

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



ITEM: 15.1
(ID # 13313)

MEETING DATE:
Tuesday, November 03, 2020

FROM: (RUHS) RIVERSIDE UNIVERSITY HEALTH SYSTEM:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM – MEDICAL CENTER: Ratify and Approve Amendment No. 2 to the Services Agreement with Forward Health Group, Inc. for Analytics Software Population Manager for Quality Incentive Program (QIP) and Public Hospital Redesign and Incentives in Medi-Cal (PRIME) Programs effective January 1, 2020 through June 30, 2021 with a one-year renewal option through June 30, 2022 without seeking competitive bids; All Districts. [Total Cost Increase \$1,063,504; up to \$106,350 in additional compensation - 100% Hospital Enterprise Fund – 40050]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve Amendment No. 2 to the Services Agreement with Forward Health Group, Inc. for Analytics Software Population Manager for the QIP and PRIME Programs, to increase the total contract amount by \$1,063,504 from \$2,723,336 to \$3,786,840 effective January 1, 2020 through June 30, 2021 with a one-year renewal option through June 30, 2022 without seeking competitive bids, and authorize the Chairman of the Board to sign the Amendment on behalf of the County; and
2. Authorize the Purchasing Agent to sign Statements of Work No. 2 and No. 3, in accordance with Ordinance 459, based on the availability of fiscal funding and as approved by County Counsel to: (a) sign amendments that exercise the options of the Agreement including modifications of the statement of work that stay within the intent of the Agreement; and (b) sign amendments to the compensation provisions that do not exceed 10% of the total amendment amount.

ACTION: Policy

Jennifer Cruikshank
Chief Executive Officer – Health System
9/28/2020

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Perez 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: November 3, 2020
xc: RUHS - MC

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	\$ 823,504	\$ 240,000	\$ 1,063,504	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Hospital Enterprise Fund – 40050			Budget Adjustment: No	
			For Fiscal Year: 20/21-21/22	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will approve a sole source procurement (SSJ#21-037) and Amendment No. 2 to the existing Services Agreement with Forward Health Group, Inc. (FHG), approved on June 7, 2016, by Agenda Item 3-33. This Amendment No. 2 will extend the statements of work for the Quality Incentive Program (QIP) and California Public Hospital Redesign and Incentives in Medi-Cal (“PRIME”) Reporting Program and adds a one-year renewal option through June 30, 2022. The hospital uses this software platform to support tracking and reporting of performance on waiver related state programs which are directly tied to revenue.

The request to ratify Amendment No. 2 will approve prior fiscal year expenses incurred in FY19/20 in the amount of \$402,336, for work associated with PRIME, Statement of Work No. 3. Additionally, the board approval will allow for Riverside University Health System (RUHS) to continue its participation and compliance with required reporting to these two state incentive programs for which RUHS has been actively participating in since 2016. These programs have recently been extended by the state of California; therefore, this platform needs to be extended.

Participation in the PRIME performance-based incentive program requires reporting on over 50 measures each with unique and complex requirements. FHG provides a defined process that will enable RUHS to develop the specific metrics and measures required to meet the PRIME reporting requirements. These efforts represent greater than \$50 million in annual revenue for RUHS.

The current knowledge and experience of FHG, as a result of five years of PRIME support and three years of QIP support for RUHS, would be a challenge to replace.

Impact on Residents and Businesses

The potential incentive dollars for these two programs are approximately \$50,000,000 a year. RUHS’s participation in this program allows for the reinvestment of funds back into clinical operations and patient care programs that Riverside County residents will benefit from.

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Additional Fiscal Information

The table below illustrates the budgeted amount per fiscal year.

Description	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22 (Optional Renewal Year)	TOTAL
Current Authorized Totals	\$103,500	\$405,252	\$402,336	\$1,069,912	\$742,336			\$2,723,336
Amendment No. 2*						\$823,504	\$240,000	\$1,063,504
Total:								\$3,786,840

*Amendment No. 2 ratifies FY19/20 expenses of \$402,336 and FY20/21 expenses of \$421,168 for a total combined amount of \$823,504.

Contract History and Price Reasonableness

On June 7, 2016, Agenda Item No. 3-33, the Board of Supervisors approved a sole source (#16-556) and four-year Services Agreement with Forward Health Group, Inc. to purchase software services that were essential to achieve cost of care and quality goals that satisfied state requirements for the PRIME and Global Payment Program (GPP) for a total contract amount of \$1,715,760.

On January 15, 2019, Agenda Item No. 15.2, the Board Approved Amendment No. 1 to the Services Agreement with FHG to extend the contract term to December 31, 2020 and add Statement of Work No. 2 to build and deploy up to twenty-six (26) total measures addressing clinical quality and performance measurement. This amendment added \$1,007,576, bringing the new contract total to \$2,723,336.

