

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

568



FROM: Riverside County Regional Medical Center (RCRMC)

SUBMITTAL DATE:
February 26, 2013

SUBJECT: McKesson Health Solutions – InterQual CERMe software

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Ratify and authorize the Chairman to sign the multi-year Agreement with McKesson Health Solutions without securing competitive bids; in accordance with Board Policy A-18 and Ordinance 459.4 to provide products and services for the InterQual CERMe software effective January 1, 2013 through December 31, 2018, for an aggregate amount not to exceed \$316,000.
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise automatic renewal options, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation not to exceed ten percent above the aggregate amount of the contract.

(cont'd on page 2)

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

| | | | | |
|-----------------------|-------------------------------|-----------|-------------------------|-----------|
| FINANCIAL DATA | Current F.Y. Total Cost: | \$316,000 | In Current Year Budget: | Yes |
| | Current F.Y. Net County Cost: | \$ 0 | Budget Adjustment: | No |
| | Annual Net County Cost: | \$ 0 | For Fiscal Year: | 2012/2013 |

| | | |
|--|---|--------------------------|
| SOURCE OF FUNDS: 100% 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
BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: February 26, 2013
xc: RCRMC, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: District: All Agenda Number:

3-58

FORM APPROVED BY COUNTY COUNSEL 1/3
 BY: *Neal R. Kipnis*
 DATE: 2/26/13
 Departmental Concurrence
 Purchasing: *Mark Seiler*, Assistant Director
 Dept's Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

BOARD OF SUPERVISORS

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BACKGROUND:

In preparation for the Medi-Cal go-live review process scheduled for 2013, Riverside County Regional Medical Center (RCRMC) is required to upgrade our current book view version of InterQual. The participation agreement RCRMC has with Medi-Cal requires RCRMC use an evidence-based clinical guideline to participate in the Designated Hospital Health Care Project using interactive software products to support and help determine the appropriateness of hospital admission, continued stay, and discharge of patients.

RCRMC has conducted research with other hospitals with similar demographics and found all but two hospitals in California use McKesson's InterQual products. The following is a small sample of hospitals in our area that uses this same product: Arrowhead Regional Medical Center, Loma Linda University Medical Center, Southwest Healthcare Systems, Corona Regional, Riverside Community, Hemet Valley Medical Center, as well as, UCLA are facilities who utilize the InterQual software product.

With the passage of healthcare reform, the Case Management Department at RCRMC needs to better arm itself to meet the demands. The benefit of updating RCRMC's current processes allows RCRMC to create a consistent practice model for our Case Managers and payors alike. The software versions will significantly reduce discrepancies during audits with the new Medi-Cal process by producing printouts with an "approved" outcome status. The software also increases productivity by signaling to the case manager when criteria have been met as opposed to the view only version using nursing judgment.

PRICE REASONABLENESS:

Total project cost \$316,000 (estimate). McKesson CERMe software agreement is for a five year period, (which includes \$8,000 optional yearly training). The total project cost above includes \$8,919 for additional hardware and \$3,150 for four additional software licenses required to support the product. The multi-year agreement with McKesson offers a discounted rate per year. Prices offered are equal to McKesson's customers (other similar hospitals) in California.

FINANCIAL IMPACT:

100% Hospital Funds

REVIEW/APPROVAL:

County Purchasing

County Counsel

RCIT

DB:ns

Date: January 30, 2013

From: Douglas Bagley, Hospital Director Department/Agency: RCRMC

To: Board of Supervisors/Purchasing Agent

Via: Purchasing Agent

Subject: Sole Source Procurement; Request for McKesson InterQual CERMe software

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

1. **Supply/Service being requested:** McKesson InterQual software to be used by case managers in their daily workflow to determine medical appropriateness.
2. **Supplier being requested:** McKesson Solutions
3. **Alternative suppliers that can or might be able to provide supply/service:** Today, the two most widely used products are McKesson's InterQual "CERMe" and Milliman Care Guidelines. Because RCRMC already has a pre-existing license agreement with McKesson for the InterQual product but not with Milliman, it would be advantageous and more cost effective to stay with McKesson.
4. **Extent of market search conducted:** Information supplied by the DHCS Utilization Management Division states that all but two hospitals in California use the McKesson InterQual product, and all of the hospitals that have imitated the Designated Hospital Health Project are using the CERMe software product by McKesson.

