



**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH SYSTEM MEDICAL CENTER GOVERNING BOARD
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 15.5
(ID # 18891)

MEETING DATE:

Tuesday, May 10, 2022

FROM : RUHS-MEDICAL CENTER:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM- MEDICAL CENTER: Approve the Professional Service Agreement with Simpler North America LLC for Lean Leadership and Delivery Support without seeking competitive bids for one year in the annual amount of \$1,179,382 with the option to renew for one additional one-year period, All Districts. [Total Cost \$2,358,764; up to \$117,939 in Additional Compensation] 100% Hospital Enterprise Fund - 40050

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Professional Service Agreement with Simpler North America LLC for Lean Leadership and Delivery Support without seeking competitive bids for a total amount of \$1,179,382 for one year with the option to renew for one additional one-year period for a total of \$2,358,764 effective upon signature; and authorize the Chair of the Board to sign the Agreement 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; and to sign amendments to the compensation provisions that do not exceed the sum total of \$117,939 of the total annual cost of the contract.

ACTION:Policy

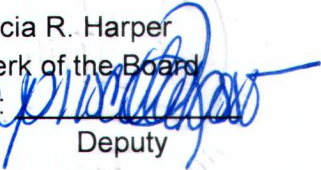

Jennifer Cruikshank, Chief Executive Officer - Health System 4/19/2022


Gregg Gu, Chief Deputy County Counsel 4/22/2022

MINUTES OF THE GOVERNING BOARD

On motion of Supervisor Washington 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: May 10, 2022
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	\$1,179,382	\$1,179,382	\$2,358,764	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 69% Hospital Enterprise Fund-40050; 31% Public Health Fund			Budget Adjustment: No	
			For Fiscal Year: 21/22 – 23/24	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The requested Board action will approve the Professional Service Agreement with Simpler North America LLC (Simpler) to provide lean management consulting services to Riverside University Health System Medical Center (RUHS-MC), the RUHS Community Health Clinics (RUHS-CHC), and RUHS Public Health (RUHS-PH), collectively referred to as "RUHS." With these lean management-consulting services, RUHS intends to undertake a performance-improvement initiative.

This performance-improvement initiative will allow RUHS to accomplish two primary objectives. The first objective will be for RUHS to improve its operational efficiency and enhance the levels of care it provides to the communities it serves. The second objective—through improved operational efficiency—is for RUHS to qualify for performance-improvement based reimbursement funding from two California Department of Healthcare Service (DHCS) reimbursement funding programs; the Enhanced Care Management (ECM) and In Lieu of Service (ILOS) program, and, the Hospital Quality Improvement program (Hospital QIP).

The ECM/ILOS program bases payment on quality and performance improvements and reporting in areas of care coordination, long-term services support, and other cross-delivery system metrics. In order for RUHS to collect ECM/ILOS incentive dollars and improve quality outcomes, RUHS needs to improve efficiencies at every touchpoint in the patient-care continuum and optimize the quality and efficiency with complete coordination during a patient's transitions of care between hospitalization and post-discharge care.

The HQIP program—whose goal is to improve the quality of care provided to Medi-Cal members—is a pay-for-performance program for hospitals serving Medi-Cal members which offers participating hospitals substantial financial incentives in exchange for meeting selected performance targets. Measures hospitals must report on are in the following quality domains:

- Readmissions
- Advance Care Planning

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- Clinical Quality
- Patient Safety
- Operations and Efficiency

In order to improve its operational efficiency and qualify for ECM/ILOS and HQIP improvement-based reimbursement funding, RUHS is proposing to engage Simpler to provide specialized lean-management consulting services that meet the specific needs of healthcare organizations.

Simpler's lean-management consulting will assist the RUHS departments in achieving delivery on their organizational priorities, eligibility for performance-based reimbursement funding, and inter-departmental coordination of patient care.

Simpler will provide RUHS with leadership training by executive and operational-level healthcare consultants that will mentor RUHS leaders and their Process Improvement Teams to become self-sufficient in terms of implementing lean principles. These principles consist of the following: identifying value; mapping value streams; creating optimal workflows; offering greater service value for patients; and, providing continuous improvement. Additionally, Simpler will assist RUHS by training its leadership and staff in Lean principles and improvement processes and in the analysis and rapid improvement of operations, throughput, transitions of care, and follow-up post-discharge processes.

