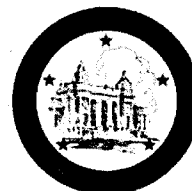


SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 3.24
(ID # 11365)

MEETING DATE:

Tuesday, January 28, 2020

FROM: HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Ratification and Approval of Amendment No. 1 to the Professional Services Agreement with Ventiv Technology Inc. for Proprietary Automated Claims Administration Software Maintenance without Seeking Competitive Bids for Five Years, All Districts. [Total Cost - \$1,314,585; \$215,835 the remainder of the second fiscal year and \$366,250 thereafter; up to \$131,458 in additional compensation [Source of Funds - 100% Workers' Compensation and General Liability Funds.]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve Amendment No. 1 to the Professional Services Agreement with Ventiv Technology Inc. for Proprietary Automated Claims Administration Software Maintenance (the "Agreement") without seeking competitive bids to increase the total contract amount by \$1,314,585 from \$804,382 to \$2,118,967 commencing on January 1, 2020 through June 30, 2023, and authorize the Chairman of the Board to execute the Agreement on behalf of the County of Riverside; 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 original Agreement, including modifications of the statement of work that stay within the intent of the Agreement; and sign amendments to the compensation provisions that do not exceed the sum total of ten (10) percent of the total annual cost of the Agreement.

ACTION:Policy

Brenda Diederichs
Brenda Diederichs, Assistant CEO / Human Resources Director 12/30/2019

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Spiegel 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: January 28, 2020
xc: HR

Kecia R. Harper
Clerk of the Board

By: *[Signature]*
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$215,835	\$366,250	\$1,314,585	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Workers' Compensation and General Liability Funds			Budget Adjustment: No	
			For Fiscal Year: 19/20 – 22/23	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Human Resources Department is requesting an amendment to the Professional Services Agreement for the Automated Claims Administration Software Maintenance Agreement with Ventiv Technology that was originally approved by the Board of Supervisors on December 4, 2018. The County leases the proprietary iVOS software from Ventiv Technology to manage both workers' compensation claims and general liability claims.

The proposed amendment will provide assistance from Ventiv Technology, equal to one full time equivalent employee, to support the upgrade of the iVOS software. The transition to Ventiv Claims Enterprise (iVOS 5.0) will be the largest upgrade the County has taken since using the claims management software. The improved software platform will include many new features to assist the County in controlling workers' compensation and general liability costs.

The amendment also includes a needed document interface (ACORD Document) between the iVOS software and the County's Workers' Compensation bill review companies. This interface will assist in meeting state reporting requirements and auditing reviews.

The contract amendment would also provide the County with the following:

Ventiv Extended Services

- 24/7 monitoring of Ventiv Claims Enterprise (iVOS 5) system and Database Servers
- Manage application servers for upgradation/performance monitoring/reporting server problems. This includes ensuring configuration is kept up to speed with recent versions.

Support and Upgrade Services

- Business Process Review (BPR)
- Upgrade and migration assistance such as:
 - Configuration
 - Testing
 - Training

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

- Project management, status meetings, and working sessions
- System configuration and workflow.
- Process consulting
- Training and documentation.
- Reports
- Data conversions (import, exports, and procedural)

Additionally, the amendment would allow the County to comply with audit requirements to have bill information attached to each medical payment entry for Workers' Compensation.

Impact on Residents and Businesses

There is no impact on residents or businesses from this Agreement.

Additional Fiscal Information

This agreement amends the annual maintenance and adds and ACORD Document interface. We need the interface to comply with accounting standards to allow bills to be associated to payment entries in the Ventiv Claims Enterprise system.

One FTE for annual software maintenance and support	\$1,274,000
Initial setup fees	\$ 32,710
<u>Increase in annual software maintenance fees</u>	<u>\$ 7,875</u>
TOTAL CONTRACT INCREASE	\$1,314,585

Annual Cost Increase breakdown:

FY19-20 setup fees	\$ 32,710
FY19-20 software fee increase	\$ 1,125
<u>FY19-20 FTE</u>	<u>\$182,000</u>
TOTAL, contract year 2	\$215,835
FY20-21 software fee increase	\$ 2,250
<u>FY20-21 FTE</u>	<u>\$364,000</u>
TOTAL, annual contract years 3, 4, 5	\$366,250

Contract History and Price Reasonableness

The County of Los Angeles performed an exhaustive search for an automated web-based claims system. The RFP process took over a year and a half to complete. They reviewed all major vendors and selected Ventiv in December of 2017. The County of Los Angeles

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

annual fees are much higher than those being paid by the County of Riverside. In some cases, by a multiplier of more than 10x. The large discrepancy in fees are due to usage scope, 2017 vs 2009 rates and overall structure of the partnership.