Research found the majority of hospitals in our area use the McKesson InterQual software product; including San Bernardino County- Arrowhead Regional Hospital and Los Angeles County Hospitals. Arrowhead started the tar-less process in June and Los Angeles County is gearing up to start as well.

RCRMC has carried a license with McKesson for over ten years using the read only book version, and recently the web based read only version of InterQual. InterQual CERMe is the leading software product in hospital evidence-based clinical guidelines, and accepted by all Government and private payors.

Research with the American Case Management Association indicates McKesson's InterQual CERMe product is the product of choice by the majority of hospitals for the Utilization Management process.

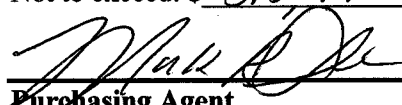
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** McKesson Health Solutions is the only company that develops and distributes InterQual Clinical Content and Care Enhance Review Manager Enterprise (CERMe) software.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** Medi-Cal requires that hospitals use evidence-based clinical guidelines to help determine the appropriateness of hospital admission, continued stay and discharge. InterQual Clinical Content is proprietary, evidence-based clinical content that will be used to help determine appropriateness of care. CERMe is the software that will automate the review process using the InterQual content.

- 7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** \$315,770.49 total project cost. McKesson CERMe software agreement is over a five year period, (includes \$8,000 optional yearly training). The total project cost above includes \$8,919.61 for additional hardware and \$3,150.74 for four additional software licenses required to support the product. First year expense will be \$79,823.32 to include the CERMe product; installment; training; and the above hardware and licensed fees.
- 8. **Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? (Maintenance, support, or upgrades, if so, please explain).** No.
- 9. **Period of Performance:** Five (5) year contract effective January 1, 2013 through December 31, 2018.


2/4/13
Date

Department Head Signature

Purchasing Department Comments:

| | | |
|---|-----------------------------------|---|
| <u>Approve</u> | Approve with Condition/s | Disapprove |
| Not to exceed: \$ <u>315,770⁴⁸</u> | <input type="checkbox"/> One time | <input checked="" type="checkbox"/> Annual Amount through <u>Total / aggregate 12-31-2018</u> |
|  | <u>2/7/13</u> | <u>13-318</u> |
| Purchasing Agent | Date | Approval Number (Reference on Purchasing Documents) |

05/13/20
 These figures are for internal use only



RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
 To be completed for all departmental purchases of IT systems, services or networks

12/20

REQUESTED PURCHASE: **MS LICENSES - INSIGHT (PER ENTERPRISE AGREEMENT)**

DEPARTMENT/AGENCY: **CASE MANAGEMENT - NORMC - MICROSON PROJECT**

CONTACT NAME/PHONE: **MARGARET HUDSE - EXT. 64742 / RUBY REES - EXT. 65428**

PURCHASE REQUEST: NEW EQUIPMENT/SERVICES UPGRADE REPLACEMENT RENEWAL

PURCHASE TYPE: PROFESSIONAL SERVICES SOFTWARE HARDWARE

DESCRIPTION: **Windows 7 ALING Licenses (see attached information) for the Case Management Microsoft server.**

Business NEEDS ADDRESSED: **Yes - Case Management submitted the proper documentation to request the MS licenses. The Information Services Department has reviewed the request.**

ARE THERE ANY OTHER COUNTY SYSTEMS THAT PROVIDE THE SAME FUNCTIONALITY?
 NO YES UNKNOWN

BUSINESS CONCERN:
 Run the business
 Grow the business
 Transform the business

Business Risk:
 Financial
 Operational
 Customer

ALTERNATIVE SOLUTIONS:
 1. [Solution]
 2. [Solution]
 3. [Solution]

TRANSACTION: Cash Purchase Lease/Purchase Lease/Lease

SOFTWARE LICENSES: **\$3,150.74***

| COST BENEFIT ANALYSIS | |
|------------------------|-------------|
| ALTERNATIVE | ALTERNATIVE |
| ALTERNATIVE STATUS QTR | ALTERNATIVE |
| Current Annual Cost | |
| Ongoing Annual Cost | |
| Annual Cost Savings | |
| Net Annual Savings | |

County of Riverside



05/13/20
 These figures are for internal use only

RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM
 To be completed for all departmental purchases of IT systems, services or networks

12/20

Department Head Signature: _____ Date: _____

Project Implementation Case: _____
 Project Period: _____

RECOMMENDATION:
 Recommended: Yes No (Non-recommended requests submit to TPOC)
RCIT - APPROVED