FHG is a leader in clinical informatics with software products that allow clinicians, researchers, administrators and stakeholders to quickly, reliably and cost-effectively view population based and quality-oriented measures of performance that can be compared to evidence-based standards.

FHG is again extending a comprehensive 42% pricing discount for all services covered under these Statements of Work.

ATTACHMENTS:

- ATTACHMENT A – AMENDMENT NO. 2 TO THE SERVICES AGREEMENT WITH FORWARD HEALTH GROUP, INC.**
- ATTACHMENT B – SOLE SOURCE JUSTIFICATION FORM**

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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Teresa Summers, Director of Purchasing 10/19/2020


Brianna Lentajo, Management Analyst 10/27/2020


Gregory V. Priamos, Director County Counsel 10/22/2020

COUNTY OF RIVERSIDE
AMENDMENT NO. 2 TO THE AGREEMENT
WITH
FORWARD HEALTH GROUP, INC.

Original Contract Term:	June 7, 2016 through December 31, 2020
Contract Term Extended To:	June 30, 2021
Effective Date of Amendment:	January 1, 2020
Original Maximum Contract Amount:	\$1,715,760
Previously Amended Maximum Contract Amount:	\$2,723,336
Amended Maximum Contract Amount:	\$3,786,840
Contract ID: MCARC-91800-025-05/20	

This Amendment No. 2 to the Services Agreement for Analytics Software – Population Manager Program is entered into by and between County of Riverside, a political subdivision of the State of California, on behalf of Riverside University Health System (“COUNTY”) and Forward Health Group, Inc. (“CONTRACTOR”), sometimes collectively referred to as the “Parties”.

WHEREAS, COUNTY and CONTRACTOR entered into that certain Services Agreement for, effective June 7, 2016 (the “Agreement”); and

WHEREAS, the Parties now desire to amend the Agreement to extend the contract term and the term of Statement of Work No. 2 “Quality Incentive Pool,” and add Statement of Work No. 3 “Prime Extension”.

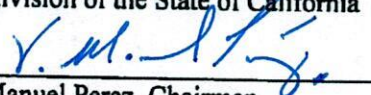
NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. The above recitals are true and correct, and are incorporated herein by reference.
2. The Termination Date of the Agreement identified in Section 5 of Schedule A of the Agreement is hereby amended to extend the term of Agreement through June 30, 2021, with a one-year renewal option through June 30, 2022.
3. Section 17. C. of the Agreement (“For Convenience”) is hereby deleted and replaced with the following: “Licensee can terminate the Agreement without cause upon 90 days’ written notice to FHG.”
4. The attached Statement of Work No. 3 is hereby added to the Agreement and incorporated therein by this reference.
5. All other terms and conditions of the Agreement not modified herein shall remain unchanged. The provisions of this Amendment No. 2 shall prevail over any inconsistency or conflicting provisions of the Agreement, as heretofore amended, and shall supplement the remaining provisions thereof.
6. This Amendment No. 2 shall be effective upon January 1, 2020.

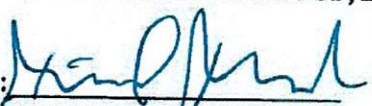
COUNTY OF RIVERSIDE
AMENDMENT NO. 2 TO THE AGREEMENT
WITH
FORWARD HEALTH GROUP, INC.

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: NOV 03 2020

FORWARD HEALTH GROUP, INC.

By: 
Name: MICHAEL BARBOUCHE
Title: FOUNDER / CEO
Dated: 28 Aug 2020

ATTEST:
Kecia Harper
Clerk of the Board

By: 

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: 
Susanna Oh
Deputy County Counsel



Date: August 26, 2020
From: Jennifer Cruikshank, CEO
To: Board of Supervisors/Purchasing Agent
Via: Angela Simpkins, Director, Quality Management Department
Subject: Sole Source Procurement; Second Amendment to the Services Agreement for Analytics Software Population Manager

The below information is provided in support of my Department requesting approval for a sole or single source.

1. **Supplier being requested:** FORWARD HEALTH GROUP, INC.

2. **Vendor ID:** 0000205212

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?**

Yes **No**

SSJ# 16-556

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

Yes **No**

4. **Supply/Service being requested:** Amendment No. 2 to the Agreement for Services with Forward Health Group, Inc. (FHG) will include extended services provided under Statements of Work No. 2 for the Quality Incentive Pool (QIP), the addition of Statement of Work No. 3 for PRIME reporting and extend the contract term to June 30, 2021 with an optional to renew for an additional fiscal year through June 30, 2022. This request will also accomplish the following:

1. Extend QIP reporting from June 30, 2020 to June 30, 2021 as required by the State of California.

2. Extend Public Hospital Redesign Incentives in Med-Cal ("PRIME") Reporting Program services to cover reporting periods in Demonstration Years DY15 and DY16.
3. Add a termination without cause upon 90 day notice to the contract terms and conditions.

