



COUNTY OF MONTEREY - BOARD OF SUPERVISORS

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File #:	A 14-161	Name:	eCare Manage, Inc. Amendment No. 2 and Renewal & Amendment No. 3
Type:	BoS Agreement	Status:	Consent Agenda
File created:	6/11/2014	In control:	Board of Supervisors
On agenda:	7/1/2014	Final action:	

Title: a. Ratify Amendment No. 2 to the Agreement with eCare Manage, Inc. which extended the Agreement term to March 31, 2014 (a no cost extension); and b. Authorize the Purchasing Manager for NMC to execute Renewal and Amendment No. 3 to the Agreement with eCare Manage, Inc., retroactive to April 1, 2014, to extend the Agreement term through and including December 31, 2014 and increase the total amount of the Agreement by an additional \$1,547,500 for a revised total Agreement amount not to exceed \$4,037,500.

Attachments: 1. [eCare Manage Inc. Renewal and Amendment No. 3 BR.pdf](#), 2. [ecare Manage Inc.pdf](#), 3. [eCare Mange Spend Sheet.pdf](#), 4. [Completed Board Order](#)

[History \(0\)](#)
 [Board Report](#)

Title

a. Ratify Amendment No. 2 to the Agreement with eCare Manage, Inc. which extended the Agreement term to March 31, 2014 (a no cost extension); and
 b. Authorize the Purchasing Manager for NMC to execute Renewal and Amendment No. 3 to the Agreement with eCare Manage, Inc., retroactive to April 1, 2014, to extend the Agreement term through and including December 31, 2014 and increase the total amount of the Agreement by an additional \$1,547,500 for a revised total Agreement amount not to exceed \$4,037,500.

Report

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Ratify Amendment No. 2 to the Agreement with eCare Manage, Inc. which extended the Agreement term to March 31, 2014 (a no cost extension); and

- b. Authorize the Purchasing Manager for NMC to execute Renewal and Amendment No. 3 to the Agreement with eCare Manage, Inc., retroactive to April 1, 2014, to extend the Agreement term through and including December 31, 2014 and increase the total amount of the Agreement by an additional \$1,547,500 for a revised total Agreement amount not to exceed \$4,037,500.

SUMMARY/DISCUSSION:

Natividad Medical Center (NMC) is working to complete several Information Technology initiatives to meet regulatory requirements, Meaningful Use and DSRIP goals, and to ensure the facility meets all the necessary upgrades and changes to our various medical systems to maintain the quality of care our patients expect.

In an effort to meet the ongoing needs of our patients it is important that NMC continues to have a resource available to provide strategic direction to the NMC Information Systems Department. Over the next year NMC needs to continue progress toward implementing a fully electronic health record, a patient and physician portal, and a regional Health Information Exchange. Approval of the Renewal and Amendment No. 3 to the Agreement with eCare Manage Inc. will allow NMC to maintain five consulting resources to help NMC move forward with this Vision.

NMC will be seeking Board Approval to recruit and hire six budgeted positions in an effort to fully or partially reduce its dependence on eCare in the future. It is anticipated that the recruitments for these positions will begin in June of 2014 and be filled by December 31, 2014. NMC will reduce eCare consulting hours as internal fully competent staff are hired as replacements.

NMC entered into its original agreement with eCare Manage Inc. in 2011 and received approval for an Agreement of \$450,000 for Chief Information Officer services. NMC entered into a new board approved Agreement (A-12169) with eCare Manage Inc. for modified and expanded services to include strategic direction and add additional Information Technology services for a total amount not to exceed \$1,350,000 and a one year term from January 1, 2012 to December 31, 2012. The total of these two Agreements led to an aggregate total of \$1,800,000. Board approval was granted for Renewal and Amendment No. 1 to the Agreement (A-12169) which extended the term for an additional one year period with an associated cost increase of \$1,140,000 for a new total not to exceed amount of \$2,940,000 and a new aggregate total of \$2,940,000.