By: _____ Date: _____
 Chief Information Officer Signature: _____ Date: _____

RECOMMENDATION: Yes No (Non-recommended requests submit to TPOC)
 Recommended: Yes No (Non-recommended requests submit to TPOC)
 By: _____ Date: _____
 Chief Information Officer Signature: _____ Date: _____

County of Riverside

MCKESSON

ORDER FORM

This **ORDER FORM** amends the McKesson Health Solutions Master Agreement No. 13734, dated April 15, 2009, and incorporating all referenced Exhibits, Schedules, and Attachments ("**Order Form**") and is made binding as of the latest date in the signature block below ("**OF Effective Date**"). In the event the OF Effective Date is prior to the Effective Date provided in the MA, the OF Effective Date is automatically amended to be the same as the Effective Date provided in the MA.

Exhibits

| | |
|-----|--|
| A-1 | Payment Schedule, Term and Administration |
| A-2 | General Terms |
| A-3 | Medical Management Terms |
| B-1 | Implementation, Education, and Consulting Services |
| C-1 | Reserved |
| D-1 | Reserved |
| E-1 | Products and ASP Services |

AUTHORIZATION. The pricing in this Order Form and McKesson's corresponding offer to Customer expires unless McKesson receives this Order Form signed by Customer on or before March 31, 2013.


PURCHASE ORDER. Customer's purchase order ("**PO**") is required. Pre-printed terms on or attached to Customer's purchase order will be of no force or effect. Failure to provide McKesson with a PO order or copy will not relieve Customer of any obligation, including any payment obligation, under this Order Form. Customer must include Purchase Order in order for McKesson to process shipping.

By signing this Order Form, Customer acknowledges and agrees that (a) McKesson has made no warranty or commitment with regard to any functionality not Generally Available as of the OF Effective Date, whether or not included as part of Software Maintenance Services, for any of the Software licensed by this Order Form; and (b) Customer has not relied on the availability of any future version of the purchased Product or any other future Product in executing this Order Form.


TERMINATION OF PRIOR ORDER FORM(S). Except for outstanding payment and confidentiality obligations, Order Form Nos. 14595, 19380, and 20206, are hereby terminated and replaced with this Order Form on April 15, 2013.

Each signatory hereto represents and warrants that it is duly authorized to sign, execute, and deliver this Order Form on behalf of the party it represents and the applicable Facilities.

RIVERSIDE COUNTY REGIONAL MEDICAL CENTER

By: 
Name: **JOHN J. BENOIT**
Title: **CHAIRMAN, BOARD OF SUPERVISORS**
Date: **FEB 26 2013**
Customer PO. No. _____

MCKESSON HEALTH SOLUTIONS LLC

By: 
Name: **PAUL ANTONELLIS**
Title: **DIRECTOR OF SALES**
Date: **2-11-2013**

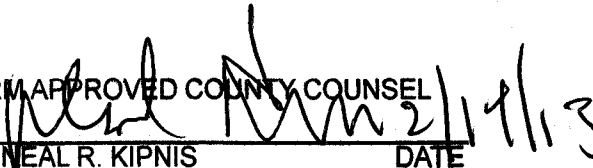
CUSTOMER - For Execution:
McKesson no longer requires the exchanging and signing of hard copy contracts. Please fax or email (scanned document) the signed agreement to your sales executive or account manager.

McKesson Health Solutions LLC
5995 Windward Parkway
Alpharetta, Georgia 30005
Attn: General Counsel

With a copy to:
McKesson Health Solutions
275 Grove Street
Suite 1-210
Newton, MA 02466
Attn: Vice President of Product Operations

| | |
|-------------------------|---------|
| Customer Number | RIV522 |
| Service Contract Number | MHS8218 |
| SAP Number | 1039414 |
| Contract Number | 22403 |
| Quote Number | 105891 |

FORM APPROVED COUNTY COUNSEL

BY:  DATE: **2/19/13**
NEAL R. KIPNIS

ATTEST:

KECIA HARPER-IHEM, Clerk

By: 
DEPUTY

EXHIBIT A-1

PAYMENT SCHEDULE, TERM AND ADMINISTRATION

PAYMENT SCHEDULE FOR PRODUCTS AND ASP SERVICES LICENSE FEES. Notwithstanding anything to the contrary in the MA, the annual payments for the Software, Clinical Content, and ASP Services, and the number of Beds set forth herein are not subject to decrease.