Moreover, Simpler shall work with designated personnel within the RUHS departments to implement Value Stream Improvement and Lean Daily Management System (DMS) methodologies including Tiered Leadership Huddles with the objective of improving daily operations. This work will include the following:

1. Coaching delivered either on-site or remotely as appropriate, on the principles and methods of Lean DMS.
2. Co-development of DMS artifacts such as DMS boards, issue trackers, process control tools, and A3 problem-solving worksheets.
3. Co-implementation of a tiered huddle system for the purpose of identifying and communicating variances to daily performance criteria and/or customer service issues, improvement opportunities, and other elements of the DMS approach.
4. Identification, quantification, and prioritization of improvement opportunities suitable for immediate corrective actions or Rapid Improvement Events as appropriate to drive operational stability within the epidemiology and corresponding customers.
5. Coaching delivered either on-site or remotely as appropriate to RUHS personnel on the implementation of the above DMS elements for the purpose of rapidly integrating feedback and improvements in DMS methods and technique.

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During this engagement with Simplr, RUHS plans to take a collective standardized approach to its performance-improvement initiative to implement lean-management measures throughout RUHS. The approval for Simplr to provide services to all RUHS departments (Medical Center, Community Health Clinics, and Public Health) concurrently will be vital to the success of this performance-improvement initiative as it allows each department to receive the same standardized activities, tools, training, and language over the course of services. This training will allow RUHS departments and their individual teams to work in unison across multiple business units and assist RUHS in optimizing integrated transitions of care in a variety of different service lines while ensuring that these consulting services are being sourced at cost-effective rates.

During its procurement for the proposed services, RUHS contacted local organizations who have engaged Simplr for similar services and negotiated for discounted rates by having Simplr, which currently provides similar consulting services to the Inland Empire Health Plan (IEHP), agree to match rates being charged to IEHP.

Impact on Residents and Businesses

These services are a component of the RUHS system of care aimed at improving the health and safety of its patients and the community.

Additional Fiscal Information

There are sufficient appropriations in the Department's FY21/22 budget. No additional County funds are required.

Contract History and Price Reasonableness

If approved, the proposed Agreement (per the attached approved SSJ #22-088) would be RUHS's first time engaging Simplr for lean management consulting services. Simplr was identified as a suitable provider for these services and is currently providing similar consulting services to the IEHP.

In an effort to ensure competitive rates for these services, RUHS-MC conducted preliminary research which aided in its negotiation effort. During this preliminary research, RUHS identified an active United States General Services Administration (GSA) Federal contract (GS-10F-0359S) which was entered into by the GSA and Simplr on August 1, 2006, and will be in effect until July 31, 2026. GSA contracts generally consist of competitive, pre-vetted vendors with pre-negotiated terms, conditions, and prices, which can be adopted by local public entities, such as the County.

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Initially, RUHS attempted to adopt and leverage the GSA contract in its procurement of lean management consulting and interim leadership services from Simpler, as adopting this contract would provide RUHS with a significant price discount. However, upon further analysis and confirmation from GSA's Contract Administrator, it was determined that the services being sought by RUHS from Simpler were not included in the GSA contract under schedule 70 and 84. As a result, RUHS was unable to leverage off of the GSA contract and engaged Simpler on the County's Professional Services Agreement.

In a secondary effort to explore additional procurement options, RUHS-MC assessed an active, contract between IEHP and Simpler (Professional Services Agreement for Lean Transformation Consulting Services). This contract was leveraged by RUHS during its negotiation of rates with Simpler and resulted in the following discounts being extended to RUHS:

Consulting Services	Quoted Daily Rate	Negotiated Daily Rate
Lean Clinical (Health Care) Subject Matter Expertise ("SME") to Support Related to Values Stream Improvement, Executive Coaching, Strategy Sessions.	\$3,730	\$3,259
Primary Ongoing Coaching With One Resource, Virtual or In-Person, to Support the Leadership Team.	\$3,276	\$2,636

The rates negotiated by RUHS reflect a cost avoidance and added value of approximately 16%, which equates to \$377,402.

This Agreement requires Board of Supervisors approval per Ordinance 459.6 because it is a purchase of a service costing more than \$50,000 made without securing competitive bids.

ATTACHMENTS:

Attachment A: **PROFESSIONAL SERVICE AGREEMENT FOR LEAN LEADERSHIP AND DELIVERY SUPPORT BETWEEN COUNTY OF RIVERSIDE AND SIMPLER NORTH AMERICA LLC**

Attachment B: **SINGLE SOURCE JUSTIFICATION #22-088.**

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Suzanna Hackley, Assistant Director of Purchasing and Fleet Service

4/22/2022



Jacqueline Ruiz, Sr. Management Analyst

5/4/2022

PROFESSIONAL SERVICE AGREEMENT

for

LEAN LEADERSHIP AND DELIVERY SUPPORT

between

COUNTY OF RIVERSIDE

and

SIMPLER NORTH AMERICA LLC



MAY 10 2022 15.5

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This Agreement, made and entered into as of the date of signature by both parties, by and between SIMPLER NORTH AMERICA LLC (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY"). The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services ("Services"), at the prices stated in Exhibit B: Fee Schedule and Price for Riverside University Health System Medical Center and Exhibit C: Fee Schedule and Price for Riverside University Health System Public Health, herein referred to as "Exhibit B" and "Exhibit C", respectively.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform Services with reasonable skill and care by competent and trained personnel.