The County has been using Ventiv's proprietary software (iVOS) for over 10 years, as per Board approval on March 17, 2009 (Item 3.34). The contract for Ventiv's maintenance agreement was extended on December 4, 2018 for an additional five years (Item 3.33) but after considering the additional changes we would like to make for incident intake we began to explore the option to augment staff with experts from Ventiv.

The new amendment will allow the County to meet projects goals while maintaining the integrity and stability of the system. The FTE will span a range of positions at Ventiv offering continuous support for Business process improvement, project management, testing, configuration, application monitoring, and various other support and upgrade services.

The department received Single Source approval by the Purchasing Agent for the item approved by the Board on December 4, 2018 (Item 3.34) for annual software maintenance. The Board's approval today will increase the annual amount and add in additional services.

ATTACHMENTS:

ATTACHMENT A. Amendment No. 1 to the Professional Services Agreement for the Automated Claims Administration Software Maintenance Agreement


Teresa Summers, Director of Purchasing 1/14/2020


Gregory V. Priamos, Director County Counsel 1/20/2020


Jim Smith, Chief Technology Officer 1/17/2020

COUNTY OF RIVERSIDE
AMENDMENT NO. 1 TO THE AGREEMENT
WITH
VENTIV TECHNOLOGY, INC.

Original Contract Term:	December 4, 2018 through June 30, 2023
Contract Term Extended To:	Not applicable
Effective Date of Amendment:	January 1, 2020
Original Maximum Contract Amount:	\$804,382
Amended Maximum Contract Amount:	\$2,118,967
Contract ID:	HRARC-20880-001-06/23

This Amendment No. 1 to the Professional Service Agreement for Automated Claims Administration Software Maintenance (the "Amendment") is entered into by and between County of Riverside ("COUNTY") and Ventiv Technology, Inc. ("CONTRACTOR"), effective January 7, 2020.

WHEREAS, COUNTY and CONTRACTOR entered into that certain Professional Service Agreement for Automated Claims Administration Software Maintenance, effective December 4, 2018 (the "Agreement"); and

WHEREAS, COUNTY and CONTRACTOR now desire to amend the Agreement for the first time to update the services to be provided thereunder and the related payment provisions.

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

1. The above recitals are true and correct; and are incorporated herein by reference.
2. Section 3.1 is deleted in its entirety and replaced with the following:

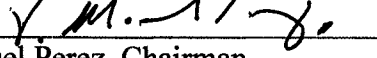
"The COUNTY shall pay the CONTRACTOR for services performed, products and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by the COUNTY to CONTRACTOR shall not exceed \$539,987 annually including all expenses. The COUNTY is not responsible for any fees or costs incurred above and beyond the contracts amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement."

3. Exhibit A (Scope of Service) is deleted in its entirety and replaced with the attached Exhibit A-1.
4. Exhibit B (Payment Provisions) is deleted in its entirety and replaced with the attached Exhibit B-1.
5. Appendix A is hereby attached and incorporated into the Agreement.
6. All other terms and conditions of the Agreement not modified herein shall remain unchanged.

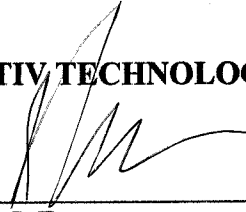
COUNTY OF RIVERSIDE
AMENDMENT NO. 1 TO THE AGREEMENT
WITH
VENTIV TECHNOLOGY, INC.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment.

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

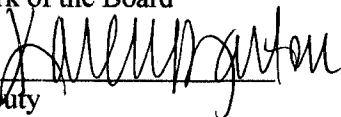
By: 
V. Manuel Perez, Chairman
Board of Supervisors
Dated: JAN 28 2020

VENTIV TECHNOLOGY, INC.

By: 
David J. Evans
Senior Corporate Counsel
Dated: 1/13/20


ATTEST:

Kecia R. Harper
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:

Gregory P. Priamos
County Counsel

By: 
Susanna Oh,
Deputy County Counsel

COUNTY OF RIVERSIDE
AMENDMENT NO. 1 TO THE AGREEMENT
WITH
VENTIV TECHNOLOGY, INC.

EXHIBIT A-1
SCOPE OF SERVICES

Annual Software Maintenance

During the term of Annual Software Maintenance, CONTRACTOR will:

1. Allow unlimited number of calls to the support center
2. Provide product updates and upgrades
3. Provide services included to implement product updates and upgrades

Maintenance and support services shall be as set forth in Exhibit C, "Software Maintenance and Support Agreement."

Licenses were purchased as part of the original contract.

ACORD Document Image Import shall be provided to Customer pursuant to the scope described in Appendix A attached hereto and incorporated herein by reference.

