% to 3% and will be returned to the Medical Center. Rebates are also returned to the Medical Center in the form of credits which RCRMC can use to purchase data services and value added programs which further our ability to improve operational efficiencies.

RCRMC currently processes \$72 million in purchases through various GPO contracts. Due to the complexity and urgency of RCRMC's needs, it is advantageous to have access to GPO contracts to facilitate the quick procurement of supplies and services in a proven economical fashion. Recognizing that the GPO master agreements were expiring on August 31, 2014, Huron Consulting initiated a comprehensive GPO assessment in order to maximize RCRMC's administrative fee sharebacks and optimization of competitively bid contract pricing.

On September 1, 2009, agenda item 3.103, the Board of Supervisors approved the agreement between the County of Riverside (RCRMC) and University HealthServices Consortium/NOVATION Group Purchasing Organization (GPO) for medical supplies and services, capital equipment, pharmaceuticals and pharmacy related services. The five year approval expires on August 31, 2014 and now needs to be renewed. Additionally, on November 5, 2013, agenda item 3-10, the Board approved the use of GPO contracts in lieu of the competitive bid process. Approval of the above motion continues the authorized use of GPO contracts in conformance with Riverside County Ordinance No. 459.4.

Impact on Residents and Businesses

RCRMC serves patients who work and reside in Riverside County.

SUPPLEMENTAL:

Additional Fiscal Information

GPO programs are funded through Administrative Fee Sharebacks minus fees and technology costs. Some rebates are returned in the form of credits which RCRMC can use to purchase Value Added Programs from UHC/NOVATION. UHC has also agreed to provide funding up to \$240,000 over the first two years of the agreement for the seeding of a dedicated Value Analysis Director position.

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approve the agreement via the competitive bid process between County of Riverside (RCRMC) and University HealthServices Consortium/NOVATION Group Purchasing Organization (GPO). [\$0] Hospital Enterprise Fund District 5
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Contract History and Price Reasonableness

County Purchasing on behalf of RCRMC released a Request for Proposal #MCARC-242 seeking proposals from qualified parties to provide GPO contracting services for medical, surgical, and pharmaceutical products for Riverside County. Bidders were asked to complete a comprehensive Market Basket Analysis to demonstrate pricing/savings as well as to provide information about their administrative fees, associated sharebacks, support services, available technologies and contracting philosophies. Preliminary proposals were received and reviewed from five GPO's. The top three proposers were selected on the basis of financial considerations and were invited to present their proposals to the evaluation committee. A five member evaluation team which included RCRMC and Central Purchasing employees as well as advisors from Huron Consulting reviewed and ranked the vendor proposals. The evaluation team reviewed and scored each proposal based on the bidder's overall responsiveness to the requirements of the scope of service, their contracting philosophies, value added program offerings, technical capabilities, proposed project methodology, references and projected savings. The committee finds as follows:

UHC/NOVATION offers RCRMC the most Net Revenue (Shareback+MB)-(Fees+Tech costs) of all the GPO's considered through the competitive bid process conducted to assess these programs. RCRMC should expect a five year Net Revenue gain of \$4,843,875 by entering into contract with UHC/NOVATION.

University HealthSystem Consortium Group Purchasing Master Agreement

This Group Purchasing Master Agreement and all attached exhibits (“**Agreement**”) is made by and between the UHC, an Illinois not for profit corporation with its principle place of business at 155 North Wacker Drive, Suite 4000, Chicago, IL 60606 (together with its contracting services company Novation, LLC collectively referred to herein as (“UHC”) and Riverside County Regional Medical Center, with its principal place of business at 26520 Cactus Avenue, Moreno Valley, CA, 92555 (collectively with certain affiliates referred to as “Riverside”), collectively UHC and Riverside are referred to herein as “**Parties**” or singularly as “**Party**”).

RECITALS

A. **WHEREAS**, UHC is a member-driven alliance of the nation’s leading academic medical centers (“**Principal Members**”) together with their associated hospitals (“**General Members**”) (Collectively referred to herein as “**Membership**”);

B. **WHEREAS**, UHC offers various products and services including group purchasing to its members;

C. **WHEREAS**, as a General Member, Riverside, has access to the group purchasing services; and

D. **WHEREAS**, UHC is willing to serve as Riverside’s group purchasing organization (“GPO”) pursuant to the terms and conditions contained in this Agreement;

NOW THEREFORE, in consideration of the foregoing recitals and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. Purpose.

UHC agrees to provide Riverside with GPO services and a customized program for supply chain services including:

- A. Access to an extensive contract portfolio, resources and competitive bidding process of the nation’s largest group purchasing organization;
- B. Access to relevant supply chain data and information;
- C. Personalized attention of UHC’s value-added services focused on meeting Riverside’s GPO needs. UHC’s value-added services are outlined in Exhibit A.
- D. Support from supply chain, performance improvement and technology professionals with proven experience at leading academic medical centers; and
- E. Significant financial return through patronage dividends, rebates, and savings.

II. UHC's Supply Chain Services.

A. Included Services. The following services are available to Riverside at no cost:

- i. Value Analysis: UHC's Value Analysis Program will provide integration of value analysis across Riverside while providing a flexible approach that will integrate value analysis resources. The program supports implementation of benchmarking and best practice using UHC Clinical and Operational benchmarking studies, supply chain mini-benchmarking findings and Operational Data Base¹ for department budgeting, management and supply chain best practices.
- ii. Supply Chain Informatics. UHC's supply chain consultants and analysts will obtain and submit Riverside data and apply UHC's technology and analytic tools to assist Riverside with ongoing supply chain issues. UHC will provide its suite of analytic tools to maximize the value of the contract portfolio.
- iii. Spend Analytics. UHC's spend analytics tool will compare purchase history to the UHC contract portfolio to identify contract opportunities, manage LOPs, track supplier reported sales, identify conversion and standardization opportunities, review price parity discrepancies and proactively manage expiring contracts, all at no cost.
- iv. Pharmacy Analytics. UHC's RxLINK® will provide pharmacy-specific price benchmarking for both contract and non-contract pricing details for Riverside to measure and improve pricing performance.
- v. Supply Chain Consulting. UHC's principal consultants will work with the Riverside team on specific supply chain improvements initiatives including operational efficiency assessments, inventory management, supply chain organizational structure assessment, supply chain technology integration and strategic partnerships.
- vi. Supply Cost Evaluation. UHC will combine Riverside's spend history with UHC's Operational Data Base information to provide information on price and utilization to identify opportunities to engage suppliers or change practice/utilization patterns.