1.3 CONTRACTOR affirms that it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B and Exhibit C. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature by both parties and continues in effect for a one-year period with one (1) additional one-year option to renew upon written Amendment signed by both parties, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B and Exhibit C. Maximum payments by COUNTY to CONTRACTOR shall not exceed one million one hundred seventy-nine thousand three hundred eighty two dollars (\$1,179,382) annually. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified

amount of services or products. Unless otherwise specifically stated in Exhibit B and Exhibit C, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement (If applicable). After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to the following addresses as they pertain to the Riverside University Health System – Medical Center and/or the Riverside University Health System – Public Health department:

Riverside University Health System – Medical Center

26520 Cactus Avenue

Moreno Valley, CA 92555

Attn: Hospital Administration

Riverside University Health System – Public Health

4065 County Circle Dr

Riverside, CA 92503

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) Invoices shall be rendered monthly in arrears.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made, and invoices shall be rendered “monthly” in arrears. In the State of California, Government agencies are not

allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement so long as mutually agreed upon in writing by the parties. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1. COUNTY or CONTRACTOR may terminate this Agreement without cause upon 90 days written notice served upon the other party stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and

(b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 If the Agreement is federally or State funded, CONTRACTOR cannot be debarred from the System for Award Management (SAM). CONTRACTOR must notify the COUNTY immediately of a debarment. Reference: System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

5.7 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. Ownership/Use of Contract Materials and Products

COUNTY will not acquire any ownership or other rights or licenses to any tools, techniques, methodologies, documentation, software or other material of CONTRACTOR, including without limitation, the Simpler Business System®, the Simpler Design SystemSM or Integrated Facility Design ("Simpler Property") under this engagement. Simpler Property includes all proprietary methods and processes by which CONTRACTOR provides Lean enterprise consulting services and includes, without limitation, assessments, training presentations and material, implementation documents and a structure of activities. Provided COUNTY has paid the Fees as set forth in Exhibit B and Exhibit C of this Agreement and subject to the Terms and Conditions of this Agreement, if any Simpler Property is incorporated as part of any deliverable under these Terms and Conditions or if a deliverable requires the use of Simpler Property, CONTRACTOR hereby grants to COUNTY a non-exclusive, fully-paid, perpetual, non-transferable, non-

sublicensable, irrevocable (except under the “Termination for Cause” section, above) license to use the Simpler Property solely for COUNTY’S own internal business purposes. COUNTY may not export or re-export any Simpler Property except as authorized by United States laws. Simpler Property may not be exported or re-exported: (a) into any U.S. embargoed countries; or (b) to anyone on the U.S. Treasury Department’s list of Specially Designated Nationals or the U.S. Department of Commerce Denied Person’s List or Entity List. By execution of this Agreement, COUNTY represents and warrants that COUNTY is not located in any such country or identified on any such list.

7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR’s performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR’s interests, if any, which are or may be perceived as incompatible with the COUNTY’s interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Representations/Warranties and Disclaimers

8.1 CONTRACTOR will perform all services pursuant to the Scope of Work (“SOW”) set forth in Exhibits A, B and C with reasonable skill and care by competent and trained personnel.

All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR’s conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in

conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected; the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon request by COUNTY with reasonable notice provided to the CONTRACTOR.

9. Independent Contractor/Employment Eligibility

9.1 The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

9.2 CONTRACTOR warrants that it shall make its commercially reasonable efforts to comply with all applicable federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter

amended. CONTRACTOR shall retain all such documentation for all covered employees, for the period prescribed by the law.

9.3 Ineligible Person shall be any individual or entity who: Is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal health care programs; or has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

9.4 CONTRACTOR hereby represents and warrants to COUNTY that CONTRACTOR and its employees have not been debarred, excluded, suspended or otherwise determined to be ineligible to participate in federal or state health care programs, including the Medicare and Medicaid programs (collectively, "Debarred" or "Debarment", as applicable). CONTRACTOR shall provide COUNTY with immediate notice if CONTRACTOR or any of its employees providing services directly relative to this Agreement is or will become Debarred during the Term of this Agreement. Upon receipt of such notice from CONTRACTOR that it or any of its employees providing services under this Agreement, has been, or will be Debarred, COUNTY may, in its sole discretion, regardless of any provision to the contrary in this Agreement, terminate this Agreement immediately and without further obligation upon written notice to CONTRACTOR. To the extent applicable to the services being provided to COUNTY, CONTRACTOR will not use any individual to perform services for COUNTY who is currently Debarred. If CONTRACTOR becomes aware that an individual used by IBM to perform services for COUNTY has been Debarred, CONTRACTOR will promptly notify COUNTY and cease utilizing such individual to perform services for COUNTY.