Amendment No. 2 to the Agreement (A-12169) was then executed by the NMC Purchasing Manager which extended the Agreement for three additional months at no increased cost, but due to an oversight Amendment No. 2 was never approved by the Board of Supervisors. Therefore, NMC is now requesting that the Board of Supervisors ratify Amendment No. 2 to the eCare Manage Inc. Agreement (A-12169).

NMC is also requesting the Board approve Renewal and Amendment No.3 to the Agreement (A-12169) to extend the Agreement term to December 31, 2014 and to increase the Agreement by an additional \$1,547,500 due to the term extension, for a revised total Agreement amount not to exceed \$4,037,500 and a new aggregate total for eCare Manage Inc. services of \$4,487,500.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved both Amendment No. 2 and the Renewal and Amendment No. 3 as to legal form and risk provisions. Auditor-Controller has reviewed and approved both Amendment No. 2 and the Renewal and Amendment No. 3 as to fiscal provisions.

Although the Renewal and Amendment No. 3 was reviewed by NMC's Finance Committee and its Board of Trustees, it was submitted to them labeled incorrectly as "Renewal and Amendment No. 2" when it should have been submitted as "Renewal and Amendment No. 3. Approval was obtained by both the NMC Finance Committee and the NMC Board of Trustees, however, after those approvals were granted on April 4, 2014, NMC has since renegotiated a shorter term end date with eCare Manage Inc. and the Agreement end date is now on December 31, 2014 instead of June 30, 2015. The CAO-Budget and Analysis Division has advised to inform the BOS the spending authority (appropriations) associated with NMC's FY 2014 Adopted Budget has been exceeded and approval and authorization for modification of NMC's appropriation budget should be presented to the BOS. Since NMC is an Enterprise Fund, this does not prevent continued expenditures, but it is considered good public policy, transparency and fiscal management.

FINANCING:

The cost for the Renewal and Amendment No. 3 is \$1,547,500 for a revised total Agreement amount not to exceed \$4,487,500 is included in the Fiscal Year 2013/2014 Adopted Budget and is included in the NMC FY 2014/2015 proposed budget. NMC's FY 2013-2014 appropriation obligations exceeded its budget for the period July 2013 through December 2013 (six months). NMC has received additional Disproportionate Share funding from the State and is forecasted to be back on budget. NMC is confirming its appropriations position and if its spending authority has been exceeded will return to the Board.

There is no impact to the General Fund.

Prepared by: Janine Bouyea, HR Administrator, 783-2701

Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments:

1. eCare Manage Inc. original Agreement plus Renewal and Amendment No. 1
2. eCare Manage Inc. Amendment No. 2
3. eCare Manage Inc. Renewal and Amendment No. 3
4. ecare Manage Inc. Spend Sheet

Attachments on file with the Clerk to the Boards Office



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-12169

Upon motion of Supervisor Salinas, seconded by Supervisor Parker and carried by those members present, the Board of Supervisors hereby:

- a. Ratified Amendment No. 2 to the Agreement with eCare Manage, Inc. which extended the Agreement term to March 31, 2014 (a no cost extension); and
- b. Authorized the Purchasing Manager for NMC to execute Renewal and Amendment No. 3 to the Agreement with eCare Manage, Inc., retroactive to April 1, 2014, to extend the Agreement term through and including December 31, 2014 and increase the total amount of the Agreement by an additional \$1,547,500 for a revised total Agreement amount not to exceed \$4,037,500.

PASSED AND ADOPTED on this 1ST day of July 2014, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas and Parker

NOES: None

ABSENT: Supervisor Potter

I, Gail T. Borkowski, 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 77 for the meeting on July 1, 2014.

