

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



ITEM: 15.4
(ID # 11375)

MEETING DATE:

Tuesday, December 17, 2019

FROM: (RUHS) RIVERSIDE UNIVERSITY HEALTH SYSTEM:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM - MEDICAL CENTER: Approve Addendum No. 1 to the Software Use Agreement with Strata Decision Technology, LLC effective December 31, 2019 through June 30, 2022; All Districts. [Total Cost \$168,113; up to \$16,811 in additional compensation – 100% Hospital Enterprise Fund - 40050]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Addendum No. 1 to the Software Use Agreement with Strata Decision Technology, LLC effective December 31, 2019 through June 30, 2022, to increase the total contract amount by \$168,113 from \$2,491,960 to \$2,660,073 and authorize the Chairman of the Board to sign the Addendum on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to: sign amendments that exercise the options of the Software Use Agreement including modifications of the statement of work that stay within the intent of the Software Use Agreement; and sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) of the total cost of Addendum No. 1.

ACTION:Policy

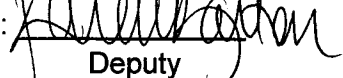

Jennifer Cruikshank, Chief Executive Officer – Health System 12/4/2019

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: December 17, 2019
xc: RUHS

Kecia R. Harper
Clerk of the Board

By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$125,033	\$21,540	\$168,113	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% - Hospital Enterprise Fund 40050			Budget Adjustment:	No
			For Fiscal Year:	19/20-21/22

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will approve Addendum No. 1 to the existing Software Use Agreement with Strata Decision Technology, LLC. This Addendum will add a "Productivity Reporting" module to the existing scope of services for the StrataJazz system. The Productivity Reporting module measures and helps to manage labor productivity by combining hospital census (number of patients), staffing, and costs to allow management to make informed and timely staffing decisions. Riverside University Health System (RUHS) currently owns all the StrataJazz System support modules except the Productivity Reporting module. Adding this module will make the budgeting and data analysis information flow smoothly and efficiently.

Strata Decision Technology, LLC is unique in the feature of tracking continuous improvements. The software has pre-built algorithms that target key areas. This feature helps to reduce the time and resources it would take to drill down to specific data. Strata is the leading cloud-based software as a service (SaaS) financial analytics and performance platform in healthcare.

Impact on Residents and Businesses

The Medical Center, its patients and members in the community would benefit from the Strata software because it would allow the hospital to improve on the quality of care administered daily. The system will drill down on operational inefficiencies and allow the Medical Center staff to enhance its processes which improves quality and access to care. The system will provide timely and accurate information to managers and executives allowing them to make more data-driven decisions.

Additional Fiscal Information

Fiscal Year:	FY17/18 – FY21/22 (covers 5 Years)	FY19/20	FY20/21	FY21/22	TOTAL
Previous BOS Approved Amount	\$2,491,960	N/A	N/A	N/A	\$2,491,960
Requested Increase Amount	N/A	\$115,033	\$20,540	\$20,540	\$156,113

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Requested Misc/Expense Amount	N/A	\$10,000	\$1,000	\$1,000	\$12,000
TOTAL COST	\$2,491,960	\$125,033	\$21,540	\$21,540	\$2,660,073

Contract History and Price Reasonableness

On August 29, 2017, Agenda Item No. 3.89, the Board approved a sole source (approval #18-043) multi-year Professional Services Agreement with Strata Decision Technology, LLC to provide a cost accounting and performance measurement software system effective August 29, 2017 through June 30, 2022 for a total amount of \$2,491,960, which includes contingency fees of \$71,060.

This Addendum will allow RUHS-Medical Center to comply with the Participation Agreement RUHS-Medical Center has with Medi-Cal to use an evidence-based clinical guideline to participate in the Designated Hospital Health Care Project by utilizing an interactive software product to support and help determine the appropriates of hospital admission, continued stay, and discharge of patients. All this can only be achieved by adding in the Productivity Reporting module which will increase the total contract amount of the Agreement by \$168,113, including miscellaneous expenses.