9.5 CONTRACTOR shall notify COUNTY within five (5) business days after it becomes aware of a Covered Individual or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.

10. Subcontract for Work or Services No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all applicable State or other licensing requirements applicable to Contractor's business and services provided under this Agreement, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Reserved

14. Non-Discrimination

CONTRACTOR shall not discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination

of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term “privileged or confidential information” means information that a person with no specialized knowledge of the other party’s industry would reasonably recognize as being confidential and includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement. Confidential Information does not include general statistical information. COUNTY does not intend to share any protected health information (“PHI”) or personally identifiable information (“PII”) with CONTRACTOR. In the event, that PHI or PII is inadvertently seen or heard by CONTRACTOR, it will be deemed confidential and CONTRACTOR’s personnel shall bring any such occurrence or any questions regarding what information should be considered “confidential” to the attention of COUNTY as soon as practicable..

16.2 Disclosure of Confidential Information by the receiving party will not be precluded if the disclosure is required by law, but the receiving party will give the disclosing party reasonable notice to allow the disclosing party an opportunity to obtain a protective order. The obligations of this Article 16 shall not apply to information that is: (a) already in the possession of the receiving party without obligation of confidence, (b) independently developed by the receiving party, or (c) publicly available. The CONTRACTOR shall protect Confidential Information from disclosure using the same standard of care that it uses to protect its own Confidential Information. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR’s obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Riverside University Health System - Medical Center
26520 Cactus Avenue
Moreno Valley, CA 92555
Attn: Hospital Administration

CONTRACTOR

Simpler North America, LLC.
1 New Orchard Road
Armonk, NY 10504
Email: contractadmin@simpler.com

Riverside University Health System – Public Health
4065 County Circle Dr
Riverside, CA 92503
Attn: Joanne Cook

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and

Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Indemnification and Limitation of Liability

21.A Indemnification

21.A.1 CONTRACTOR will defend and indemnify the COUNTY (including its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, and employees for all claims asserted by third parties and arising from CONTRACTOR's acts or omissions or breaches of this Agreement, which acts, omissions or breaches have resulted in or caused the following; (a) bodily injury (including death); (b) damages to real property and tangible personal property; (c) infringement by the services of such third party's patent or copyright, as described in Section 21.A.2 below; or (d) CONTRACTOR's violation of laws that apply to CONTRACTOR as a provider of information technology products and services.

21.A.2 If a third party asserts a claim against the County of Riverside that services acquired under the Agreement infringes a patent or copyright, CONTRACTOR will defend the County of Riverside against that claim and pay all amounts finally awarded by a court against the County of Riverside or included in a settlement approved by CONTRACTOR, provided that the County of Riverside promptly: i) notifies CONTRACTOR in writing of the claim; ii) supplies information requested by CONTRACTOR; and iii) allows CONTRACTOR to control, and reasonably cooperates in, the defense and settlement, including mitigation efforts. CONTRACTOR has no responsibility for claims based on non-Contractor products and services, items not provided by CONTRACTOR, or any violation of law or third party rights caused by the County of Riverside content, materials, designs, or specifications.

21.A.3 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR indemnification to Indemnitees as set forth herein.

21.A.4 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.A.5 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.B Limitation of Liability. Except as expressly excluded herein, each party's entire liability to the other party for all claims related to the Agreement will not exceed the amount of \$2,500,000. Neither party will be liable to the other for special, incidental, exemplary, indirect or economic consequential damages, or lost profits, business, value, revenue, goodwill, or anticipated savings. Notwithstanding the foregoing, the following are not subject to the foregoing limitation: (a) damages for body injury (including death); (b) damages to real property and tangible personal property, (c) CONTRACTOR's indemnification obligations set forth in Section 21.A above, (d) COUNTY's obligations to pay charges and fees for Services as set forth in Exhibit B: Fee Schedule and Price or other mutually agreed upon schedule of charges and fees; and (e) damages that cannot be limited by law. These limitations apply to CONTRACTOR and its affiliates including International Business Machines Corporation, and to COUNTY (including its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, and employees).

22. Insurance

CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside. its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of the County of Riverside, except in instances of gross negligence on the part of the

COUNTY, where gross negligence is defined to mean carelessness that is reckless disregard for the safety of others and/or a failure to use the slightest degree of care.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Only with respect to liability arising out of this Agreement, policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall be no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate. in the aggregate.

C. Vehicle Liability:

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall be no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate. Only with respect to liability arising out of this Agreement, policy shall name the COUNTY as Additional Insureds.

D. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A-VII (A-7) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) Simpler warrants that it will disclose to the COUNTY any deductible or self-insured retention (SIR) over five hundred thousand dollars, which deductible or SIR must be approved by the COUNTY – which consent will not be unreasonably withheld.

3) CONTRACTOR shall furnish the County of Riverside with Certificate(s) of Insurance and copies of endorsements effecting coverage as required herein.

4) if requested to do so orally or in writing by the County Risk Manager because of a question not answerable by reference to the Certificate of Insurance provided by CONTRACTOR, provide clarification of the Certificate of Insurance and endorsements showing such insurance is in full force and effect. CONTRACTOR shall provide thirty (30) days written notice to the County of Riverside prior to any

material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and copies of endorsements evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished Certificate (s) of Insurance and copies of endorsements. An individual authorized by the insurance carrier shall sign the endorsements for each policy and the Certificate of Insurance.

5) It is understood and agreed to by the parties hereto that the CONTRACTOR'S Commercial General Liability and Auto Liability insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory for those coverages.

6) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

7) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim against the COUNTY arising from the performance of this Agreement.

23. General

23.1 Neither party shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of the other party. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by either party of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of either party to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing either party from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall

promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

23.13 Independent Contractors. The parties intend that their relationship shall be that of independent contractors who shall each have no liability for the acts or omissions of the other.

23.14 No Solicit: During the term of the engagement and for a period of 12 months thereafter, COUNTY agrees that it will not actively solicit, any CONTRACTOR employee (or former employee who

was employed by CONTRACTOR during the term of the engagement) or contractor of CONTRACTOR without CONTRACTOR's prior written consent. Such consent is not required if CONTRACTOR employees, former employees (who were employed by CONTRACTOR during the term of the project) or contractors answer a general advertisement for employment made by COUNTY in public media channels.

23.15 Anti-Bribery and Anti-Corruption Laws:

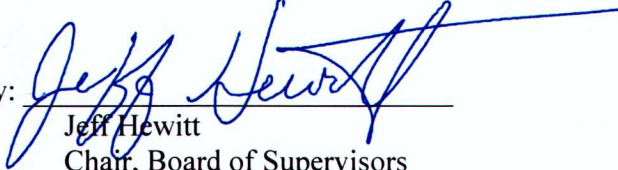
Each party acknowledges that under various laws throughout the world it would be unlawful for it, its divisions, subsidiaries or representatives, directly or indirectly, to make any payment or to give anything of value to a foreign official, political party, candidate for political office, or, in some jurisdictions, to any entity or individual in order to influence any action or inaction on the part of such person or entity to obtain, retain or direct the business of such person or entity to itself or to another. Each party agrees it will comply with all such applicable laws while this Agreement is in effect.

24. Electronic Signatures/Counterparts

This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party of this Agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Agreement. The parties further agree that the electronic signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

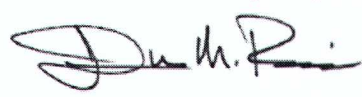
IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

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

By: 
Jeff Hewitt
Chair, Board of Supervisors

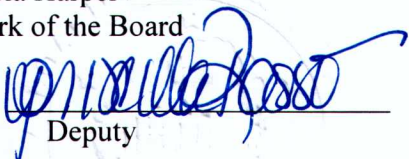
Dated: MAY 10 2022

SIMPLER NORTH AMERICA, LLC.
a Delaware limited liability corporation


By: 
John M. Rubio
Vice President

Dated: 04/15/2022

ATTEST:
Kecia Harper-
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
County Counsel

By: 
Martha Ann Knutson (Apr 15, 2022 11:51 PDT)
Martha Ann Knutson
Deputy County Counsel

Dated: Apr 15, 2022

EXHIBIT A
SCOPE OF WORK – RUHS Medical Center and Clinics

SNA Ref: 2021-077

A. Scope:

Simpler shall designate a primary resource and other individuals to work with designated personnel within RUHS Medical Center to provide Lean Leadership guidance and direction as well as coach and support improvement implementation. This work shall include, but not be limited to, the following:

1. Provide an interim Lean leadership role to the Process Improvement team and hospital leaders to deliver on organizational priorities.
2. Help develop a long-term Process Improvement strategy.
3. Coach and develop leaders and the internal Process Improvement team to become self-sufficient in terms of implementing lean principles such as value stream Improvement, kaizen events, daily management, sustainment, and A3 Coaching.
4. Deliver, coach, and manage lean training and certification as appropriate, to the Process Improvement team, hospital leaders, and staff.
5. Co-develop virtual improvement delivery methods to accommodate the hybrid (onsite and remote) work environment.
6. Seek to understand the current improvement tools, vernacular, and methods used by the organization. Coach according to those elements.
7. Identification, quantification, and prioritization of improvement opportunities suitable for immediate corrective actions or Kaizen Events to positively impact metrics such as quality, patient/staff satisfactions, length of stay, wait times, and access.
8. Help develop the Architecture and Instructure that allows the organization to hardwire their approach to change/improvement.
9. Evaluate the current deployment of “huddle” meetings and boards on units throughout the Medical Center; develop recommendations regarding further use, corrective actions, etc.