6. Unique features of the supply/service being requested from this supplier.

Since 2016, FHG has been the data and analytics partner supporting RUHS in two critical Department of Health Care Services (DHCS) programs (PRIME and QIP). For RUHS, these current reporting programs represent greater than \$50 million in annual revenue. Because of the ever-changing program requirements for both PRIME and QIP, FHG is constantly monitoring data integrity, data accuracy, and data completeness in order to meet the tight turnaround times.

Forward Health Group, Inc. (FHG) provides a unique methodology to quickly normalize disparate medical records and data from multiple clinical systems, various sources of clinical and cost data to compute measures that will enable RUHS to monitor and measure improvement, therefore qualifying for incentive based payments.

FHG's analytics methodology is customized for RUHS and enables the hospital to quickly determine the specific metrics and measures required to successfully meet the State of California's PRIME reporting requirements in a timely manner and continue our facilities program compliance.

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

The request to extend the Statements of Work with FHG will insure RUHS's compliance and participation with the Public Hospital Redesign and Incentives in Medi-cal (PRIME) program.

Participation in the PRIME performance based incentive program requires reporting on over 50 measures each with unique and complex requirements. FHG provides a defined process that will enable RUHS to develop the specific metrics and measures required to meet the PRIME reporting requirements. These efforts represent greater than \$50 million in annual revenue for RUHS.

Because of the uncertainty caused by the COVID-19 pandemic, RUHS' best course of action is to secure as much DHCS funding as is possible. The current knowledge and experience of FHG, as a result of five years of PRIME support and three years of QIP support for RUHS, would be a challenge to replace.

The hospital's success in this program will allow for the re-investment of funds back into clinical operations and a patient care programs that Riverside County residents will benefit from.

8. Period of Performance: From: May 25, 2020 to June 30, 2022
(total number of years = 2yrs)

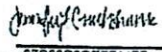
Is this an annually renewable contract? No Yes
Is this a fixed-term agreement: No Yes

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:	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	FY21/22 (Optional Renewal Year)	Total
Amendment No. 1 – SOW#2 (BOS 15.2, 1/15/19)	N/A	N/A	N/A	\$667,576	\$340,000	N/A	N/A	\$1,007,576
Amendment No. 2: Extension of QIP SOW #2	N/A	N/A	N/A	N/A	N/A	\$220,000	\$240,000	\$460,000
Amendment No. 2: PRIME SOW #3	N/A	N/A	N/A	N/A	\$402,336	\$201,168	N/A	\$603,504
Previous SSI Approved Amounts:	\$103,500	\$405,252	\$402,336	\$402,336	\$402,336	N/A	N/A	\$1,715,760
Total Costs	\$103,500	\$405,252	\$402,336	\$1,069,912	\$1,144,672	\$421,168	\$240,000	\$3,786,840

10. **Price Reasonableness:** FHG is again extending a comprehensive 42% pricing discount for all services covered under these Statements of Work. FHG provides a collaborative support process with custom formats designed solely for RUHS. FHG works within a limited 90 day time schedule for QIP and PRIME reporting windows. Tight turnaround times and deliverables are typically charged at a premium rate. In consideration of FHG's customized processes and cross training of RUHS staff, FHG's fees provide best value to the County.

11. **Projected Board of Supervisor Date (if applicable):** September 29, 2020
(Draft Form 11s, service agreement and or quotes must accompany the sole source request for Purchasing Agent approval.)

DocuSigned by:

 Department Head Signature (or designee) Jennifer Cruikshank Print Name 09/09/2020 | 11:37 AM PDT Date

 The section below is to be completed by the Purchasing Agent or designee.
 Form # 116-333 rev 5/31/18

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Condition/s:

* Department did not obtain an approval for single source for amendment 20.1. Therefore, this request approval includes dollar amounts for amendment 21.

Not to exceed:

One-time \$ _____

Annual Amount \$ _____ / per fiscal year through 6/30/22 (date)

(If Annual Amc ^{is in excess of} each FY)

* FY 18/19 : \$ 1,069,912

* FY 19/20 : \$ 1,144,672

FY 20/21 : \$ 421,168

FY 21/22 : \$ 240,000

FY _____ : \$ _____

[Signature]
Purchasing Agent

9/13/2020
Date

21-037
Approval Number
(Reference on Purchasing Documents)