ATTACHMENTS

ADDENDUM NO. 1 TO SOFTWARE USE AGREEMENT


Brianna Lantajo, Management Analyst

12/10/2019


Gregory V. Priamos, Director County Counsel

12/10/2019



ADDENDUM NO. 1 TO SOFTWARE USE AGREEMENT

This is Addendum No. 1 effective dated December 31, 2019 is entered into by and between Strata Decision Technology, LLC ("Strata Decision") and the County of Riverside, a political subdivision of the State of California, on behalf of Riverside University Health System ("Customer"), collectively referred to as the "Parties".

WHEREAS, the Parties entered into that certain Software Use Agreement, effective August 29, 2017 (the "Agreement"), to purchase a cost accounting and performance measurement system;

WHEREAS, the Parties hereby agree to add StrataJazz Productivity Reporting to the list of Programs in accordance with the terms of the Agreement as well as the terms provided herein.

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

1. The above recitals are true and correct, and are incorporated herein by reference.
2. StrataJazz Productivity Reporting* for 100 System Users (the "Added Program") is hereby added to the list of Programs under Exhibit A of the Agreement.
3. The following fee structure for the Added Program is applicable to the Added Program only, and is incremental to fee structures outlined in the Agreement between Customer and Strata Decision.

Added Program Fee Schedule

<i>Commitment Period: 12/31/2019 to 8/29/2022</i>			
Description	Billed 12/31/2019	Due 8/29/2020	Due 8/29/2021
StrataJazz Implementation Fee	\$104,400	\$0	\$0
Implementation Fee Discount	(\$5,400)	\$0	\$0
StrataJazz Subscription Fees	\$37,194	\$37,194	\$37,194
Subscription Fee Discount	(\$16,654)	(\$16,654)	(\$16,654)
Prorate Discount for the period from 12/31/2019 to 8/29/2020	(\$4,507)	\$0	\$0
Total	\$115,033	\$20,540	\$20,540
*Travel Expenses - Billed as incurred and not to exceed annual amount.	\$10,000	\$1,000	\$1,000

*Contingency fees outlined in this Addendum are not included in the fee schedule above. Contingency fees billed shall not exceed \$9,900 through the Added Program Commitment Period (defined below).

Expenses, which may include mileage, lodging meal, parking and other out-of-pocket expenses, are not included in the annual total rate above but will not exceed the following amounts annually:

- Year 1: \$10,000
- Year 2: \$1,000
- Year 3: \$1,000

These travel expenses will remain consistent with and not exceed the County travel policy limits.



5. Delivery; Installation; Consulting Support

5.1 The Implementation Fee outlined in this Addendum represents a fixed fee implementation. Any additional consulting services required for services that are part of the scope of work attached as Addendum Exhibit A will be provided at no additional charge. Additional consulting services for services not included in the scope of work are not included as part of this Agreement. Should Customer need additional consulting services for implementation work that is due to a delay in the implementation caused by Customer (including changes in project scope), Strata Decision reserves the right to bill Customer for the extra consulting services without prior approval from Customer up to the amount shown in the column labeled "Pre-approved services". Strata Decision must seek written approval for any purchase of any services beyond the Pre-Approved services for each Added Program set forth below.

<u>Description</u>	<u>Pre-approved Services</u>
Productivity Reporting	\$6,160
Data Integration	\$2,640
Project Management	\$1,100

5.2 Customer will be granted the consulting days outlined below per year starting in year one of the Added Program Commitment Period. The allotment of person-days for a given contract year is to be used within one (1) year, and will not carry over from year to year. Annual consulting days will be broken out in the following way:

<u>Description</u>	<u>Number of Days</u>
Productivity Reporting	1 Day

6. Customer has made an irrevocable commitment to use the Program outlined in this Addendum for the period until 8/29/2022 (the "Added Program Commitment Period").