¹ Riverside must subscribe to UHC's Operational Data Base and execute a contract with Truven Action O-I product suite in order to obtain operational benchmarking.

- vii. Supply Chain Dashboard. UHC will provide an executive-level summary to track organizational supply chain performance by facility, department or service line.²
- viii. Marketplace | Procure Website. UHC will provide Riverside with an online catalog and order management tools through Marketplace | Procure. Marketplace | Procure includes real-time data, advanced analytical tools (for both contract and non-contract purchases), cross-reference capabilities and price verification tools to enable proactive price matching. Marketplace | Procure also includes “Heads-Up Display & Alerts,” notification of new contracts added to the portfolio and the ability to activate at both contract and item level.
- ix. Clinical Technology Management. UHC will provide online technology management resources on new and emerging high-impact technology by issuing high-impact briefs, technology reports, drug monographs and drug briefs. Additionally, UHC will provide Riverside with TECHFLASH, a publication that addresses member inquiries about pending local medical technology decisions.
- x. Peer Networking. UHC will provide Riverside with peer networking and knowledge sharing among its member academic medical centers. Peer Networking includes specialty councils and multidisciplinary task forces, benchmarking studies that provide supply chain best practices, online list servers, web conferences, conference calls, educational meetings, national forums, face-to-face meetings and email newsletters, update and reports. Riverside will have access to participation of these offerings without fees.
- xi. Pharmacy Services. UHC will provide Riverside with a comprehensive pharmacy portfolio. The pharmacy program includes clinical support and education. Additional benefits include daily contract price verification, price tier maximization, new contract opportunity alerts and failure to supply recovery service.
- xii. Capital Equipment. UHC will provide Riverside with a comprehensive capital equipment portfolio including business/office furniture, cardiology equipment, facilities/housekeeping equipment, imaging, laboratory and surgical equipment. Riverside will receive value through capital equipment purchases through validated national group buying on more than 20 major categories of equipment, budget reconciliation and use of a standard room configuration tool.

² The Supply Chain Dashboard is available to Riverside free of charge so long as Riverside participates in UHC’s Operational Data Base (“ODB”).

- xiii. Standardization Programs. Novation's standardization programs result in savings by reducing variation within non-clinically preferred product categories and increased order efficiency. UHC will offer Riverside a program that offers flexibility by providing a choice among the most frequently used contracts for specific product lines and custom programs.
- xiv. NOVAPLUS® Private Label. Novation's private label program will provide Riverside with low cost on high quality products covering pharmacy and non-pharmacy agreements. Riverside will receive, higher cooperative returns than branded products, access to a dedicated inventory that offers additional protection from drug shortages and the assistance of a dedicated quality assurance team.
- xv. Material Management Institute. Novation hosts the Materials Management Institute twice per year in Dallas, Texas. The Institute provides training for buyers, value analysis facilitators or directors of materials managers who have been in their jobs 6 months to 2 years. Novation pays for ground transportation in Dallas (to and from airport), hotel and meals while attending the session. The attendee pays for ground transportation to and from their home airport, airfare, and any meals not associated with the meeting. Riverside may select to send up to two attendees per session to attend the training session.
- xvi. Participation in contracting process. Novation currently has 28 member-based councils, task forces and advisory groups. These advisory bodies play a critical role in the competitive procurement process, which incorporates member and council input, as well as objective financial and nonfinancial criteria. The list of Novation's councils, task forces and advisory groups are outlined in Exhibit B. Riverside will have access to participation in Novation's contracting process through voluntary representation on councils, task forces and advisory groups.

III. Term and Termination of Agreement.

- A. The period of performance anticipated for this Agreement is for one year from the date of execution of the Agreement ("Contract Term") by both parties, with the option to renew for four years, renewable in one-year increments by written amendment, unless terminated earlier. This annual renewal shall be based on mutually acceptable services, cost adjustments and County requirements.
- B. If Riverside terminates this Agreement prior to the Contract Term, UHC shall be relieved of all obligations under the Agreement.
- C. Immediately upon notice termination, the administrative fee cash return will cease and Riverside's return shall be converted into an equity account.

IV. Confidentiality.

- A. Confidential Information means any information, materials, studies, data and processes, whether tangible or intangible, that involves or is related to UHC; the UHC website; UHC data bases; UHC members and member data; UHC benchmarking programs and projects; UHC Management Information Reports; UHC supply chain programs and services; Spend Studies; all UHC educational materials, research and reports; Novation, LLC and its contract portfolio, including all its pricing, spend and fee data; and Marketplace | Procure, whether oral, electronic, visual or in writing, and whether or not marked confidential, including but not limited to information regarding software code, operating principles, taxonomy, logic, system architecture, format, illustrations, user's manuals and documentation, performance specifications and results, visuals, strategic information, existing and future product designs, features, functions or upgrades and financial information.
- B. Restrictions and Obligations.
- i. Riverside may use the Confidential Information and may share such Confidential Information only with those employees of Riverside who have a need to know the particular Confidential Information; who are aware of the restrictions in this Agreement; are bound by the restrictions in this Agreement and only in connection with the Business Purpose defined herein;
 - ii. Riverside agrees that it shall use the same means and precautions it uses to protect its own confidential and proprietary information, but in any event not less than reasonable means, to prevent the disclosure and to protect the confidentiality of the Confidential Information received;
 - iii. With certain exceptions noted herein, the foregoing shall not prevent Riverside from disclosing Confidential Information which is (i) rightfully received by Riverside from a third party without an obligation of confidentiality; (ii) publicly known or becomes publicly known through no unauthorized act of Riverside; (iii) independently developed by Riverside, without any use whatsoever of the Confidential Information; or (iv) required to be disclosed pursuant to a legally binding requirement of a governmental entity (e.g. a subpoena or Freedom of Information Act Request), or by law, so long as Riverside provides UHC with ten (10) business days' notice of such requirement, prior to any such disclosure.
 - iv. Except as provided below, neither Party shall, during the term of this Agreement and for a period of five (5) years after the expiration or