| | | |
|---------------------|-------------------------------|--|
| \$3,494.21* | due on the OF Effective Date. | Such fee includes a thirty percent (30%) discount and is prorated from the OF Effective Date through April 14, 2013. |
| \$44,691.33* | due on April 15, 2013. | Such fee includes a twenty-five percent (25%) discount. |
| \$47,663.24* | due on April 15, 2014. | Such fee includes a twenty percent (20%) discount. |
| \$50,635.12* | due on April 15, 2015. | Such fee includes a fifteen percent (15%) discount. |
| \$53,606.96* | due on April 15, 2016. | Such fee includes a ten percent (10%) discount. |
| \$56,460.89* | due on April 15, 2017. | Such fee includes a five percent (5%) discount. |

*Plus applicable taxes.

PAYMENT SCHEDULE FOR SERVICES FEES.

\$22,750.00* due on the OF Effective Date.
\$8,000.00* due on April 15, 2013.
\$8,000.00* due April 15, 2014.
\$8,000.00* due on April 15, 2015.
\$8,000.00* due on April 15, 2016.

*Plus applicable taxes.

UPGRADES. Installation and/or implementation of the Software by McKesson as a result of Upgrades to the Software and/or new Releases of the Software are beyond the scope of the Services outlined hereunder. Unless otherwise addressed by this Order Form, such additional services shall be contracted for separately and additional fees will apply. McKesson and Customer will determine the scope of the additional services to be provided and the terms and conditions pursuant to which such additional services shall be provided by McKesson.

Upgrades to the ASP Software are included within the ASP Services contemplated herein. Notwithstanding the foregoing, the parties agree to execute an amendment to this Order Form for additional services in the event of any Customer-specific integrations, data mapping or configuration of any business rules, or additional training that may be needed as a result of such Upgrades, and additional fees will apply. McKesson and Customer will determine the scope of the additional services to be provided and the terms and conditions pursuant to which such additional services shall be provided by McKesson.

TERM. The initial term of this Order Form begins on the OF Effective Date and ends on April 14, 2018 (the "Initial Term"). The Initial Term of this Order Form will renew automatically for one year terms (each, a "Renewal Term", together the Initial Term and Renewal Term, will be referred to as the "Term") upon the expiration of the Initial Term and each subsequent Renewal Term, unless either party provides written notice of termination to the other party not less than 60 days prior to the expiration of the then current term. The license fee payable during any Renewal Term will be the Prevailing Rate.

INCREASE IN USAGE BASED VARIABLES. If, during the Initial Term, Customer's Usage-Based Variables increase above the limitation set forth herein, or in an Order Form, for any reason other than Customer's acquisition of another entity ("Natural Growth"), Customer will pay the Prevailing Rates for such increased Usage-Based Variables. Pursuant to this Section, the parties acknowledge and agree that Customer will provide notification of any increase in the Usage-Based Variables and McKesson shall bill Customer accordingly for any increase in fees.

DISCOUNT REPORTING. Customer is solely responsible for reporting all discounts or appropriate net prices received from McKesson pursuant to this Order Form on cost reports filed by Customer with any government entity.

TAXES. Unless Customer provides McKesson prior to the OF Effective Date satisfactory evidence of exemption (including evidence of renewal if applicable) from applicable sales, use, value-added, or other similar taxes or duties, McKesson will invoice Customer for all such taxes applicable to the transactions under this Order Form.

ADMINISTRATION.

| | |
|--|---|
| Sold To: | Bill To: |
| Riverside County Regional Medical Center | Riverside County Regional Medical Center |
| 26520 Cactus Avenue | 26520 Cactus Avenue |
| Moreno Valley, CA 92555 | Moreno Valley, CA 92555 |
| | Attention: Debbie Johnson, Assistant Supervisor, Case Management |
| | Telephone: (951) 486-5413 |
| | E-mail: debbjohn@co.riverside.ca.us |
| Taxable: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| Ship To: See Facilities information on Exhibit E-1. | Download Central Administrator: |
| | Michael Acosta |
| | E-mail: macosta@co.riverside.ca.us |

EXHIBIT A-2

GENERAL TERMS

The following terms apply to all Software, Clinical Content, and ASP Services licensed in this Order Form.

