

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



**ITEM: 15.3
(ID # 11320)**

MEETING DATE:
Tuesday, February 25, 2020

FROM : (RUHS) RIVERSIDE UNIVERSITY HEALTH SYSTEM:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM - MEDICAL CENTER: Ratification and Approval of Amendment No. 1 to the Agreement with Datix USA Inc. without seeking competitive bids for Software License and Customer Support Hosting Services; All Districts. [Total Cost Increase \$72,306 for four years; up to \$7,230 in additional compensation - 100% Hospital Enterprise Fund - 40050]

RECOMMENDED MOTION: That the Board of Supervisors:

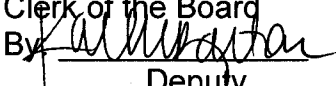
1. Ratify and approve Amendment No. 1 to the Agreement with Datix USA Inc. without seeking competitive bids for Software License and Customer Support Hosting Services to increase the total contract amount by \$72,306 from \$354,569 to \$426,875, effective January 21, 2020 through June 30, 2023, and authorize the Chairman of the Board to sign the Amendment 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 Agreement including modifications of the statement of work that stay within the intent of the Agreement; sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) of the total cost of this Amendment No. 1.

ACTION:Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Jeffries 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: February 25, 2020
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 Increase:	Ongoing Cost
COST	\$21,000	\$16,275	\$72,306	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% Hospital Enterprise Fund - 40050			Budget Adjustment:	No
			For Fiscal Year:	19/20-22/23

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will approve Amendment No. 1 to the Software License and Customer Support Hosting Services Agreement for the addition of the Peer Review Module to the existing web-based incident (event) reporting system. The Peer Review Module allows the Quality Management Department to centralize and organize data to tailor peer reviews to suit different departments' or committees' requirements and securely distribute sensitive files while documenting the process and sending notifications.

Impact on Residents and Businesses

The Medical Center, its site-based clinics and community-based clinics serve residents in all five Riverside supervisorial districts, providing more than 450,000 patient encounters each year. Continuing this service will assist Riverside University Health System (RUHS) to track and trend reported events affecting patient and staff safety.

Additional Fiscal Information

This Amendment No. 1 modifies the initial annual amount previously approved by the Board. The Peer Review Module service will be implemented for a four-year term with the first year's cost of \$21,000, plus an annual increase base on consumer price index rates not to exceed a five percent (5%) cap per year, previously approved on August 28, 2018 by Agenda Item No. 17.3.

The table below illustrates the not to exceed budget amount per fiscal year since commencement of the Agreement.

Description	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	Total
Annual Fee for Software Modules *Core Platform *Dashboard/Reports *Incident Reporting	\$64,169	\$67,377	\$70,745	\$74,282	\$77,996	\$354,569
<i>Previously Approved Total</i>	\$64,169	\$67,377	\$70,745	\$74,282	\$77,996	\$354,569

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Annual Fee for additional Software Module *Peer Review	N/A	\$15,500	\$16,275	\$17,088	\$17,943	\$66,806
Implementation Fee for additional Software Module *Peer Review	N/A	\$5,500	N/A	N/A	N/A	\$5,500
<i>New Module Total</i>	N/A	\$21,000	\$16,275	\$17,088	\$17,943	\$72,306
TOTAL COSTS*	\$64,169	\$88,377	\$87,020	\$91,370	\$95,939	\$426,875

Contract History and Price Reasonableness

On August 17, 2018, the Datix USA, Inc. sole source justification #19-028 was approved. On August 28, 2018, Agenda Item No. 17.3, the Board Approved the Software License and Customer Support Hosting Services Agreement with Datix USA, Inc. for five years with a total cost not to exceed \$354,569.

With the addition of the Peer Review, the software will further enhance the online incident reporting software used by Quality Management. Additionally, the newly incorporated module will remove outmoded work processes and archaic databases that do not interface with EPIC and current software applications.


The Peer Review module provided by Datix is a value-added system to RUHS because it is the only software that interfaces with the Vizient Safety Intelligence Module and integrates with our existing software systems. This allows the hospital to avoid costs resulting from procuring a new vendor and system.


An amendment to the sole source justification #20-028B was approved for the additional module.


ATTACHMENTS:

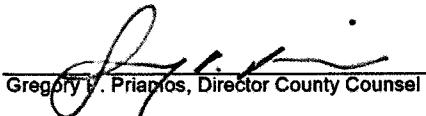
- AMENDMENT NO. 1 TO THE SOFTWARE LICENSE AND CUSTOMER SUPPORT HOSTING SERVICES AGREEMENT
- SOLE SOURCE JUSTIFICATION #19-028B

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


Tina Grande, Assistant Purchasing Director 2/14/2020


Brianna Lantajo, Management Analyst 2/19/2020


Susanna Oh, Deputy County Counsel 2/14/2020


Gregory H. Priaplos, Director County Counsel 2/14/2020

AMENDMENT NO. 1

THIS AMENDMENT NO. 1 (the "Amendment") is dated as of January 21, 2020 (the "Effective Date", amending that certain agreement by and between County of Riverside, a political subdivision of the state of California, on behalf of RIVERSIDE UNIVERSITY HEALTH SYSTEM, located at 26520 Cactus Avenue Moreno Valley, California 92555 ("Client"), and DATIX (USA), INC., a Delaware corporation, with offices at 155 North Wacker Drive, Suite 1930, Chicago, Illinois 60606 ("Datix").