**EXHIBIT B
FEE SCHEDULE AND PRICE
FOR RUHS MEDICAL CENTER and Clinics**

A. Schedule and Price:

- The agreed to guaranteed maximum amount for services provided under this Agreement is \$816,106 at the following rates:
 - Primary Ongoing Coaching with one resource, virtual or in person, to support the leadership team located at the Medical Center in Moreno Valley, CA = \$2,636 per day (Primary)
 - Lean Clinical (Health Care) SME: Lean Clinical (Health Care) Subject Matter Expertise (“SME”) to support related to Values Stream Improvement, Executive Coaching, Strategy Sessions in virtual or in person, to support the leadership team located at the Medical Center in Moreno Valley, CA =\$3,259 per day.
- The schedule for days of services shall be reduced to writing and agreed to by both Simpler account management and client.
- Fees shall be billed upon completion of the activity on a monthly basis.
- Travel and living expenses shall be billed at Simpler’s actual cost incurred and invoiced on a monthly basis as charges are incurred. Reimbursable expenses are outlined in the County’s policy D-1 available at <http://www.rivcocob.org/boardpolicies/policy-d/POLICY-D01.pdf>.
- The provision of any materials shall be in electronic format using PDF or standard Microsoft Office tools. Any hard copy reproduction cost or translation from English shall be the responsibility of the customer.
- Payment Terms: Payment in U.S. Dollars. Full amount is due within 30 days of receipt of the invoice.
- Simpler North America, LLC - EIN# 46-5500172
- Invoicing will be done via email transmittal to the following address: ap@ruhealth.org
- Payments must be remitted to:

<p>Electronic Transfer (<i>preferred</i>):</p> <p>Bank: PNC Bank N.A. Pittsburgh, PA</p> <p>Routing: 043000096</p> <p>Account: Simpler North America LLC</p> <p>Account: 1026391374</p>	<p>Physical:</p> <p>Simpler North America, LLC</p> <p>PO Box 643979</p> <p>Pittsburgh, PA 15264-3979</p> <p>Email: receivables@simpler.com</p> <p>Contact: Rhaeanne Hussman</p> <p>724-934-4600 x122</p>
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- Rescheduling:

If COUNTY chooses to reschedule an event, activity, workshop, etc. that is scheduled to be delivered within 30 days of CONTRACTOR’S receipt of a written request to reschedule, then COUNTY will pay actual expenses, such as any cancellation fees, rescheduling fees, etc. that may be imposed by airlines, hotels etc. because of that cancellation.

B. The following activities are planned, but no specific amount of activities is guaranteed:

- 4 Quarterly Lean Transformation Reviews, Executive Coaching or Strategy Session with Lean Clinical SME level resource
- 12 weeks of 4 days per week virtual or in person, with primary resource
- 36 weeks of 2 days per week virtual or in person, with primary resource
- Additional support (Primary or Lean Clinical SME), virtual or in person, to be provided within approved budget
- Actual schedule of consulting activities to be agreed with Simpler Account Manager and client lead.

**EXHIBIT C
FEE SCHEDULE AND PRICE
FOR RUHS PUBLIC HEALTH**

A. Schedule and Price:

- Total delivery spend is \$363,276, at the following rates:
 - Primary Ongoing Coaching with one resource virtual or in person, to support the leadership team located at Public Health located in Riverside, CA =\$2,636 per day.
 - Lean Clinical (Health Care) SME: Lean Clinical (Health Care) Subject Matter Expertise to support related to Values Stream Improvement, Executive Coaching, Strategy Sessions in virtual or in person, to support the leadership team at Public Health located in Riverside, CA =\$3,259 per day.
 - The schedule for days of services shall be reduced to writing and agreed to by both Simpler account management and client.
- The schedule for days of services shall be reduced to writing and agreed to by both Simpler account management and client. Fees shall be billed upon completion of the activity on a monthly basis.
- Travel and living expenses shall be billed at Simpler’s actual cost incurred and invoiced on a monthly basis as charges are incurred. Reimbursable expenses are outlined in the County’s policy D-1 available at <http://www.rivcocob.org/boardpolicies/policy-d/POLICY-D01.pdf>.
- The provision of any materials shall be in electronic format using PDF or standard Microsoft Office tools. Any hard copy reproduction cost or translation from English shall be the responsibility of the customer.
- Payment Terms: Payment in U.S. Dollars. Full amount is due within 30 days of receipt of the invoice.
- Simpler North America, LLC - EIN# 46-5500172
- Invoicing will be done via email transmittal to the following address: ap@ruhealth.org
- Payments must be remitted to:

<p>Electronic Transfer (<i>preferred</i>):</p> <p>Bank: PNC Bank N.A. Pittsburgh, PA</p> <p>Routing: 043000096</p> <p>Account: Simpler North America LLC</p> <p>Account: 1026391374</p>	<p>Physical:</p> <p>Simpler North America, LLC</p> <p>PO Box 643979</p> <p>Pittsburgh, PA 15264-3979</p> <p>Email: receivables@simpler.com</p> <p>Contact: Rhaeanne Hussman</p> <p>724-934-4600 x122</p>
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- Rescheduling:

If COUNTY chooses to reschedule an event, activity, workshop, etc. that is scheduled to be delivered within 30 days of CONTRACTOR’S receipt of a written request to reschedule, then COUNTY will pay actual expenses, such as any cancellation fees, rescheduling fees, etc. that may be imposed by airlines, hotels etc. because of that cancellation.

B. The following activities are planned, but no specific amount of activities is guaranteed:

- Coaching delivered either on-site or remotely as appropriate, on the principles and methods of Lean Data Management System (“DMS”).
- Co-development of DMS artifacts such as DMS boards, issue trackers, process control tools, and A3 problem-solving worksheets.
- Co-implementation of a tiered huddle system for the purpose of identifying and communicating variances to daily performance criteria and/or customer service issues, improvement opportunities, and other elements of the DMS approach.
- Identification, quantification, and prioritization of improvement opportunities suitable for immediate corrective actions or Rapid Improvement Events (“RIEs”) as appropriate to drive operational stability within the epidemiology and corresponding customers.
- Coaching delivered either on-site or remotely as appropriate to RUHS Public Health personnel on the implementation of the above DMS elements for the purpose of rapidly integrating feedback and improvements in DMS methods and technique.






Simpler-Lean Leadership and Delivery Support Agreement

Final Audit Report

2022-04-15

Created:	2022-04-15
By:	Jose Curiel (jo.curiel@ruhealth.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA48ZV0_kOvb9iiWK96iDJUQ0Ugqch-miL

"Simpler-Lean Leadership and Delivery Support Agreement" History

-  Document created by Jose Curiel (jo.curiel@ruhealth.org)
2022-04-15 - 6:24:52 PM GMT
-  Document emailed to Martha Ann Knutson (mknutson@rivco.org) for signature
2022-04-15 - 6:26:00 PM GMT
-  Email viewed by Martha Ann Knutson (mknutson@rivco.org)
2022-04-15 - 6:51:12 PM GMT
-  Document e-signed by Martha Ann Knutson (mknutson@rivco.org)
Signature Date: 2022-04-15 - 6:51:35 PM GMT - Time Source: server
-  Agreement completed.
2022-04-15 - 6:51:35 PM GMT



Date: April 14, 2022
From: Angela Simpkins, Chief Clinical Integration Officer
To: Purchasing Agent
Via: Tony Curiel, Administrative Services Analyst (951) 486-6570
Subject: Single Source Procurement; Request for Lean Management Consulting and Interim Leadership Services

The below information is provided in support of my Department requesting approval for a sole source procurement. (*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:** Simpler North America LLC
2. **Vendor ID:** 248434
3. **Single Source** **Sole Source**
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**

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

Yes **No**

5. **Supply/Service being requested:**
Lean Leadership and Delivery Support

6. **Unique features of the supply/service being requested from this supplier.**
Lean consulting is performed across many industry sectors. Healthcare organizations have unique business operations which require the expertise and consultancy of vendors familiar with lean management within healthcare settings.

The services the Riverside University Health System Medical Center (RUHS-MC), the RUHS Community Health Clinics (RUHS-CHC), and RUHS Public Health (RUHS-PH), collectively referred to as "RUHS", is seeking to procure from Simpler North America LLC (Simpler), are specialized to the healthcare sector and require extensive experience, proven results, and competitive pricing. Simpler has provided lean-management consulting services nationwide to an array of healthcare facilities in both the private and public sector. Organizations such as the Dignity Health System, Sutter Health, Kaiser Permanente, the



Inland Empire Health Plan (IEHP), and the U.S. Department of Veterans Affairs have received services from Simpler.

Simpler has specialized experience in creating optimal workflows for healthcare organizations and helping healthcare administrators identify optimal efficiencies to improve patient care and maximize revenue. Simpler's specialized experience is required by RUHS as it will assist in identifying the healthcare-specific improvement measures that can be leveraged to increase its operational performance.

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

The California Department of Healthcare Services (DHCS) has developed two Priority Incentive Payment programs that RUHS is working on achieving maximum reimbursement from.