SECTION 1: COPYING OF CLINICAL CONTENT

Customer may copy the Clinical Content on an ad-hoc basis in the smallest increments or portions feasible under the circumstances or as legally required for disclosure: (a) to a Provider who has submitted a Claim to Customer for reimbursement and is questioning the rationale to support Customer's decisions and solely for use for Claim specific discussions with Customer; (b) to a Provider of health care service subject to Customer's medical necessity review and solely for use for case specific medical necessity discussions with Customer, as well as for payment determinations; (c) to a Provider in support of legislative and/or regulatory requirements for notification of material changes in payment policy and/or coding practices; (d) to a person included as one of Customer's Covered Lives under this MA or to such person's representative when the Clinical Content have been referenced in the process of denying, limiting, or discontinuing authorization of services for said person; (e) to a Provider for the sole purpose of marketing Customer's services; (f) to a public agency or independent review organization in connection with conducting an independent external review of or conducting an appeal of Customer's medical necessity and payment determination in a specific case when the Clinical Content have been referenced in the process of making said determination; (g) to a public agency to comply with a statutory or regulatory mandate requiring the Clinical Content be filed with said agency (copy to be furnished to McKesson as soon as practicable prior to any such disclosure so that McKesson may, at its option, object to or dispute same); and (h) pursuant to a judicial order or subpoena (copy to be furnished to McKesson at least ten business days notice prior to any such disclosure so that McKesson may, at its option, object to or dispute same, or, if the scheduled time for such disclosure is less than ten business days, then as soon as possible prior to such disclosure). In connection with each disclosure/distribution, all Clinical Content copies will prominently display on the cover page and/or introductory screen McKesson's trademark and copyright notices, as dictated by herein, and Customer will maintain and furnish the disclosure/distribution to McKesson upon request.

"McKesson's Statement of Disclosure: The Clinical Content you are receiving is confidential and proprietary information and is being provided to you solely as it pertains to the information requested. Under copyright law, the Clinical Content may not be copied, distributed, or otherwise reproduced. The Clinical Content may contain advanced clinical knowledge which we recommend you discuss with your physician upon disclosure to you.

The Clinical Content reflects clinical interpretations and analyses and cannot alone either (a) resolve medical ambiguities of particular situations; or (b) provide the sole basis for definitive decisions. The Clinical Content is intended solely for use as screening guidelines with respect to medical appropriateness of healthcare services and not for final clinical or payment determinations concerning the type or level of medical care provided, or proposed to be provided, to a patient; all ultimate care decisions are strictly and solely the obligation and responsibility of your health care provider."

SECTION 2: INTERFACE/INTEGRATION

Customer may not install any interface and/or integration to the Software without the prior written consent of McKesson, not to be unreasonably withheld.

SECTION 3: ACQUISITIONS

If Customer acquires a health plan or health care facility ("**Acquired Entity**") that entered into a license for Software, Clinical Content, or ASP Services ("**Pre-Existing Contract**") prior to such acquisition, that Pre-Existing Contract will remain in effect until its termination. Upon the termination of the Pre-Existing

Contract, or upon Customer's acquisition of an Acquired Entity that does not have a Pre-Existing Contract, Customer will pay McKesson for any additional usage-based variables specified in the applicable Order Form, including, but not limited to Covered Lives, Beds, Users, Seats, etc. ("**Usage-Based Variables**"), regardless of location, resulting from the acquisition of the Acquired Entity in accordance with this Order Form. Customer will disclose to McKesson the increase in the Usage-Based Variables it gained through the Acquired Entity within 30 days after such acquisition. If the Acquired Entity will not use the Software, Clinical Content, and ASP Services, no additional license fees will be due.

SECTION 4: CLINICAL CONTENT

The authority and responsibility to determine whether to adopt any Clinical Content, how and when to apply Clinical Content, and the final determination with respect to such Clinical Content will rest entirely and solely with Customer.

SECTION 5: TRANSITION

The parties acknowledge and agree that McKesson currently provides the Clinical Content in a variety of formats. McKesson reserves the right to change the format and to provide such Clinical Content to Customer in a different medium at mutually agreed upon license fees.

SECTION 6: SECURITY

Customer agrees to use commercially reasonable security measures to prevent unauthorized access to the Software and/or Clinical Content. Customer agrees to be responsible for any breach of the MA or any other unauthorized dissemination of the Software and/or Clinical Content or the content contained therein by any user accessing the Software and/or Clinical Content via Customer's Website.

SECTION 7: DEFINITIONS

"Beds" means the number of hospital beds regularly maintained (set up and staffed for use) for inpatients by Customer or a Facility.

"Claim" means a request for payment or a reported encounter received by Customer from a Provider, or from a Covered Life seeking reimbursement for such services, comprised of any number of lines.

