



## Monterey County Board of Supervisors

168 W. Alisal Street, 1<sup>st</sup> Floor  
Salinas, CA 93901  
831.755.5066

### Board Order

#### Agreement No. A-13298, Amendment No. 2

A motion was made by Supervisor Jane Parker, seconded by Supervisor Luis A. Alejo to:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute renewal and amendment No. 2 to the agreement (A-13298) with Net Health Systems, Inc. for continued use of the ReDoc software and to further amend the Agreement to upgrade the Software to "ReDoc powered by xfit" at NMC, retroactive to January 30, 2019, to extend the agreement term for an additional three (3) year period (January 30, 2019 through January 29, 2022) for a revised full agreement term of August 31, 2016 through January 29, 2022, and adding \$173,130 for a revised total agreement amount not to exceed \$272,765.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$5,595) of the original cost of the agreement.

PASSED AND ADOPTED on this 23<sup>rd</sup> day of April 2019, by the following vote, to wit:

AYES: Supervisors Alejo, Lopez, Phillips, Parker and Adams

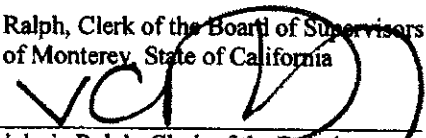
NOES: None

ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting April 23, 2019.

Dated: April 24, 2019  
Legistar File ID: A 19-068  
Agenda Item No. 19

Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California

  
Valerie Ralph, Clerk of the Board

**AMENDMENT NO. 2  
TO MASTER AGREEMENT  
BETWEEN NET HEALTH SYSTEMS INC., AND  
NATIVIDAD MEDICAL CENTER  
FOR  
REDOC SOFTWARE**

**THIS RENEWAL AND AMENDMENT NO. 2 TO MASTER AGREEMENT** (this "Amendment") is made this 26th day of February, 2019 by and between Net Health Systems, Inc., a Pennsylvania corporation with an address of 40 24<sup>th</sup> Street, Pittsburgh, Pennsylvania 15222 ("Net Health") and the County of Monterey on behalf of Natividad Medical Center, an entity organized under the laws of California with an address at 1441 Constitution Blvd., Salinas, CA 93912-1611 ("CUSTOMER"). Net Health and CUSTOMER may be collectively referred to as the "Parties" and each individually as a "Party." Capitalized terms used but not defined herein shall have the meaning given to them in the Agreement, as defined below.

**RECITALS**

**WHEREAS**, Net Health and CUSTOMER previously entered into that certain Master Agreement dated August 31, 2016, as amended (the "Agreement"); and

**WHEREAS**, Net Health and CUSTOMER amended the Agreement effective August 31, 2017 via Amendment No. 1 to extend the Purchase Schedule Term through January 29, 2019 and to add an additional \$43,685 thereby increasing the total Agreement amount to \$99,635;

**WHEREAS**, the Purchase Schedule Term expired on January 29, 2019;

**WHEREAS**, the Parties now desire to amend the Agreement to extend the Purchase Schedule Initial Term for an additional three (3) year period commencing on January 30, 2019 through January 29, 2022 for a revised full Agreement Term of August 31, 2016 through January 29, 2022 at the Fees described herein to allow CUSTOMER continued use of the ReDoc software and to further amend the Agreement to upgrade the Software to "ReDoc powered by xfi" and to make such changes to the Agreement as necessary to reflect the "software as a service" nature of the Software; and

**WHEREAS**, the Annual Fee for the renewal term shall be \$51,690/year for year one of the renewal, and \$60,720/year for years two and three of the renewal, for a revised total Agreement amount not to exceed \$272,765.00.

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the mutual covenants, agreements and representations set forth in this Amendment and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto intending to be legally bound agree as follows:

1. **Software.** Section 1 of Agreement is hereby relabeled as "Software."
2. **Use and Access of Software.** Section 1(a) of the Agreement is hereby deleted in its entirety and restated as follows:

"Use and Access of Software. Subject to the terms, conditions and limitations set forth in this Agreement, CUSTOMER shall have the non-exclusive, non-transferable right to use and access the software more fully described in the Purchase Schedule(s) (the "Software") attached hereto as Exhibit A-2 for the term set forth therein, and all related materials and services, if any, supplied by Net Health hereunder in accordance with the documentation provided by Net Health for the designated sites and healthcare providers/users (each an "Authorized Site/Provider," which Authorized Sites/Providers are more fully identified on Exhibit A-2) set forth in the applicable Purchase Schedule."

3. **Limitations.** Section 1(b) of the Agreement is hereby deleted in its entirety and restated as follows:

"Limitations. Except as otherwise expressly set forth herein, CUSTOMER receives no right to copy, distribute, disseminate, modify, reverse engineer or license/sublicense the Software. Payment of the Fees or any portion thereof does not entitle CUSTOMER, or any of its affiliates, independent contractors, or agents, to use the Software at any location other than an Authorized Site. Subject to the foregoing restrictions and Section 8 hereof, CUSTOMER'S affiliates and those agents and subcontractors of CUSTOMER that have agreed in writing to abide by the terms and conditions of this Agreement may access and/or use the Software solely for CUSTOMER'S benefit hereunder. CUSTOMER at all times shall be responsible and liable to Net Health for any use of the Software by such affiliates, agents or subcontractors."