The participating programs include Enhanced Care Management (ECM) and In Lieu of Service (ILOS) and the second program is the Hospital Quality Improvement Program (Hospital QIP).

In order for RUHS to meet the quality-of-care and performance-improvement metrics required by DHCS for reimbursement, a lean-management improvement initiative was proposed.

The first Incentive Payment program is the linked to investment in Enhanced Care Management (ECM) and In Lieu of Service (ILOS). Reimbursement payments for this program are based on quality and performance improvement and reporting in areas of care coordination, long-term services support, and other cross-delivery system metrics. In order to collect reimbursement dollars and improve quality outcomes, RUHS needs to improve efficiencies at multiple touchpoints in the patient care arena and optimize the quality and efficiency in the hospital, Community Health Centers, and Clinics, with complete coordination during the transitions of care between patient hospitalization and post-discharge care.

The second Incentive Payment program is the Hospital Quality Improvement Program (Hospital QIP); a pay-for-performance program for hospitals serving Medi-Cal members. The goal of the Hospital QIP is to improve the quality of care provided to Medi-Cal members by offering participating hospitals substantial financial incentives in exchange for meeting selected performance targets. Measures hospitals must report on are in the following quality domains:

- Readmissions
- Advance Care Planning
- Clinical Quality
- Patient Safety
- Operations and Efficiency

Simpler was identified as an appropriate vendor given their extensive experience providing lean-management consulting services to other healthcare facilities, and through their leadership training and operations analysis, it is anticipated that RUHS will be able improve



its operational efficiency and allow it to collect maximum reimbursement of funds from the Priority Incentive Payment programs offered by DHCS.

Period of Performance: Effective upon signature by both parties and continues in effect for a one-year period, with a one-year renewal option.

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

8. 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	Year 1	Year 2	Total
Annual Costs	\$1,179,382	\$1,179,382	\$2,358,764
Ongoing Costs:	N/A		
Previous SSJ Approved Amounts:	N/A		
Total Costs:	\$1,179,382	\$1,179,382	\$2,358,764

9. **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?) During its preliminary research, RUHS identified an active United States General Services Administration (GSA) Federal contract (GS-10F-0359S) which was entered into by the GSA and Simpler on August 1, 2006 and will be in effect until July 31, 2026. GSA contracts generally consist of competitive, pre-vetted vendors with pre-negotiated terms, conditions, and prices, which can be adopted by local public entities, such as RUHS.

Initially, RUHS attempted to adopt and leverage the GSA contract in its procurement of lean management consulting and interim leadership services from Simpler, as adopting this contract would provide RUHS with a significant price discount. However, upon further analysis, it was determined by the GSA Contract Administrator that the services being sought by RUHS from Simpler were not included in the GSA contract and these rates would be unavailable to RUHS.

In a secondary effort to explore additional procurement options, RUHS assessed an active, competitively-bid contract between IEHP and Simpler. This contract was leveraged by RUHS during its negotiation of rates with Simpler and resulted in the following discounts being extended to RUHS:



Consulting Services	Previous Daily Rate	Negotiated Daily Rate
Lean Clinical (Health Care) Subject Matter Expertise ("SME") to Support Related to Values Stream Improvement, Executive Coaching, Strategy Sessions.	\$3,730	\$3,259
Primary Ongoing Coaching With One Resource, Virtual or In-Person, to Support the Leadership Team.	\$3,276	\$2,636

The rates negotiated by RUHS reflect a cost avoidance and added value of approximately 16%, which equates to \$377,402.

10. Projected Board of Supervisor Date (if applicable): N/A
 (Draft Form 11s, service agreement and or quotes must accompany the sole source request for Purchasing Agent approval.)

Jennifer Cruikshank

Jennifer Cruikshank

Apr 14, 2022

Department Head Signature
(or designee)

Print Name

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:


Not to exceed:

One-time \$ _____

 **Riverside
University
HEALTH SYSTEM**

Annual Amount \$ _____ / per fiscal year through _____ (date)
(If Annual Amount Varies each FY)

FY 2022 : \$ 1179382
FY 2023 : \$ 1179382
FY _____ : \$ _____
FY _____ : \$ _____
FY _____ : \$ _____

 S. Hinesley
Purchasing Agent

4/15/22
Date

22-088
Approval Number
(Reference on Purchasing Documents)






SSJ for Simpler_Lean Leadership and Delivery Support Agreement

Final Audit Report

2022-04-15

Created:	2022-04-15
By:	Jose Curiel (jo.curiel@ruhealth.org)
Status:	Signed
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"SSJ for Simpler_Lean Leadership and Delivery Support Agreement" History

-  Document created by Jose Curiel (jo.curiel@ruhealth.org)
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