"Covered Lives" means a primary member, subscriber or eligible dependent covered under a health plan or member who is included under a delegated risk arrangement under an agreement with Customer.

"Customer's Website" means Customer's secured website, to which access is limited to Providers who present a unique identifier and a password that corroborates the binding between the Provider and the unique identifier.

"Productive Use" means the date in which the Software is available to process live data for purposes of other than testing or evaluation.

"Provider" means (i) a healthcare professional who provides services to Customer's members, and (ii) such authorized employees of such Provider who are acting on behalf of the Provider. For purposes of the McKesson's InterQual[®] Transparency Solution, InterQual[®] SmartSheets[™], Clear Orders[™] and Clear Coverage[™] only, the definition of Provider will not include hospitals, health centers or other treatment facilities. For purposes of Clear Orders only, the definition of Provider will include free-standing labs, but will not include labs within hospitals, health centers or other treatment facilities.

"Release" means an updated version of the Software which contains Software changes and/or Configuration Change(s), as applicable.

"Reviews" means each individual determination of clinical appropriateness performance for a patient.

“Seat” means a unique physical device such as a personal computer, work station, or terminal utilized to access the Software, either directly or at the physical device on which the Software is located or the location of the entity that has a license to use the Clinical Content.

EXHIBIT A-3

MEDICAL MANAGEMENT TERMS

SECTION 1: COORDINATED CARE MANAGEMENT SYSTEM™ SOFTWARE ("CCMS") AND CAREENHANCE® REVIEW MANAGER ENTERPRISE SOFTWARE ("REVIEW MANAGER")

The following terms apply to the CCMS and Review Manager Software, Clinical Content and ASP Services:

1.1 HL-7 Interface. Customer acknowledges that the HL-7 Interface Enabler licensed from McKesson is a tool to allow Customer to develop an interface to Review Manager and that McKesson is not delivering an interface to Customer nor will McKesson support, maintain or develop any such interface unless expressly agreed to in writing by McKesson and Customer. Customer further acknowledges and agrees that changes to any such interface may be required as a result of the installation of new Releases of Review Manager.

1.2 Interface/Integration. Only interfaces and/or integrations from McKesson's Alliance Partners, or other interfaces and integrations that have been approved by McKesson in writing, are permitted to be used in conjunction with Review Manager. Additionally, notwithstanding anything to the contrary in the MA, Customer is solely responsible for securing the installation, support, and maintenance of any interface or integration. Customer will not implement an Alliance Partner interface or integration for a new release or update until the Alliance Partner has obtained a validation certificate from McKesson.

1.3 Display of CPT Codes. McKesson and Customer acknowledge and agree that the display and search functionality of the CPT Codes within the CareEnhance® Review Manager Bookview and the InterQual® SmartSheets™ is for Customer's internal use only. Should Customer desire to make the Clinical Content available over the internet or to its Provider network, the parties will execute an amendment for such expanded use.

SECTION 2: INTERQUAL® INTERRATER RELIABILITY SUITE

The following terms only apply to the licensure of the InterQual® Interrater Reliability Suite Software, Clinical Content, and ASP Services:

2.1 Data. Customer acknowledges that McKesson may use the data collected from the Customer's use and customization of the InterQual Interrater Reliability Suite for various internal purposes, including, but not limited to product development and improvement, marketing, benchmark reporting and identifying additional Customer specific training opportunities. All information collected will be used and maintained in accordance with the Confidentiality provisions of the MA.

2.2 License Grant. No license is granted for the use of the services and Products licensed hereunder for the preparation of tests unrelated to the Clinical Content.

EXHIBIT B-1

IMPLEMENTATION, EDUCATION, and CONSULTING SERVICES

CareEnhance® Review Manager Enterprise (“Review Manager”) Implementation Services and InterQual® Learning Source (“ILS”) Training