4. **Term.** Section 1(d) of the Agreement is hereby deleted in its entirety and restated as follows:

"Term.

(a) The term of this Agreement ("Term") shall commence on the Effective Date and shall remain in effect for the balance of any Purchase Schedule Term (subject to the terms and conditions herein, including without limitation termination).

5. **References to "Licensed Software".** All references to the "Licensed Software" in the Agreement are hereby amended and restated as references to the "Software".

6. Section 8(b) of the Agreement is deleted in its entirety.

7. The following is added as Section 23 to the Agreement

**CONSULTING SERVICES.**

(a) Consulting Services. CUSTOMER agrees to accept, and Net Health agrees to provide certain personnel to perform consulting services ("Consulting Services"), if applicable, subject to the terms of this Agreement and as set forth on the applicable Purchase Schedule. Consulting Services may be performed via telephone and other forms of remote correspondence, and may include on-site meetings with CUSTOMER, as further specified in each Purchase Schedule.

(b) Independent Contractor/Relationship of the Parties. In connection with Net Health's performance of any Consulting Services, Net Health and each person provided by Net Health to CUSTOMER hereunder shall act solely as an independent contractor and nothing herein contained shall at any time be so construed as to create a relationship of employer and

employee, partnership, principal and agent, or joint venture as between CUSTOMER and Net Health or between CUSTOMER and any person provided by Net Health to CUSTOMER hereunder. CUSTOMER will report the amounts paid to Net Health in accordance with applicable tax laws.

(c) CUSTOMER will cooperate with Net Health in its performance of the Consulting Services, if applicable, and will at all times provide Net Health with at least one reliable point of contact for purposes of overseeing the Consulting Services.

**8. Effect on Agreement.** Except as specifically modified by way of this Amendment, all other terms and conditions of the Agreement remain in full force and effect.

**9. Counterparts.** This Amendment may be executed and delivered in one or more counterparts, each of which when executed and delivered shall be deemed to be an original but all of which when taken together shall constitute one and the same agreement.


**10. Amendment Effective Date.** This Renewal and Amendment No. 2 is effective retroactively to January 30, 2019 (the "Amendment Effective Date").

**11. ReDoc Software Renewal and Upgrade.** Exhibit A-2, renewing and upgrading the ReDoc software is hereby incorporated into the Agreement. Exhibit A-2 terminates and supersedes the previous Exhibits A and A-1.

**12. ReDoc Professional Services Statement of Work.** The Professional Services Statement of Work is hereby incorporated into the Agreement as Exhibit C.

**IN WITNESS WHEREOF,** the Parties hereto have caused this Amendment to be executed effective as the Amendment Effective Date.


**NET HEALTH SYSTEMS, INC.**

By:   
Name: Patrick L. Colletti

Title: President & COO

Date: 2/26/2019

**COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD  
MEDICAL CENTER**


By:   
Name: Gary Rogers

Title: CEO

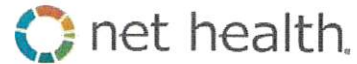
Date: 4/25/19

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3.20.19*

Reviewed as to fiscal provisions

  
Auditor-Controller  
County of Monterey  
3/21/19

**Exhibit A-2  
ReDoc Renewal & Upgrade  
PURCHASE SCHEDULE**



This PURCHASE SCHEDULE ("Purchase Schedule") is entered into and made effective this 30th day of January, 2019 ("Purchase Schedule Effective Date") by and between Net Health Systems, Inc. ("Net Health") and The County of Monterey on behalf of Natividad Medical Center ("CUSTOMER") in connection with and subject to the Master Agreement with an effective date of August 31, 2016 executed between the parties, as amended (the "Agreement").