termination thereof, publish, disseminate, or disclose to any third party, other than its employees with a need to know, any information provided to it by the other which is marked "confidential" or, any information that a Party should reasonably know to be confidential, subject to applicable public records law.

V. Financial Terms:

- A. Riverside's financial terms are comprised of three components: patronage, cash and programs and services.
- i. **Patronage Distribution:** As a cooperative, UHC distributes all of its taxable operating income annually as patronage dividends (cash and equity) to members based on their participation. UHC's Governing Board determines annually how much is returned to members in cash and equity. UHC will pay an annual patronage dividend to Riverside based on its participation in the group-purchasing program. The percentage of administrative fees distributed to members over the last three years has averaged 70%. Additionally, Riverside will be allowed to use a portion of its equity to pay for UHC program fees if so desired.
 - i. **Cash:** Standardization programs and manufacturer rebates are paid 100% in cash.
 - ii. **Programs and Services:** Supply Chain programs include Value Analysis and Supply Chain Consulting at no fee
 - iii. **Value Analysis Director:** Provided UHC is Riverside's exclusive GPO and Riverside maintains an annual spend of no less than \$60,000,000 through the Contract Term, UHC will provide funding for a dedicated Value Analysis Director (1.0 FTE) for the first twelve months of the Agreement. In the second year of the Agreement, UHC will provide funding for half of the Value Analysis Director position (0.50 FTE). Riverside shall be responsible for funding of the remainder of the Value Analysis position. Funding for the Value Analysis position shall become Riverside's sole responsibility in the remaining years of the Agreement. Funding for the Value Analysis Director position is guided by the following terms:
 - a. The position is for a dedicated Value Analysis Director.
 - b. Riverside shall provide executive level sponsorship and support for the Value Analysis Director.
 - c. UHC's financial obligation for funding of this position shall not exceed \$160,000 annually.
 - d. Riverside may use a portion of retained equity to fund the position in years two and remaining years.

- e. Should Riverside fail to meet the spend requirement above, UHC may reduce its funding proportionate to the spend reduction.

VI. Discount Safe Harbor (42 CFR 1001.952(h)).

The Parties agree to adhere to all federal and state laws applicable to this Agreement and during the Term of the Agreement. Riverside acknowledges that it may have obligations to report on a cost report, and to disclose upon request, to the Secretary of the Department of Health and Human Services, or a state agency, information concerning any financial incentives that are paid to Riverside pursuant to this Agreement, including the various streams of remuneration set forth in this Section VI and the personal services of UHC staff. UHC acknowledges that it will provide reasonable assistance to Riverside in meeting such reporting or disclosure obligations.

VII. Riverside's Roles and Responsibilities.

A. Riverside agrees:

- i. To designate UHC as its exclusive GPO.
- ii. Within 30 days of execution of this Agreement:
 - a. To submit item file master data and spend data electronically to UHC for processing.
 - b. Pursue signing of an ADS agreement with Novation to automate the data collection process moving forward.
- iii. To submit spend data electronically to UHC for processing at least every 90 days.
- iv. To provide executive leadership support of UHC and to continue to participate in UHC programs and services currently being utilized as long as the program and service continues to demonstrate value to Riverside.
- v. That all information, decisions, comments and approvals requested by UHC will be met by Riverside in an expeditious manner, as any delays in receiving requested information could result in delay of an identified project.
- vi. To commit to periodic progress reviews of UHC's customized project plan. The progress reviews will be scheduled as the work plan dictates. Riverside may be asked to contribute information and resources to develop content for the progress reviews. Progress reviews will include, but not be limited to, such items as project selection and prioritization, analysis of

savings, analysis of purchases, identification of barriers to success and action items for improvement.

- vii. To periodically review Marketplace | Procure functionality and its ability to integrate with Riverside's supply chain business processes, and incorporate its use as the functionality produces value to Riverside.
- viii. To provide resources to the supply chain/GPO program for the duration of this Agreement. Resources will be determined and agreed upon during the implementation phase of the project.

2. UHC's Responsibilities.

A. UHC agrees to:

- i. Provide a support team to transition Riverside to UHC as its exclusive GPO for up to six (6) months.
- ii. Provide an ongoing account management team consisting of Account Executive, Supply Chain Consultant and Analytic Resource Specialist.
- iii. UHC will provide executive leadership to support Riverside's ongoing supply chain needs. Leadership may include: UHC's Senior Vice President, Supply Chain; Vice President Service Delivery; Regional Vice President, Service Delivery; and a Regional Value Analysis Director.

3. UHC/Riverside's Joint Responsibilities.

A. UHC and Riverside will:

- i. Develop a customized program under this Agreement to include, but not limited to GPO services including: evaluation of all supply purchases, identification of new cost saving initiatives, creation of new programs to maximize existing contract savings, and tier/IDN pricing.
- ii. Develop a work plan and timeline that will meet Riverside's objectives for GPO services.
- iii. Establish agreed upon measures of success and benchmarks to track the progress of goals and objectives.
- iv. Develop a communication strategy and assure frequent communication and information sharing.