IN WITNESS WHEREOF, the Parties have executed this Addendum.

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

By:
Susanna Oh
Deputy County Counsel

STRATA DECISION TECHNOLOGY, LLC
By:
Name: John Martin
Title: SVP & CFO
Date: 12.1.19

CUSTOMER:

COUNTY OF RIVERSIDE, a political subdivision of the State of California, on behalf of Riverside University Health System

By:
Name: KEVIN JEFFRIES
Title: Chairman
Date: DEC 17 2019

ATTEST:
KECIA R. HARPER, Clerk
By:
DEPUTY

Addendum Exhibit A

StrataJazz Productivity Reporting - Statement of Work

Assumptions:		
Number of Hospitals:	1	# Data Systems
		General Ledger: 1
		Payroll: 1
		Statistics: 1
		Time & Attendance: 1
		Hospital Billing: 1
		Hospital Clinical: 1
		Professional Billing: 1
		Professional Clinical: 1
GENERAL Customer Project Responsibilities:		
<p>Below, are the general Customer responsibilities for the duration of project activities when implementing StrataJazz®. Any additional Customer responsibilities specific to a solution are provided on the specific solution Statement of Work (SOW). Customer responsibilities in this SOW work in concert with the Strata Decision responsibilities described in subsequent pages to ensure the project is delivered on time and on budget, with a quality output that aligns with the agreed upon specifications.</p>		
1.	Strata Decision can provide recommendations on skill level and estimated work effort based on previous implementation experience. Customer is responsible for internal knowledge and Customer resources needed to complete Customer effort for StrataJazz® implementation	
2.	Customer is responsible for identifying resources and assuring capacity needed both from IT and business groups prior to project beginning to support, planning, requirements/design, configuration, testing, training and maintenance, training and roll-out	
3.	Customer will identify key subject matter experts and resources who need to be engaged during the project and provide the necessary access to resources to complete the project in the planned agreed-upon timeline	
4.	Customer delays due to resource capabilities, availability, or gaps/misunderstanding in Customer processes, people, and/or technology/data are out of scope and may result in a change request	
5.	Customer understands change requests must be approved by Customer prior to work beginning by Strata, and that delays in Customer approval of change requests may result in further delays and impact to original agreed upon scope, cost, and timeline	
6.	Customer agrees to review draft deliverables and provide feedback in advance of deliverable due dates	
7.	Customer is responsible for meeting Customer responsibilities per agreed upon timeline in workplan (ex. Providing initial sample files within two weeks of kick-off, etc.)	
8.	Customer understands changes in requirements or design after configuration has begun will be considered out of scope and may result in a change request	
9.	Customer understands that any delay partial or completely due to Customer will be considered out of scope and may impact scope, timeline, and cost	
10.	Customer understands Customer delays may result in the need for the project to be rescheduled at the next available Strata Decision implementation window	
11.	Customer agrees to provide necessary project management and executive sponsorship support in addressing known or identified issues and roadblocks, expediting decision making, facilitating	

	communication, and performing other management support tasks
12.	Customer agrees to escalate to Strata Decision project leadership any issues, concerns, critical or time sensitive communications
13.	Customer agrees to provide accurate and timely data required to support project activities according to originally agreed upon timeline.
14.	Customer agrees to provide work spaces and meeting and training rooms for on-site efforts
15.	Customer agrees to provide final sign-off of specific remaining open items (that are considered in original scope) within Two (2) business days of request for key deliverable or phases
16.	Customer agrees to transition to technical consulting for any new potential issues that may arise upon completion of post-go live support