Table 1 (MHS8218-C): Services for Riverside County Regional Medical Center

| ILS Training Package(s) | *Number of Participants | Year One | Annually (Years 2-5) |
|--|--------------------------------|-----------------|-----------------------------|
| <u>Review Manager Implementation Services - HL-7</u> <ul style="list-style-type: none"> Remote Project Management Support Remote Technical Installation Services Remote Technical Consulting on the HL-7 Interface | | \$12,750.00 | |
| <u>ILS: Review Manager Non-Integrated or Stand-Alone for System Administrators</u> <ul style="list-style-type: none"> WBT - Getting Started: Review Manager WBT - Getting Started: Review Manager Administration VILT - Review Manager System Administration (Non Integrated) <p>Material: 75005576</p> | Up to 4 participants | \$1,000.00 | |
| <u>ILS: Review Manager Reports</u> <ul style="list-style-type: none"> WBT - Review Manager Reports VILT - Review Manager Reports <p>Material: 75005577</p> | Up to 4 participants | \$1,000.00 | |
| <u>ILS LOC: InterQual® Acute with Review Manager</u> <ul style="list-style-type: none"> WBT - Getting Started: Review Manager WBT - Conducting Reviews: InterQual® Acute Criteria VILT - LOC: InterQual® Acute Criteria (Review Manager) <p>Material: 75005568</p> | Up to 30 participants annually | \$6,000.00 | \$6,000.00 |
| <u>ILS BH: InterQual® Behavioral Health Review Manager (Adult and Adolescent)</u> <ul style="list-style-type: none"> WBT - Getting Started: Review Manager WBT - Conducting Reviews: InterQual® Behavioral Health Criteria VILT - BH: InterQual® Behavioral Health (Review Manager) <p>Material: 75005562</p> | Up to 5 participants annually | \$1,000.00 | \$1,000.00 |

| ILS Training Package(s) | *Number of Participants | Year One | Annually (Years 2-5) |
|--|-------------------------------|--------------------|----------------------|
| ILS CP: InterQual® Imaging Review Manager <ul style="list-style-type: none"> • WBT - Getting Started: Review Manager • WBT - Conducting Reviews: InterQual® Imaging Criteria • VILT - CP: InterQual® Imaging (Review Manager) Material: 75005565 | Up to 5 participants annually | \$1,000.00 | \$1,000.00 |
| Fixed Fee Total: | | \$22,750.00 | \$8,000.00 |

*Customer will incur additional fees and training material costs for each additional participant beyond the agreed upon maximum number of participants identified herein and/or each additional instructor-led session requested beyond the McKesson recommended number of session(s). Customer will be billed separately for additional participants attending an Instructor-led session without pre-registering and/or being covered by this Order Form.

Definitions

“CareEnhance® Review Manager Enterprise” (“Review Manager”) also referred to as “the Software.”

“Fixed Fee (FF)” means that the Services will be delivered by McKesson at a set price, determined by McKesson, taking into account the project scope and the time and resources necessary to complete the Services.

“VILT” means virtual instructor-lead training. This method of delivering traditional classroom courses using the Internet and teleconferencing technologies whereby the instructor and students are at independent locations.

“WBT” means web-based training. Training is interactive, self-paced, and includes participant testing to validate learning concepts.

Payment Terms - Services Fees

\$22,750.00* due on the OF Effective Date.

\$8,000.00* due on April 15, 2013.

\$8,000.00* due on April 15, 2014.

\$8,000.00* due on April 15, 2015.

\$8,000.00* due on April 15, 2016.

* plus any applicable taxes

Service Assumption(s)

1. The Services provided hereunder will be in accordance with the McKesson Health Solutions LLC Implementation Services and Training Guide (“Services Guide”), which may be amended from time to time at McKesson’s discretion and are incorporated herein by reference. To obtain the most current version of the Services Guide, contact your McKesson Sales Executive, Account Manager or download from Customer Hub.
2. Training Services will not be carried over from prior years.
3. Customer acknowledges that Services will be provided only for Facilities licensed under the MA.

EXHIBIT E-1

PRODUCTS AND ASP SERVICES

1. As of the OF Effective Date, Customer is granted a license to the following Products and ASP Services which will be added to the following Facilities:

Riverside County Healthcare ##

- a. InterQual® Clinical Evidence Summaries
- b. CareEnhance® Review Manager Enterprise (Access and SQL versions)
- c. Third Party Product, Business Objects Crystal Reports
- d. Third Party Product, Symphonia HL7 Interface Enabler

Riverside County Regional Medical Center

- a. InterQual® Behavioral Health Adolescent Clinical Content
- b. InterQual® Behavioral Health Adult Clinical Content
- c. InterQual® Imaging Clinical Content
- d. InterQual® Clinical Evidence Summaries
- e. CareEnhance® Review Manager Enterprise (Access and SQL versions)
- f. InterQual® Interrater Reliability Standard Tests Software
- g. Third Party Product, Business Objects Crystal Reports
- h. Third Party Product, Symphonia HL7 Interface Enabler

2. All other Products as set forth on the following pages shall be renewed on April 15, 2013.

3. On the following pages, any Product for which the "No. of Copies" is blank is either available online or included in another Product.