Ventiv will provide one (1) full time equivalent ("FTE") annually for the period of January 1, 2020 through June 30, 2023 to provide IT Staff Augmentation to support the Software Products licensed to Customer under the Agreement as requested by Customer in writing. The Staff Augmentation support provided by the FTE includes project and support activity as described in Appendix A, attached hereto and incorporated herein by reference.

COUNTY OF RIVERSIDE
AMENDMENT NO. 1 TO THE AGREEMENT
WITH
VENTIV TECHNOLOGY, INC.

EXHIBIT B-1
PAYMENT PROVISIONS

Annual software maintenance includes the ACORD Document Import starting with year two. Year two includes the prorated fee of \$1,125. Years three, four and five will increase by \$2,250.

Year One	\$148,511
Year Two	\$155,576
Year Three	\$162,879
Year Four	\$169,304
Year Five	\$175,987

The fees for the ACORD Document Image Import will be:

Non-recurring fees for the ACORD Document Image Import:

Estimated Setup:	\$11,550
Estimated Consulting:	\$11,160
Interface License:	\$10,000

The above work is estimated to be 104 hours. This is a time & materials agreement, and as such, the estimate provided herein are based on the information that CONTRACTOR has received to date. CONTRACTOR has derived this estimate in good faith and will target providing the deliverables herein within such estimate(s). All projects will be monitored by the CONTRACTOR, and any overage forecasts will be provided to the COUNTY early and often in the project lifecycle. If the project is expected to have hours overage, COUNTY redefines the scope of services, or COUNTY provides new details in respect to such project, a change control document will be executed with the COUNTY for additional services before CONTRACTOR incurs the additional services. CONTRACTOR will bill said additional services for this Amendment at a rate of \$220 per hour.

The annual fee for one (1) full time equivalent ("FTE") will be: \$364,000:
(Period January 1, 2020 through June 30, 2020 will be \$182,000)

Non-Recurring Fees and first year Annual Fees will be invoiced upon Amendment signature. Payment terms are 30 days from the date of the invoice. In the event COUNTY requires a purchase order ("P.O."), COUNTY shall provide such P.O. at the time of execution of this Amendment. CONTRACTOR may commence efforts as described herein and invoice COUNTY without a P.O. In the event of any conflict between the terms of this Amendment or the Master Agreement and any Customer P.O., this Amendment shall prevail.

COUNTY OF RIVERSIDE
AMENDMENT NO. 1 TO THE AGREEMENT
WITH
VENTIV TECHNOLOGY, INC.

APPENDIX A

ACORD Document Image Import

CONTRACTOR

- Business analysis to determine appropriate import format (there are at least 7 options for what to match, in order to import, bill review usually uses the claim number + document number method)
- Review file format with COUNTY and assist with mapping
- Set up and test jobs. This includes full regression of bill review process
 - Import of docs into iVOS and assignment to a claim
 - Export of docs from a claim to the bill review vendor
 - Import of response files from COUNTY's vendor

Standard Bill Review Provider Interface (Mitchell, Rising Medical, etc.)

- Set up of extract jobs
- Extraction of eBill images for testing throughout the project
- Customizations to standard interface for new medical bill review vendor

IT Staff Augmentation (1) full time equivalent ("FTE")

CONTRACTOR will provide one (1) full time equivalent ("FTE") annually for the period of January 1, 2020 through June 30, 2023 to provide IT Staff Augmentation to support the Software Products licensed to Customer under the Agreement as requested by Customer in writing. One (1) FTE is based on 2,080 hours annually. Deliverables can include:

Ventiv Extended Services

- 24/7 monitoring of iVOS application and iVOS Database Servers (Combination of US and Off-Shore support)
- Manage application servers for upgradation/performance monitoring/reporting server problems. This includes ensuring configuration is kept up to speed with recent versions, etc.
- Ventiv may require installation of additional, mutually agreeable, monitoring tools.
- Specific iVOS application support would be handled like today through use of your CDL, Machella, and/or Ventiv Help Desk.
- Extended services team requests the following for preferred access types:
 - Full admin access on iVOS App Server via RDP/Citrix
 - Full admin Access on iVOS Database server via RDP/Citrix
 - Username to connect with Database with full admin control.
 - Full admin access on any File server(if any) via RDP/Citrix.
 - All Admin privileges to allow installation of monitoring tools on the servers.

Support and Upgrade Services

Managed support and upgrade services can cover a wide range of services and generally cover anything outside operational faults or bug resolutions. The following are common examples of items requiring support hours:

COUNTY OF RIVERSIDE
AMENDMENT NO. 1 TO THE AGREEMENT
WITH
VENTIV TECHNOLOGY, INC.

- Business Process Review (BPR)
- Upgrade and migration assistance such as:
 - Configuration
 - Testing
 - Training
- Project management, status meetings, and working sessions
- System configuration and workflow.
- Process consulting
- Training and documentation.
- Reports
- Data conversions (import, exports, and procedural)