B. Fees.

UHC will not charge Riverside a fee for GPO services provided by UHC.

C. Representations and Warranties.

A. Riverside represents warrants and covenants to UHC as follows:

- i. Riverside has the full right and legal authority to enter into and fully perform this Agreement in accordance with its terms.
- ii. This Agreement, when executed and delivered by Riverside, will be its legal, valid and binding obligation enforceable against Riverside in accordance with its terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors rights generally.
- iii. The execution, delivery and performance by Riverside of its obligations hereunder do not and will not violate or cause a breach of any other agreement(s) or obligation(s) to which it is a party or by which it is bound.
- iv. The execution and delivery of this Agreement and the performance of the obligations hereunder have been duly authorized by all necessary persons, parties or entities.
- v. Riverside shall not alter, modify, remove, obscure or cover any trademark, copyright notices or other legends or proprietary notices placed on or embedded by UHC in the materials or any derivative works or modify or copy any part of the materials in any digital or electronic form without the express written permission of UHC. In addition, Riverside shall not attempt nor allow or request others to attempt, to circumvent any technological measures implemented by UHC to protect its materials and copyrightable property.
- vi. Each of the foregoing representations, warranties, and covenants shall be true at all times both during the term hereof and thereafter. Riverside acknowledges that each of such representations, warranties and covenants is material and has been relied upon by UHC notwithstanding any investigation made by UHC.

XII. Indemnification.

A. Mutual Indemnification.

- i. Indemnification by Public Entities. If Riverside is a public or governmental entity whose applicable governing law would prohibit it from agreeing to all or portions of this Section XII, such Sections or

parties thereof will not be considered part of this Agreement and will not apply to Riverside.

ii. **Indemnification Provision.** The Parties hereby agree to defend, indemnify, and hold the other's affiliates, officers, directors, agents, and employees harmless for all third party claims and investigations, and all losses, damages, expenses, and demands, including court costs, reasonable attorneys' fees, interest expenses, and amounts paid ("**Losses**"), caused by, or arising from each party's own negligence or breach of this Agreement, including without limitation, any claims or Losses related to failure to observe any applicable law, regulation, or ordinance. The indemnifying party shall be given reasonably prompt notice of such claim, and given information, reasonable assistance (except financial), and sole authority to defend or settle the claim.

B. **Contract Disputes.** The Parties hereby agree to mediate any disputes that arise in connection with this Agreement. If no resolution is reached within sixty (60) days after the first meeting of the parties with the mediator(s), then either party may take the dispute to any court having personal jurisdiction over the Parties and the subject matter of the dispute. The provisions of this Section 12 shall not apply to any claim for injunctive relief.

XIII. Miscellaneous.

A. This Agreement (and the UHC Supply Chain Business Operations Policies and Procedures which are incorporated by reference) is the sole and entire agreement between UHC and Riverside relating to the subject matter herein and supersedes all prior Memoranda of Understandings, agreements and documentation relating to the subject matter herein.

B. All notices required or permitted to be given hereunder shall be in writing and may be delivered by hand, by nationally recognized private courier, or by United States mail. Notices delivered by mail shall be deemed given three (3) business days after being deposited in the United States mail, postage prepaid, registered or certified mail. Notices delivered by hand, or by nationally recognized private courier shall be deemed given on the first business day following receipt. All notices shall be addressed as follows:

If to UHC:

UHC
155 North Wacker, Suite 4000
Chicago, IL 60606
Attn: Senior Vice President
Supply Chain Services

With a copy to:

UHC

155 North Wacker, Suite 4000
Chicago, IL 60606
Attn: Vice President
and General counsel

If to Riverside:

Supply Chain
Riverside County Regional Medical Center
26520 Cactus Avenue
Moreno Valley, CA 92555

- C. Each Party hereto shall bear all fees and expenses incurred by such Party in connection with, relating to or arising out of the execution, delivery and performance of this Agreement and the consummation of the transaction contemplated hereby, including attorneys' and other professional fees and expenses.
- D. This Agreement and its exhibits constitute the entire agreement between the Parties and shall be binding upon and inure to the benefit of the Parties hereto and their respective legal representatives, successors and permitted assigns. Each exhibit shall be considered incorporated into this Agreement. Any amendments, or alternative or supplementary provisions, to this Agreement, must be made in writing and duly executed by an authorized representative or agent of each of the parties hereto. The Parties make no representations or warranties to each other, except as contained in this Agreement, and any and all prior representations and warranties made by any Party or its representatives, whether verbally or in writing, are deemed to have been merged into this Agreement, it being intended that no such prior representations or warranties shall survive the execution and delivery of this Agreement.
- E. The failure in any one or more instances of a Party to insist upon performance of any of the terms, covenants or conditions of this Agreement, to exercise any right or privilege in this Agreement conferred, or the waiver by said Party of any breach of any of the terms, covenants or conditions of this Agreement, shall not be construed as a subsequent waiver of any such terms, covenants, conditions, right or privileges, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.
- F. This Agreement shall be governed and controlled as to validity, enforcement, interpretation, construction, effect and in all other respects by the internal laws of the State of California applicable to contracts made in that State, without regard to any conflict of law principles of the State of California.
- G. This Agreement shall inure to the benefit of and be binding upon the Parties hereto, and their successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any person other than the Parties

hereto, and their respective successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

- H. This Agreement shall not be assignable by either Party without the prior written consent of the other Party.
- I. This Agreement shall not be modified or amended except pursuant to an instrument in writing executed and delivered on behalf of each of the parties hereto.
- J. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.
- K. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction so as to best give effect to the intent of the parties under this Agreement.
- L. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.
- M. The parties hereto jointly participated in the negotiation and drafting of this Agreement. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their collective mutual intent, this Agreement shall be construed as if drafted jointly by the parties hereto, and no rule of strict construction shall be applied against any person or entity.
- N. As used in this Agreement, the masculine, feminine or neuter gender shall be deemed to include the others whenever the context so indicates or requires.
- O. Whenever the term "include" or "including" is used in this Agreement, it shall mean "including, without limitation," (whether or not such language is specifically set forth) and shall not be deemed to limit the range of possibilities to those items specifically enumerated. The words "hereof", "herein" and "hereunder" and words of similar import refer to this Agreement as a whole and not to any particular provision. Terms defined in the singular have a comparable meaning when used in the plural and vice versa.