Statement of Work – Project Management

Standard	
1.	Strata Decision will provide one (1) standard Implementation Welcome Packet intended to help your organization understand expectations for Strata Decision implementation projects provided at the beginning of the StrataJazz® implementation.
2.	Strata Decision will provide a work plan for Strata Decision scope, designed per the scope discussed, electronically for each project at the onset of the platform implementation as well as throughout the project via weekly status updates (changes to Strata Decision standard workplan may be considered out of scope).
3.	Strata Decision will provide one (1) training and adoption plan to the Customer and will review with Customer Project Manager for each solution implementation to ensure strong use and adoption of the StrataJazz® system.
4.	Strata Decision will conduct platform or solution (as scoped) delivery planning with Customer Project Management team including: <ul style="list-style-type: none"> a. Providing recommendations on the appropriate Project Governance Structure for your organization b. Assisting in finalizing the appropriate project sequencing and timeline prior to kicking off the implementation c. Conducting an Executive Kick-Off Meeting d. Conducting an On-site Project Launch Meeting to present the agreed upon implementation plan
5.	Project Management: Strata Decision will manage and deliver the following for the duration of the project for Strata Decision responsibilities and resources as established by the initially agreed upon work plan: <ul style="list-style-type: none"> a. Strata Decision Project Work Plan Maintenance b. Scope and Statement of Work Management c. Change Request Documentation and Approval Process d. Coordination of Strata Decision efforts across Strata Decision Solutions e. Strata Decision input requested in Monthly Steering Committee Meetings (creation of additional presentations and status reports outside of standard weekly status report is out of scope) f. Strata Decision Executive Sponsor calls g. Strata Decision defined support for overall training and adoption planning for each solution h. Risk management and mitigation
6.	Weekly Project Management Meetings: Strata Decision will conduct one (1) hour weekly project management call with one (1) Project Manager for the duration of the project as established by the initially agreed upon work plan.
7.	Weekly Status Report: Strata Decision will provide weekly project status updates in Strata Decision standard project reporting format including: 1. Overall Project Status 2. Goals and Accomplishments 3. Progress Towards Milestones 4. Project Budget 5. Risks and Issues.
8.	Customer Project Responsibilities (in addition to General Customer Project Responsibilities listed on the SOW Overview): <ul style="list-style-type: none"> a. Customer will provide a project manager for the overall Strata Decision implementation

- both for internal business and IT efforts
- b. Customer agrees project manager will be an individual outside of teams responsible for design, requirements, testing, and training and roll-out of StrataJazz® system unless otherwise agreed-upon with Strata Decision
- c. Customer Project Manager will be responsible for oversight of all Customer related activities before, during, and after implementation
- d. Customer Project Manager will be responsible for managing Customer resources needed, Customer work effort, risk identification and mitigation, change requests, overall timeline and scope
- e. Customer Project Manager will schedule necessary meetings, working sessions, validation and training efforts, and any internal approval meetings within the specified timeframes of this engagement
- f. Customer Project Manager (or other Customer leader) will lead monthly Steering Committee Meetings during the implementation

Statement of Work – Data Integration

Standard	Customer Specific Scoping
DATA INTEGRATION	
<p>1. Strata Decision will configure an automated Data Integration Interface for historic data from one (1) General Ledger source system in one (1) file format per data specifications provided, including:</p> <ul style="list-style-type: none"> a. One (1) Master Definition file format per Dimension extract b. One (1) Income Statement Summary file format extract and One (1) Balance Sheet Summary file format extract or One (1) Combined Income Statement and Balance Sheet file format extract for Actual and Budget Data c. One (1) file format for Statistic extract for Actual and Budget Data d. One (1) file format for General Ledger Detail extract for Actual Data e. One (1) file format for Inventory Detail extract for Actual Data f. One (1) file format for Accounts Payable extract for Actual Data g. One (1) file format for Purchase Order Activity detail extract for Actual Data <p>The following is considered out of scope:</p> <ul style="list-style-type: none"> a. More than One (1) file format per extract listed above b. Data outside of the data specifications guidelines provided c. Data field request changes after data requirements finalization may be considered out of scope and will require a change request d. Different Chart of Accounts and/or different file formats per entity is out of scope e. Changing file extract formats after the sample extract has been finalized and database configurations have been built f. More than two (2) years of history g. The manual deletion/manipulation of data sets once imported (files need to be adjusted) 	Stats only
<p>2. Strata Decision will configure an automated Data Integration Interface for historic and budgeted data from One (1) Payroll source system in One (1) file per extract format per data specifications provided, including:</p> <ul style="list-style-type: none"> a. One (1) Master Definition file format per Dimension extract b. One (1) file format for Payroll by Pay Period extract or One (1) file format payroll by month extract for Actual Data c. One (1) file format for Payroll by Month extract for Budget Data 	