ANNUAL SUBSCRIPTION								
INITIAL TERM (NO. OF YEARS)			3					
Item Code	Description - Authorized Site/Providers	Qty	One-Time Fees / Unit	Total One-Time Fees	Annual Fees / Unit	Total Annual Fees		
REx-IMPHOSP-T	ReDoc powered by xfit Upgrade: Natividad Medical Center 1441 Constitution Blvd. Salinas, CA 93906							
REx-HOSPFT-G	Annual Subscription Fees: Includes ReDoc xfit Interfaces (ADT, DFT, & Clinical Results) & E-Fax Includes 12 Months of 360 Professional Services as set forth in the Statement of Work attached hereto in Exhibit C	1	\$0	\$0	Year 1: \$51,690 Year 2: \$60,720 Year 3: \$60,720	Year 1: \$51,690 Year 2: \$60,720 Year 3: \$60,720		
REx-MIGRATION-D	ReDoc powered by xfit Upgrade: Data Migration Fees	1	\$1,500	WAIVED	\$0	\$0		
<b>TOTAL FEES ON PURCHASE SCHEDULE</b> (Applicable Taxes and Expenses Billed Separately)				<b>\$0</b>		See above		
<b>Type of Users</b>		<b>PT</b>	<b>PTA</b>	<b>OT</b>	<b>COTA</b>	<b>SLP</b>	<b>SLPA</b>	<b>Total</b>
Clinical Users (Greater than or equal to 40 hrs/month)		6	1	4	0	4	0	15
Clinical Users (Less than 40 hrs/month)		3	0	1	0	1	0	5
Student Users		0	0	0	0	0	0	0
<b>Total Clinical Subscription Users</b>								<b>20</b>
<b>Clerical/Administrative Users</b>		<b>3</b>						<b>3</b>
							<b>Total Users</b>	<b>23</b>
FOTO # of Locations for OM								n/a
Inphonite Credits per Month								1500

**Purchase Schedule Initial Term.** The Purchase Schedule Initial Term shall commence upon the Purchase Schedule Effective Date and shall continue for the number of years set forth above.

**Payment Terms.** Annual Fees are payable by CUSTOMER to Net Health on or before Purchase Schedule Effective Date. Net Health shall invoice CUSTOMER for each annual period and CUSTOMER shall promptly submit such invoice to the office of the Auditor-Controller for the County of Monterey and payments shall be due no later than thirty days thereafter. Expenses are billed separately and payable in accordance with the Agreement. Net Health accepts payment by check, credit card and ACH. Additional fees will apply to payments made by credit card.

**NOTE:** It is anticipated that the upgrade to "ReDoc powered by xfit" shall be complete by or before September 1, 2019. Until the upgrade set forth in this Purchase Schedule is complete, CUSTOMER shall continue having complete access to the classic version of the Software (namely, the ReDoc Enterprise Subscription Outpatient -Version 7 Interfaced to Meditech (ADT/DFT/Results), including 1500 Inphonite credits/month, hereinafter "ReDoc Classic"). Following the completion of the upgrade, CUSTOMER shall continue to have read-only access to ReDoc Classic for a period of six months.

**CUSTOMER IS RESPONSIBLE FOR PAYMENT OF ALL FEES SET FORTH ON THIS PURCHASE SCHEDULE.**

IN WITNESS WHEREOF, CUSTOMER and Net Health have executed this Purchase Schedule to be effective as of the Purchase Schedule

**Net Health Systems, Inc.**

By: \_\_\_\_\_

Name: Patrick L. Colletti

Title: President & COO

**County of Monterey on behalf of Natividad Medical Center**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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Dep COO  
3.20.19

Reviewed as to fiscal provisions  
\_\_\_\_\_  
Auditor-Controller  
County of Monterey 3/21/19

## EXHIBIT C

### REDOC PERFORMANCE HEALTH CHECK STATEMENT OF WORK

#### DESCRIPTION OF CONSULTING SERVICES:

**REDOC PERFORMANCE HEALTH CHECK** - Net Health shall provide a liaison to review current ReDoc features, configurations, and workflows to determine opportunities for improved patient outcomes, financial performance and visit management. At the end of the engagement, you will receive a ReDoc Performance Health Check Analysis Report detailing the results of your review and align recommendations to optimize your clinical and business operations.

Services will be provided in accordance with the following Phases:

#### **PHASE 1 (DATA COLLECTION PRE-WORK PRIOR TO REDOC GO-LIVE)**

**GOAL:** *Identify the critical clinical and operational data collection endpoints supporting the work performed within the outpatient therapy department.*

1. Schedule a call (1 hour) to formally introduce the Health Check process
2. Discuss how ReDoc Performance Health Check will be conducted
3. Discuss the overall flow of clinical and operational staff and the department's workflow

#### **PHASE 2 (CONDUCT USER ANALYSIS FOR LEADING PRACTICE - PERFORMED APPROX. 6 MONTHS POST GO-LIVE)**

**GOAL:** *Conduct a targeted Needs Analysis to examine client's current ReDoc features, configurations, and operational processes to determine opportunities for workflow and performance improvement.*

1. Review currently activated features and configurations within ReDoc (Suite, Scheduler, BIS, etc.)
2. Conduct a ReDoc User and Performance Analysis for leading practices
3. Completion of a ReDoc Utilization Scorecard
4. Assess and quantify key performance indicator opportunities to enhance patient outcomes, financial performance, and visit management. Client's key performance indicators will be ranked against the top performers within the ReDoc database.

#### **PHASE 3 (POST-REDOC PERFORMANCE HEALTH CHECK RESULTS)**

**GOAL:** *Review findings and recommendations to establish processes to close deficiencies, optimize clinical, operational, financial, and compliance processes to optimize ReDoc and clinic performance.*

1. Schedule a call (1-2 hours) to review HealthCheck findings
2. Discuss next steps to leverage opportunities available within ReDoc