IT IS AGREED.

University HealthSystem Consortium

By: 
Signature

Name: Thomas J. Kiser
Print

Title: Vice President, General Counsel

Date: September 3, 2014

Riverside County Regional Medical Center

By: _____
Signature

Name: _____
Print

Title: _____

Date: _____

FORM APPROVED COUNTY COUNSEL
BY: 
NEAL R. KIPNIS DATE

Exhibit A
UHC's Value Added Services

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
Supply Chain Services				
1	Academic Medical Center Program	Provides differential value to support the diverse needs of Academic Medical Centers. Value may include special tiers, tier advancement, unique access to innovative products and access to clinical trials or educational initiatives. We currently have more than 200 contracts with Academic Medical Center tiers.	Core Service	Standard
2	Analytical Resource Services	For a nominal fee, UHC provides a trained business analyst to work with the member's existing resources. This analyst is in addition to the member's UHC Account Executive. Each analyst has specialized training in SpendLINK®, the experience to investigate the details of the data and identify additional savings, and thorough knowledge and understanding of the Novation contract portfolio. The service can help members achieve superior supply chain performance.	Chargeable Service	\$55,000/ 25 FTE Annually
3	Budget Impact Dashboard	This is a monthly report that provides health care organizations with valid price-related data for supply-related budgeting. It includes Novation contract information and raw material resources. Raw materials monitored include energy, metals, resin, latex, paper and cotton. Novation also monitors the Consumer Price Index and Producer Price Index on a monthly basis.	Core Service	Standard
4	Capital Resource Program	UHC's Capital Resource Program provides a comprehensive suite of resources to assist with all phases of capital purchasing. The program includes: <ul style="list-style-type: none"> • Support in accessing capital-related contracts • A database of recently completed member construction and renovation projects • Capital budget reconciliation • Online standard room configurations • Member-driven group buys and supplier-driven promotions 	Core Service	Standard
5	Capital View	Access the latest information on capital equipment, including: product availability, product reviews and features comparisons.	Core Service	Standard

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
6	Committed Portfolios	Our Committed Portfolios improve member access to market-best pricing and savings on high-use commodity categories and increases member efficiency by eliminating the need to rebid commodity categories.	Core Service	Standard
7	Continuous Bid Process	<p>Novation's pharmacy department continually monitors the market conditions by performing a Continuous Pharmacy Bid Process on a biweekly basis. The team conducts bids for the following reasons:</p> <ul style="list-style-type: none"> • Incumbent supplier unable to supply the market • Incumbent supplier not meeting market-competitive pricing • Branded drug loss-of-exclusivity resulting in generics entering the market • NOVAPLUS contracting opportunity • New package sizes/types introduced in the U.S. market 	Core Service	Standard
8	Drug Price Forecast	<p>The Drug Price Forecast is Novation's projection of the change in the cost of pharmaceuticals that health care organizations will purchase. The forecast is based on the acute care hospital setting, and includes price change projections for contract and non-contract product segments, as well as an overall drug price inflation estimate.</p> <p>This tool addresses the price inflation of drugs, whether covered by a Novation contract or not, and can be used to prepare a pharmaceutical budget. It is published twice annually and projects acute care drug prices 6 to 18 months into the future. Products analyzed represent the top 80% of pharmaceutical purchases.</p>	Core Service	Standard

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
9	E-commerce	<p>The GHX Exchange supports all major EDI standard transaction sets for purchase order (850), acknowledgement (855), invoice (810), price catalog (832), advanced ship notice (856), and transaction acknowledgement (997).</p> <p>GHX provides efficient integration with health care suppliers based on a single ordering format and the most advanced order management platform in the industry. The Order Center provides a single view of a member's orders so that purchasing teams can identify, track, and review order progress in real time.</p>	Chargeable Service	Fee-Based Subscription
10	Environmentally Preferred Purchasing	<p>Novation's Environmentally Preferred Purchasing Program spans all functional areas within a member facility. Novation encourages its awarded suppliers to adopt practices and policies that meet third-party and industry standards on environmental stewardship. Awarded suppliers are required to make environmental impact statements for products they manufacture.</p>	Core Service	Standard
11	Failure-to-Supply	<p>Novation's Failure-to-Supply Recovery Service simplifies the collection of lost dollars by removing the administrative burden from members. Novation's dedicated staff works with suppliers to enforce contract terms and collect funds on behalf of the member. Members access the service by paying 10% of reimbursements recovered.</p>	Chargeable Service	Fee based (10% of reimbursement)
13	Group Buys	<p>Novation's National Group Buy program has a proven track record of success for members. The program aggregates members' planned capital equipment purchases for a 90-day timeframe, leading to exceptional value in price, service, trade-ins, and warranty terms for members. Using third-party data as well as its \$65 billion spend database, Novation validates and benchmarks its group buys based on the "best price paid." All group buys have produced double-digit savings to the members. Members benefit in the following ways:</p> <ul style="list-style-type: none"> • Does not require "blind" commitment • Members buy what they want • Maximizes value from suppliers • Leverages "objective" input from industry leading sources 	Core Service	Standard