		Out of Scope - already integrated
3.	Strata Decision will configure supplemental Strategic Planning data extracts in One (1) file format per data specification provided (Strategic Planning licenses only) including: a. One (1) file format for Volume by Payor extract for Actual and Budget Data b. One (1) file format for Dollars by Payor extract for Actual and Budget Data	Out of Scope - already integrated
4.	Strata Decision will configure an automated Data Integration interface for Historic Hospital Billing data from One (1) source system in One (1) file format per data specifications provided during the scoping (Decision Support Hospital licenses only) a. One (1) Master definition file per Dimension b. One (1) file format per Extract	Out of Scope - already integrated
5.	Strata Decision will configure an automated Data Integration interface for Historic Physician Billing data from One (1) source system in One (1) file format per data specifications provided during the scoping (Decision Support Physician licenses only) a. One (1) Master definition file per Dimension b. One (1) file format per Extract	Out of Scope - already integrated
6.	Strata Decision will configure an automated Data Integration Interface for Time and Attendance data from One (1) source system in One (1) file format per data specifications provided during the scoping (Continuous Improvement licenses only) a. One (1) Master definition file format per Dimension b. One (1) file format for Time and Attendance extract for Actuals Data	Out of Scope - already integrated
7.	Strata Decision will configure an automated Data Integration Interface for ADT data from One (1) source system in One (1) file format per data specifications provided during the scoping (Continuous Improvement licenses only) a. One (1) Master definition file per Dimension b. One (1) file format for ADT extract for Actuals Data	Out of Scope - already integrated
8.	In collaboration with the Customer, Strata Decision will assist in data reconciliation services to ensure Customer-provided data imported into StrataJazz® reconciles to source system reports including: a. Up to three (3) Customer file iterations per extract prior to file format finalization milestone b. One (1) full historical reimport prior to the historical signoff milestone c. One (1) day Sample File Validation On-site (HB/PB data only) d. Customer to provide accurate data in a timely manner per agreed upon timeline	
9.	Strata Decision will configure all data sets to be imported on an automated schedule based on data extract format signed off on by Customer	
10.	Strata Decision will conduct Patient Data Maintenance Training (one (1) day on-site) (Decision Support licenses only)	
11.	Strata Decision will configure Data Integration to meet the following requirements: a. Each data file will contain the required fields as defined in the data specifications document b. Data queries from source systems should be created by Customer to allow for automated extraction and transfer c. Historical Data is defined as two (2) years of history (Year to date actuals and current year budget where applicable), unless otherwise noted d. Strata Decision will perform data transformations to normalize where possible and seamlessly integrate into StrataJazz® data tables e. Each data file, within a Data Set, is assumed to be in the same format for all entities, unless otherwise noted f. Data files are reconciled in three phases; 1. By Customer after	