A. Client and Datix entered into that Rental Software License and Customer Support Services Order Local Hosting Agreement (the "Agreement") dated effective July 1, 2018 for the provision of Datix proprietary patient safety software (the "Software").

B. Client desires to add a new Peer Review Software module.

C. Client and Datix desire to modify the terms of the Agreement as set forth herein to add the Peer Review Software module. Capitalized terms used herein but not defined herein shall have the meanings set forth in the Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

- 1. Additional Module. Datix agrees to provide the Peer Review module as set forth in the exhibit attached hereto as Exhibit 1, which incorporates the additional Software module, the one-time implementation fees for the additional Software module and updated annual pricing. The fee schedule in pages 1 through 2 of the Agreement is hereby deleted in its entirety and replaced with the table in the attached Exhibit 1.
2. Effect on Agreement; General Provisions. Except as set forth in this Amendment, the terms and provisions of the Agreement are hereby ratified and declared to be in full force and effect. In the event of any conflict between the terms of this Amendment and the Agreement, the terms of this Amendment shall control. This Amendment shall be governed by the provisions of the Agreement regarding choice of law, and successors and assigns.

COUNTY OF RIVERSIDE

By: [Signature]

Name: V. MANUEL PEREZ

Title: Chairman

DATIX (USA), INC.

By: [Signature]

Name: EMILIO DOMONDON

Title: DEP. CHAIRMAN STRATEGY PARTNERSHIPS

ATTEST:

KECIA R. HARPER, Clerk
By: [Signature]
DEPUTY

FORM APPROVED COUNTY COUNSEL

BY: [Signature] 1/30/2020
SUSANNA N. OH DATE

FEB 25 2020 15.3

	FIRST YEAR TOTAL (FY19/20)
Datix® Peer Review Module Annual Fee (\$15,500) Services for Peer Review Implementation (\$3,500) Services for Actions Implementation (\$2,000)	<u>\$21,000.00</u>



Date: February 13, 2020
 From: Jennifer Cruikshank
 To: Board of Supervisors/Purchasing Agent, RUHS CEO
 Via: Trista Koch, RUHS Quality Management
 Subject: Sole or Single Source Procurement;
Request for Incident Reporting Software License and Customer Support Services

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

1. **Supplier being requested:** DATIX (USA), Inc.
2. **Vendor ID:** 0000218200
3. **Single Source** **Sole Source**
(Single Source - is a purchase of a commodity or service without obtaining competitive bids although more than one source is available)

(Sole Source - is a purchase of a commodity or service that is proprietary or no other vendor is qualified or willing to meet the county specified requirements)

4. **Have you previously requested and received approval for a sole or single source request for this vendor for your department?** *(If yes, please provide the approved sole or single source number).*

Yes **No**
 SSJ# 19-028

- 4a. **Was the request approved for a different project?**

Yes **No**

5. **Supply/Service being requested:**
 This request adds and implements the Peer Review Module to enhance the existing on-line incident reporting system, currently in use by the Quality Management Department at Riverside Health University System (RUHS).

6. **Unique features of the supply/service being requested from this supplier.** The Peer Review Module allows the Quality Management Department to centralize and organize data to tailor peer reviews to suite different departments or committees requirements and securely distribute sensitive files while documenting the process and sending notifications.
 Unique features of the supply/service being requested from this supplier. This service supports the web-based incident reporting system RUHS-MC currently has in place through Vizient (formerly known as Novation) and is the technological support of the program presently used. As this is a Datix product, this software is the only software that can support this system.

7. Reasons why my department requires these unique features from the vendor and what benefit will accrue to the county:

The Peer Review module provided by Datix is a value added system to RUHS because it is the only software that interfaces with the Vizient Safety Intelligence Module and integrates with our existing software systems. This allows the hospital to avoid costs resulting from procuring a new vendor and new system. This has been RUHS-MC incident reporting system since 2013 in conjunction with the Vizient Safety Intelligence Program. This software interfaces with Vizient's (formerly University HealthSystem Consortium (UHC)) Patient Safety Network. RUHS-MC added this program from UHC as an additional module to our previous subscription with UHC.

Previously, RUHS was still using paper incident reporting but found there was a tremendous lag of notifications of adverse events, resource intensive for completion and inadequate ability to track. After much research and review of various companies, Datix was a comprehensive tool that was the most economical. The system has easy access for all to report, it provides RUHS management immediate notifications of incidents that cause harm to a patient which results in an immediate response to mitigate further occurrences and allows the various hospital departments to communicate regarding an incident.