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
		<ul style="list-style-type: none"> • Average savings between 14% to 20% 		
14	Item Master Cleansing	<p>Novation’s data cleansing and maintenance solution brings accuracy to a hospital’s item master, minimizing purchasing errors and fueling system wide product and pricing standardization programs for an overall reduction in supply chain costs. Novation’s data cleansing service cleanses a member’s item master quarterly. Key elements are Content Description Normalization, Content Classification, and Product Data Maintenance.</p>	Chargeable Service	<p>Fee ranges from \$36,000 to \$100,000 annually, based on the size of the member’s item master.</p>
15	Marketplace Procure Contract and Price Management System	<p>Marketplace Procure will provide access to an integrated platform which serves as a single launch point for sourcing, contracting and procurement workflow activities. This high-performance site integrates information about contract and non-contract items with a host of analytical tools and capabilities, including various price leveling and budget impact dashboards. Order management workflow tools allow purchasing to review and approve requisitions, make substitutions and aggregate orders for shipping discounts. This capability provides members a customized, comprehensive view of cost-savings opportunities, allowing for faster, more informed decisions. Member views can also be customized to manage tiers and adjust for distribution fees. Advanced functionality enhances the management of national, regional and local agreements and interfaces with ERP systems and e-commerce platforms for greater efficiency.</p>	Core Service	Standard
16	Medical Research Program	<p>Novation’s research portfolio offers a comprehensive package of products and services tailored to meet the specialized needs of medical research organizations. Our portfolio has more than 150 product categories from equipment to reagents to general consumables. Our medical research contracts include:</p> <ul style="list-style-type: none"> • Laboratory animal science — myriad, including research models: rats and mice • Analytical instruments, equipment, reagents and consumables • Software and services for research, analysis, 	Core Service	Standard

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
		discovery and diagnostics A steering committee from 12 member research institutes advises Novation on what products are preferred.		
17	New Medical Technology	Novation actively monitors and evaluates the development pipeline to identify innovative products and devices. We provide suppliers the opportunity to request consideration as new-technology vendors outside the standard contracting process. We currently have 39 innovative technology agreements.	Core Service	Standard
18	NOVAPLUS Private Label	Our private label delivers the best financial value and quality for products that hospitals use most frequently. Known for savings, quality and higher cooperative returns, NOVAPLUS also delivers exclusive discounts, dedicated inventories and higher cooperative returns. NOVAPLUS, Novation's private-label brand, delivers the best financial value and quality on the products that hospitals use most frequently. The NOVAPLUS brand encompasses a broad range of products including anesthesia, diagnostic imaging, medical, orthopedics, pharmaceutical, respiratory and surgical. Members continue to participate in the NOVAPLUS program, with purchases exceeding \$1.6 billion. Our private label program provides the following benefits: • Best financial value • Highest cooperative returns • Exclusive inventory to prevent drug shortages • Average price savings of 14% • Unique access to products not on contract with other GPOs	Core Service	Standard
19	NOVAPLUS Dashboard	Identify opportunities to leverage private label portfolio for additional savings.	Core Service	Standard
20	On-site Capital Account Executive	Leverage this fee-based UHC position to coordinate: • Bidding, selection, award, and procurement of all movable equipment and certain fixed equipment • Equipment selection and procurement activities with hospital stakeholders • Activities with architects and/or equipment planning companies In addition, the on-site capital account executive will consolidate and group similar products	Chargeable Service	Fee based Custom Pricing Depending on Engagement

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
		from the same manufacturer for best price.		
21	Pharmacy Program	Novation delivers the industry's most robust Pharmacy Program, which ensures best price through a continuous bid process. Our value-added purchasing programs include our NOVAPLUS private label, and our plasma, distribution and non-inject able generics programs. Our value-added services also include the failure-to-supply service and clinical support education.	Core Service	Standard
22	Pharmacy Spend Management	Review pharmacy spending to identify, compare and act on cost reduction opportunities.	Core Service	Standard
23	Physician-Preference Contracts	Novation delivers the broadest offering with the industry's strongest terms and conditions that includes local negotiation support. Member benefits include immediate access to market-competitive pricing on diagnostic and therapeutic devices from leading suppliers.	Core Service	Standard
24	Plasma Program	Novation's Plasma Program lowers prices and improves access during critical shortages. Participation results in guaranteed allocations, best access to product, lowest industry pricing, full choice on plasma distribution and superior customer services from a dedicated team.	Core Service	Standard
25	Price-Leveling Dashboard	Maintain consistent pricing across your system	Core Service	Standard
26	Purchased Services	Novation is the industry leader for creating value within purchased services. Our broad offering includes more than 90 suppliers. Areas of focus include: <ul style="list-style-type: none"> • Clinical & Financial Solutions • IT and Telecommunications • Labor Management • Operational Support 	Core Service	Standard
27	Rebate Management Services	Novation offers a rebate management service that covers a member's entire spend on both contract and non-contract agreements. This service helps track and recover unredeemed and unpaid rebates.	Chargeable Service	Fee-Based Subscription

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
28	Reports & Alerts	Proactive notification on price and contract changes with alerts 90 days in advance of contract expiration, price changes, or contract price discrepancy	Core Service	Standard
29	RxLINK®	The first pharmacy-specific price benchmarking service in health care, provides both contract and non-contract pricing details for hospitals to measure and improve pricing performance.	Core Service	Standard
30	SpendLINK®	UHC's supply chain informatics tool, SpendLINK®, delivers actionable intelligence to direct members in focusing their efforts to realize the greatest cost savings while making optimal use of limited resources. Members receive timely, action-oriented reports and tools that enable faster and better decision making. Intuitive graphs and charts give visibility into product-specific pricing as well as organizational spend trends. This advances members' ability to quickly identify spend and contract savings opportunities. Novation is the first GPO to provide mobile analytics to members. Our intuitive mobile applications provide supply executives the ability to access member-specific reports and analytics from hand-held devices.	Core Service	Standard For Supply Chain Participa nts
	• MSDRG Report <i>Required subscription to CDB/CRM</i>	The Base MSDRG Report provides information from the UHC Clinical Data Base/Resource Manager™ and gives members access to both clinical and supply data within the same reporting system. This allows members to pinpoint costs in the continuum of care for each patient, contributing to identification of potential cost savings and more efficient medical supply utilization.	Core Service	Required subscrip tion to CDB/CR M and Supply Chain Participa nt
	• Quality and Supply Scorecard <i>Required subscription to CDB/CRM</i>	The scorecard features intuitive, highly graphic executive dashboard with integrated performance indicators for safety, efficiency, effectiveness, mortality, core measures and spend.	Core Service	Required subscrip tion to CDB/CR M and Supply Chain Participa nt