<p>extraction from the source of the extract to the source system, 2. By Strata Decision after import into StrataJazz® utilizing reports provided by the Customer, 3. By Customer after import into StrataJazz® utilizing reports provided by the Customer</p> <p>g. Customer iterations on file extraction are completed within mutually agreed upon timeline and with no more than three (3) file iterations prior to file format finalization milestone with One (1) full historical reimport prior to the historical sign-off (could delay the overall project) (Reimports after historical data sign-off will incur additional fees)</p>	
<p>12. Strata Decision will conduct an on-site Kick Off Session (two (2) days)</p>	
<p>13. Strata Decision will conduct weekly Technical Meetings: One (1) hour call per week for the duration of each project as established by the initially agreed upon work plan(s)</p>	
<p>14. Strata Decision will provide responses to Customer email and voicemail within Two (2) business days or as soon as possible depending on the criticality of the communication</p>	
<p>15. Customer Project Responsibilities (in addition to General Customer Project Responsibilities listed on the SOW Overview):</p> <ul style="list-style-type: none"> a. Customer agrees to create all extracts in an automated format unless otherwise noted b. Customer is responsible for validating data prior to sending to Strata Decision and after data has been imported c. Customer is responsible for notifying Strata Decision of any data feed changes at least 4 weeks prior for Strata Decision to accommodate in a timely fashion d. Customer is responsible for notifying Strata Decision of source system changes at least 6 months prior for Strata Decision to accommodate in a timely fashion. 	

Statement of Work – Productivity Reporting

Standard	Customer Specific Scoping
<p>1. Strata Decision will configure a selected predefined system-wide target source (including Fixed Budget or Prior Year Actuals) to measure, track, and evaluate performance</p>	
<p>2. Strata Decision will configure a primary statistic for each department to drive target and flex calculations</p>	
<p>3. Strata Decision will configure Worked or Paid hours and total or Variable hours to define the standard metric across the system</p>	
<p>4. Strata Decision will provide access to Strata Decision Standard Best Practice reports</p> <ul style="list-style-type: none"> a. Configuration/modifications to best practice reports are out of scope, but potentially can be configured by Strata Decision through an approved change request 	
<p>5. Strata Decision will also assist with building up to five (5) additional reports that include pay period, job code, pay code group, and employee detail</p> <ul style="list-style-type: none"> a. Reports that require productivity reporting calculations that are outside of the standard report set are out of scope 	
<p>6. Strata Decision will provide access to Strata Decision Standard Best Practice Dashboards (1. Admin 2. End User) (configuration of Customer Specific dashboards is out of scope)</p>	
<p>7. Strata Decision will configure user security based on level of access in organizational hierarchy as well as standard user groups (1. Basic User, 2. Power User, 3. Administrator, 4. Local Administrator) as well as two (2) standard roles (Admin, Finance) plus up to Five (5) Customer-defined roles to be used in a responsibility hierarchy throughout the</p>	

	organization (for example: VP, Manager)	
8.	Strata Decision will conduct an On-site Admin Training, Train-the-Trainer and Validation meeting (one and a half (1.5) day on-site)	
9.	Strata Decision will provide one (1) set of standard Train-the-Trainer materials to equip Customer Administrator to facilitate End User Training	
10.	End user training is out of scope, but can be provided by Strata Decision with an approved change request	
11.	Strata Decision will provide up to four (4) weeks with up to sixteen (16) hours of post-go live support from the implementation consultants	
12.	Strata Decision will conduct weekly Technical Meetings: One (1) hour call per week for the duration of each project as established by the initially agreed upon work plan(s)	
13.	Strata Decision will provide responses to Customer email and voicemail within two (2) business days or as soon as possible depending on the criticality of the communication	
14.	Customer Project Responsibilities (in addition to General Customer Project Responsibilities listed on the SOW Overview): Customer is responsible for: a. Selection of Statistics for Department staffing drivers b. Variability of a Department as Fixed or Variable c. Job Code Variability overrides specific to a Department d. Identification of users and roles e. Validation of departments and systems statistics	

Add-Ons

Item	Included?
1. Bi-Weekly Productivity AND Daily Productivity	Yes
2. Multiple Pay Cycle Configuration	No
3. Data Integration of Multiple Systems G/L	No
4. Data Integration of Multiple Systems: Payroll	No
5. Data Integration of Multiple Systems: Statistics	No
6. Role Configuration (Different from Operating Budgeting)	No
7. End User Training	No
8. eLearning	No