4. Customer acknowledges and agrees that it will maintain the associated licenses, hardware and software set forth in the Required Environments Guide / Technical Configurations, for the Software and ASP Services, as applicable.

5. The InterQual® View Software (Access and SQL versions) previously licensed under Order Form No. 20206 for Riverside County Healthcare and Renewal Order No. 18994 for Riverside County Regional Medical Center, will no longer be provided to Customer as a separate DVD, but will be included in the CareEnhance® Review Manager Enterprise Software licensed hereunder.

6. Effective March 29, 2013, the InterQual® Care Planning Clinical Content – Procedures Adult and Procedures Pediatric shall become one line item and shall be referred to as "Clinical Content – Procedures".

7. The InterQual Interrater Reliability Standard Tests Software set forth on the following page is part of the ASP Services.

Included in Covered Lives, Beds, Users, Seats, etc. set forth on the following pages.

8. THIRD PARTY TERMS.

As indicated on the following pages, Customer agrees to the applicable Third Party Terms, as set forth at <http://customerportal.mckesson.com>, which Customer may access using the following confidential login information:

User ID: contractprovisions@mckesson.com
Password (case sensitive): Portal!Access

For the avoidance of doubt, if there are no Third Party Terms for the Third Party Products listed on the McKesson Customer Portal, then no Third Party Terms apply. In the event that a Third Party Vendor raises its licensing fees of such Third Party Products, McKesson may increase its annual license fees upon the next anniversary of this Order Form.

Facility

Riverside County HealthCare
4065 County Circle Drive
Administration Building
Riverside, CA 92503

Attn: Koen Brown, Deputy Director II
Tel: +1 (951) 358-7509
E-Mail: KBrown@co.riverside.ca.us

| | Size / Type | Users | No. of Copies |
|---|--------------------|--------------|----------------------|
| <u>InterQual® Clinical Content</u> | | | |
| InterQual® Clinical Evidence Summaries | 1 / Included | 0 | |
| Procedures Adult | 1 / Included | 0 | |
| Procedures Pediatric | 1 / Included | 0 | |
| <u>Software</u> | | | |
| CareEnhance® Review Manager Enterprise (Access) | 1 / Included | 0 | 1 |
| CareEnhance® Review Manager Enterprise (SQL) | 1 / Included | 0 | 1 |
| InterQual® View (Access) | 1 / Included | 0 | |
| InterQual® View (SQL) | 1 / Included | 0 | |
| <u>3rd Party</u> | | | |
| AMA CPT Codes IQ | 1 / Included | 0 | |
| Business Objects Crystal Reports | 1 / Included | 0 | |
| Symphonia HL7 Interface Enabler | 1 / Included | 0 | |

Facility

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

Attn: Debbie Johnson, Assistant Supervisor, Case Management
Tel: +1 (951) 486-5413
E-Mail: debbjohn@co.riverside.ca.us

| | Size / Type | Users | No. of Copies |
|---|-------------|-------|---------------|
| <u>InterQual® Clinical Content</u> | | | |
| Acute Adult Criteria | 367 / Beds | 0 | 20 |
| Acute Pediatric Criteria | 367 / Beds | 0 | 5 |
| Adolescent Psychiatry | 12 / Beds | 0 | 2 |
| Adult Psychiatry | 77 / Beds | 0 | 2 |
| Imaging | 21 / Beds | 0 | |
| InterQual® Clinical Evidence Summaries | 367 / Beds | 0 | |
| Procedures Adult | 367 / Beds | 0 | |
| Procedures Pediatric | 367 / Beds | 0 | |
| <u>Software</u> | | | |
| CareEnhance® Review Manager Enterprise (Access) | 367 / Beds | 0 | 1 |
| CareEnhance® Review Manager Enterprise (SQL) | 367 / Beds | 0 | 1 |
| InterQual® View (Access) | 367 / Beds | 0 | |
| InterQual® View (SQL) | 367 / Beds | 0 | |
| Interrater Reliability Standard Tests | 367 / Beds | 0 | |
| <u>3rd Party</u> | | | |
| AMA CPT Codes IQ | 367 / Beds | 0 | |
| Business Objects Crystal Reports | 367 / Beds | 0 | |
| Symphony HL7 Interface Enabler | 367 / Beds | 0 | |