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
31	Standardization Programs	<p>Novation's 11 Standardization Programs drive savings and commitment, and deliver an average of 3-6% in rebates:</p> <ul style="list-style-type: none"> • Bedside Care • Food Service • General Medical • General Surgery • Infection Control • Medical (Imaging) • NOVAPLUS Pharmaceuticals • Orthopedic • Patient Care • Specialty Care • Support Services 	Core Service	Standard
32	Supplier Diversity	Novation's Supplier Diversity Program has been named to Minority Business News Magazine's Corporate 101 List as a top corporation for supplier diversity. Novation encourages and supports diversity into our contracting process to include minority, women and veteran business enterprises.	Core Service	Standard
33	Supplier Diversity Dashboard	Identify opportunities to convert spending to diverse supplier base.	Core Service	Standard
34	Supply Chain Dashboard	<p>Our Supplier Diversity Dashboard allows members to download their own diversity spend at any time. In addition to Diversity Spend, the dashboard highlights the largest product categories of diversity spend, potential conversion opportunities to MWVBES, diversity spend mix, and a breakdown of the percentage of members' diversity spend in comparison to their overall spend.</p> <p>The Supply Chain Dashboard focuses on relative supply spend and GPO purchases at an aggregate level using a uniquely developed measure for supply intensity and for the 5 largest supply-consuming departments (pharmacy, cardiology, imaging, laboratory, and the operating room).</p>	Core Service	Standard (GPO and UHC Operational Data Base participant)
35	Supply Chain Educational Series	The Supply Chain Educational Series offers fresh insights and ideas in a concise, 30-minute monthly Web conference to help participants achieve their supply chain goals.	Core Service	Standard

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
36	Usage Reports	Monitor usage of dashboards and analyze patterns to ensure adoption.	Core Service	Standard
37	Vaccine Program	Novation contracts with all injectable flu vaccine suppliers that manufacture product for the U.S. market. Novation's contracts with Novartis, Sanofi Pasteur, CSL/Merck and GlaxoSmithKline offer the following benefits: • Coverage for all classes of trade • Guaranteed delivery • Market-competitive language • Pre-booking and shipping • Monitoring and tracking services	Core Service	Standard
38	Value Analysis Program	The UHC Value Analysis Program helps participating members implement a long-term sustainable strategy to identify non-labor-related cost savings, improve performance, reduce waste, and implement UHC's research-based recommendations, while ensuring that the highest possible quality of care is delivered to patients. Individual member return on investment averages more than 10 to 1 when value analysis best practices are implemented.	Core Service	Standard
39	Volume Aggregation Tiers	Novation's network-specific product tiers leverage the optimal mix of national sourcing and custom contracting to achieve best price measured through current market data and benchmarks. Improve process for supporting member aggregation by implementing contracts with aggregation tiers.	Core Service	Standard
Other				
40	Accreditation Services	UHC's suite of accreditation resources is designed to facilitate accreditation preparation and compliance strategies.	Chargeable Service	Additional cost for on-site consultation
41	Charge Navigator	Inadequate charges result in millions of dollars in lost revenue, typically through unrealized outlier opportunities on an AMC's most difficult clinical cases. Access this custom benchmarking service that compares a member's case-mix-adjusted charges with those of appropriate	Chargeable Service	Fee based

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
		groups of national and regional peers, in aggregate and at the clinical-service line level. The result is a custom assessment of incremental revenue opportunities that can have an immediate positive impact on the member's bottom line.		
42	Contract Compass	This interactive benchmarking tool and packaged pricing model allows members to compare their managed care contracts with their peers' on a national or regional basis. Focusing on specific areas of opportunity points members in the right direction for contracting success and revenue enhancement.	Core Service	Standard
43	Emerging Technologies	UHC developed resources for UHC members to assist with integration of emerging technologies into efficient and appropriate practices. UHC members utilize these tools to help them better understand the impact of new clinical technologies has on costs, patient care, physician relationships and reimbursement.	Core Service	Standard
44	Enhanced Technology Assessment Service	UHC has partnered with ECRI Institute® to offer members coverage of more topics, improved access to technology experts, and on-demand technology assessment responses. The program, powered by ECRI's Health Technology Assessment Information Service™, provides a searchable Web site with information on 3,000 topics and online reports evaluating existing and emerging health care technology products and services.	Chargeable Service	\$6,300 Annually Non- Novation participa nts can access the same services for annual \$11,000.
45	Financial Performance	Access newsletters, resources, and UHC strategies to improve financial and operational performance.	Core Service	Standard
46	On-Demand Events	View a listing of all available Web conference recordings organized by topic areas. (Some of the recordings are available only to program participants.)	Core Service	Standard
47	Performance Excellence Collaborative Study	This annual study focuses on supply chain management as it relates to overall organizational success, including quality and financial performance.	Core Service	Standard

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
48	Performance Package	Strongly Links Data, Performance Improvement: UHC now offers comparative databases and performance improvement activities through the Performance Package. For a significantly discounted price, subscribers can access the Clinical Data Base (CDB), Clinical Resource Manager (CRM), Operational Data Base (ODB), and Imperatives for Quality (IQ) Program (formerly Benchmarking & Improvement Services).	Chargeable Service	\$279,000
•	Carefx®: Physician Insight Plus	Carefx®: Physician Insight Plus, powered by Carefx, enables physicians and executive management to leverage the UHC Clinical Data Base/Resource Manager™ through a user-friendly graphical interface and the ability to drill down into service line and clinical service performance. Users can track their performance on clinical outcomes, patient safety, and utilization and compare it with that of their peer groups.	Chargeable Service	Pricing for this depends on a variety of factors:• The modules that are purchased – they offer three• The total beds within the system – they do provide system pricing