As a tracking tool RUHS has been able to customize Datix to be hospital unit and incident specific with appropriate subcategories to identify trends. This system has allowed RUHS to provide event type/unit specific reports for multiple hospital departments across the organization and meet the reporting needs for a variety of departments for regulatory reporting. This system meets the regulations of The Joint Commission (TJC) and Centers for Medicare Medicaid Services (CMS) for the monitoring of events related to patient safety.

Datix Incident Reporting System can be used to share lessons within and across organizations, as it is linked with Vizient and the serve lists associated with it. The lessons learned from events can be used to educate, inform, and prevent other units and departments from experiencing the same adverse events.

Research of other incident reporting system have shown they are stand alone and not part of a very large hospital networking system, such as Vizient. Several types of events that have been trended at RUHS-MC have led to a decrease in events that would have an increased potential to become litigation. There is not another company that would support the software of this current system and have an interface with Vizient's Patient Safety Network.

8. Period of Performance: From: 1/21/2020 to 6/30/2023
(total number of years)

Is this an annually renewable contract? No Yes

Is this a fixed-term agreement: No Yes

(A fixed-term agreement is set for a specific amount of time; it is not renewed annually. Ensure multi-year fixed-term agreements include a cancellation, non-appropriation of funds, or refund clause. If there is no clause(s) to that effect, then the agreement must be submitted to the Board for approval. No exemptions shall apply.)

9. Identify all costs for this requested purchase. In addition, please include any single or sole source amounts previously approved and related to this project and vendor in the section designated below for current and future fiscal years. You do not need to include previous fiscal year amounts. If approval is for multiple years, ongoing costs must be identified below. If annual

increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent's authority, Board approval must be obtained. (Note: ongoing costs may include but are not limited to subscriptions, licenses, maintenance, support, etc.)

Description:	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	Total
One-time Costs:						
<i>Annual Fee & Implementation Fee for additional Software Module</i>	N/A	\$15,500				\$21,000
<i>*Peer Review</i>		\$5,500				
Ongoing Costs:			\$16,275	\$17,088	\$17,943	\$51,306
<i>Annual Fee for Software Modules</i>						
<i>*Core Platform</i>						
<i>*Dashboard/Reports</i>						
<i>*Incident Reporting</i>						
Previous SSJ Approved Amounts:	\$64,169	\$67,377	\$70,745	\$74,282	\$77,996	\$354,569
<i>Annual Fee for Software Modules</i>						
<i>*Core Platform</i>						
<i>*Dashboard/Reports</i>						
<i>*Incident Reporting</i>						
Total Costs	\$64,169	\$88,377	\$87,020	\$91,370	\$95,939	\$426,875

Note: Insert additional rows as needed

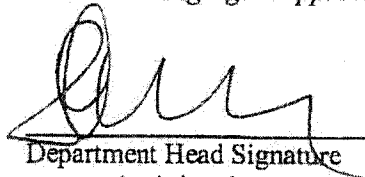
Description	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	Total
Annual Fee for Software Modules *Core Platform *Dashboard/Reports *Incident Reporting	\$64,169	\$67,377	\$70,745	\$74,282	\$77,996	\$354,569
Annual Fee for additional Software Module *Peer Review	N/A	\$15,500	\$16,275	\$17,088	\$17,943	\$66,806
Implementation Fee for additional Software Module *Peer Review	N/A	\$5,500	N/A	N/A	N/A	\$5,500
TOTAL COSTS*	\$64,169	\$88,377	\$87,020	\$91,370	\$95,939	\$426,875

10. Price Reasonableness: *(Explain why this price is reasonable or cost effective – were you provided government discounted pricing? Is this rate/fee comparable to industry standards?)*

Datix, who is not a Vizient vendor, is providing RUHS with pricing equivalent to Vizient's. The last two years RUHS has been covered under the Participation Earned Credits (PEC) from Vizient.

11. Projected Board of Supervisor Date (if applicable): 2/25/2020

(Draft Form 11s, service agreement and or quotes must accompany the sole source request for Purchasing Agent approval.)


 Department Head Signature
 (or designee)

Jennifer Cruikshank
 Print Name
 2/13/2020
 Date

The section below is to be completed by the Purchasing Agent or designee.

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Condition/s:

Required County Counsel to approve amendment as to form

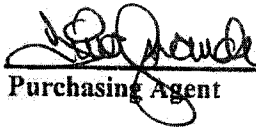
Not to exceed:

One-time \$ _____

Annual Amount \$ _____ / per fiscal year through _____ (date)

(If Annual Amount Varies each FY)

FY 19/20: \$ 21,000
FY 20/21: \$ 16,275
FY 21/22: \$ 17,000
FY 22/23: \$ 17,943
FY _____: \$ _____


Purchasing Agent

2/14/2020
Date

19-0281B
Approval Number
(Reference on Purchasing Documents)