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
•	Clinical Data Base/Resource Manager™ <i>Included in the Performance Package, or purchased individually</i>	<p>The Clinical Data Base/Resource Manager™ (CDB/RM) provides an expanded set of comparative data and analytic tools to support the clinical operations of member institutions. Opportunities for improvement are identified by combining patient encounter-level and line-item transactional detail to yield information on patient outcomes and high-impact resource utilization. Participating hospitals can benchmark openly with other hospitals by accessing this transparent, Web-enabled database, and by reviewing 4 UHC-generated quarterly management reports (Key Indicator Report, Quality and Safety Management Report, Clinical Outcomes Report, and Hospital Quality Measures Report).</p> <p>Core Measures/CAHPS Rely on UHC's Core Measures/CAHPS Tool Kit to improve performance on all publicly reported measures for academic medical center patients. Whether you are an executive, service line, or unit leader, use UHC's tool kit to:</p> <ul style="list-style-type: none"> • Analyze data for performance improvement • Learn about best practices • Implement tried-and-true techniques • Sustain improvement <p>Financial Performance Report The Financial Performance Report uses participants' revenue data to identify individual opportunities to drive profitability and offers insights for timely decision making.</p>	Chargeable Service	\$142,000 (CDB) \$57,000 (RM) One Time Implementation Fee
•	Imperatives for Quality Program <i>Included in the Performance Package, or purchased individually</i>	The Imperatives for Quality are areas that UHC has determined to be critical to AMC success in improving and sustaining superior outcomes and demonstrating leadership in safety, quality, and cost-effectiveness.	Chargeable Service	\$70,000

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
	Operational Data Base <i>Included in the Performance Package, or purchased individually</i>	The ODB provides meaningful comparisons of operational performance measures among institutions with similar characteristics. The database uses Thomson Reuters' standardized ACTION O-I data collection and reporting tools overlaid with UHC's reporting capabilities, which currently include the Key Indicator Report and the Efficiency Management Report.	Chargeable Service	\$63,000 One Time Implementation Fee
49	RevBuilder™	RevBuilder™, powered by AcuStream and UHC, is a Web-based solution that uses a patent-pending rules-based process to automate the identification, verification, and billing of reimbursable missed charges from historical claims data.	Chargeable Service	Fee based
50	Revenue Cycle Pathfinder	The journey from a patient's first appointment through the collection of the final payment is fraught with a tempest of administrative processes and confusing payer requirements that threaten to toss an AMC's revenue against the rocks. This highly customized engagement provides on-site evaluation of a member's front-end processes and results in an action plan that maps a path to quick-hit revenue capture tactics.	Chargeable Service	Fee based
51	Strategic Revenue Enhancement Partnerships	Leveraging its powerful databases and unmatched familiarity with the special needs and capabilities of AMCs, UHC has created unique partnerships with leading firms in the delivery of innovative and effective revenue enhancement strategies. Combining UHC's strengths in diagnosing opportunity with the proven skills of industry leaders, these partnerships deliver unparalleled services to ensure that members' revenue strategies are shipshape and yield optimal financial results.	Chargeable Service	Fee based
52	UHC/AACN Nurse Residency Program™	UHC and the American Association of Colleges of Nursing (AACN) created this 1-year post baccalaureate program designed to ease the transition to practice for new graduates. In the first 3 years, UHC/AACN Nurse Residency Program™ hospitals experienced an aggregate turnover rate of only 5.6%, compared with the national average of 27.1%.	Chargeable Service	\$13,000 One Time Implementation Fee

Number	List of Services	Description	Core Service/ Chargeable Service	Cost of Service
53	UHC Annual Conference	The UHC Annual Conference brings together a unique group of senior leaders and professionals in clinical, operational, financial, and supply chain roles from the nation's pre-eminent academic medical centers, as well as suppliers that partner with UHC and its supply contracting company, Novation. There is no registration fee for UHC members who attend the conference.	Core Service	Standard
54	UHC Introductory Training	Learn more about the wide variety of UHC training opportunities, including a general UHC overview and introductory sessions for specific programs and databases.	Core Service	Standard
55	UHC Nursing Quality Data Base™	The UHC Nursing Quality Data Base™ (NQDB) provides subscribers with comparative reporting tools for nursing quality data. This database supports subscribers' efforts to improve the delivery of nursing care, achieve and maintain Magnet status in nursing, and be recognized as national leaders in nursing quality.	Chargeable Service	\$3,700 <i>Per Hospital</i>
56	UHC Safety Intelligence™, Powered by Datix®	Web-based tool for real-time event reporting, tracking, and trending of patient safety events.	Chargeable Service	\$10,500 - \$57,700 One Time Implementation Fee; Fees for additional affiliate hospitals vary by bed size.

Exhibit B

The following table lists Novation's current councils, task forces and advisory groups:

Councils	Task Forces	Advisory Groups
<ul style="list-style-type: none">• Anesthesia/Critical Care Services• Capital, Facilities & Construction• Cardiovascular• Clinical & Supply• Diagnostic Imaging• Info & Data Services Advisory• Laboratory• Medical Research Advisory• Orthopedic• Pediatric• Perioperative• Pharmacy Business• Pharmacy Distribution• Pharmacy Executive• Respiratory• Supply Executive• Wound Management	<ul style="list-style-type: none">• Environmental Services Distribution• Food Procurement• Healthcare Dispensing Automation• HR & Labor Management• I.V. Systems• Information Technology• Operational Services• Women's Health	<ul style="list-style-type: none">• Clinical Pharmacy• Environmental• Supplier Diversity