Dated: July 8, 2014
File Number: A 14-161

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

**AMENDMENT NO. 2
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN eCare Manage Inc. AND
THE NATIVIDAD MEDICAL CENTER
FOR
Professional Information Technology Services**

This Amendment No. 2 to Professional Services Agreement (“Agreement”), dated January 1, 2012 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center (“NMC”), and eCare Manage Inc. (Contractor), with respect to the following:

RECITALS

WHEREAS, the County and Contractor amended the Agreement previously on January 1, 2013 via Amendment No. 1; and

WHEREAS, the County and Contractor wish to amend the Agreement to extend the term end date to allow for existing services to continue; and

AGREEMENT

NOW, THEREFORE, the parties agree to amend the Agreement as follows:

1. Contractor will continue to provide NMC with the same scope of services as stated in the original Agreement (No. A-12169; MYA 265).
2. Section 3, “TERM OF AGREEMENT” shall be amended by removing, “*The term of this Agreement is from January 1, 2012 to December 31, 2012 unless sooner terminated pursuant to this Agreement*” and replacing it with “*The term of this Agreement is January 1, 2012 to March 31, 2014 unless sooner terminated pursuant to this Agreement*”.
3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement and Amendment No.1 are unchanged and unaffected by this Amendment No. 2 and shall continue in full force and effect as set forth in the Agreement.
4. A copy of this Amendment No. 2 and all previous amendments shall be attached to the original Agreement (No. A-12169; MYA 265).
5. The effective date of this Amendment is January 1, 2014.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

Natividad Medical Center

By: [Signature]
Sid Cato, NMC Contracts Manager

Date: 12-27-13

By: [Signature]
Harry Weis, NMC Chief Executive Officer

Date: 12/6/13

APPROVED AS TO LEGAL PROVISIONS

By: [Signature]
Anne Brauer Breveton
Monterey County, Deputy County Counsel

Date: Dec 19, 2013

APPROVED AS TO FISCAL PROVISIONS

By: [Signature]
Gary Giboney
Monterey County Auditor/Controller's Office

Date: 12-20-13

Contractor

eCare Manage, INC.
Contractor's Business Name*** (see instructions)

[Signature]
Signature of Chair, President, or Vice-President

Jim Fenstermaker, President
Name and Title

Date: 11/25/13

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Name and Title

Date: _____

***Instructions

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required)

**RENEWAL AND AMENDMENT NO. 3
TO PROFESSIONAL SERVICES AGREEMENT
BETWEEN eCare Manage Inc. AND
THE NATIVIDAD MEDICAL CENTER
FOR
Professional Information Technology Services**

This Renewal and Amendment No. 3 to Professional Services Agreement ("Agreement"), dated January 1, 2012 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and eCare Manage Inc. (Contractor), with respect to the following:

RECITALS

WHEREAS, the County and Contractor amended the Agreement previously on January 1, 2013 via Renewal and Amendment No. 1, and on January 1, 2014 via Amendment No. 2; and

WHEREAS, the County and Contractor wish to renew and amend the Agreement retroactive to April 1, 2014 to extend the term end date to allow for existing services to continue; and

WHEREAS, the County and Contractor wish to amend the Agreement to increase the amount of the Agreement by \$1,547,500 because of the term date extension.

AGREEMENT

NOW, THEREFORE, the parties agree to renew and amend the Agreement as follows:

1. The Agreement (No. A-12169/MYA 265) is hereby renewed and amended as set forth in the Statement of Work for Professional Services, dated May 16, 2014 and attached to this Renewal and Amendment No. 3. The Statement of Work for Professional Services, dated May 16, 2014 is incorporated herein by this reference, except as specifically set forth below.
2. Section 2. "PAYMENTS BY NMC" shall be amended by removing, "*The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$1,350,000.00*" and replacing it with "*The total amount payable by County to CONTRACTOR under Agreement No. (A-12169/MYA 265) shall not exceed the total sum of \$4,037,500.00 for the full term of the Agreement*".
3. Section 3, "TERM OF AGREEMENT" shall be amended by removing, "*The term of this Agreement is from January 1, 2012 to December 31, 2012 unless sooner terminated pursuant to this Agreement*" and replacing it with "*The term of this Agreement is January 1, 2012 to December 31, 2014 unless sooner terminated pursuant to this Agreement*".
4. Except as provided herein, all remaining terms, conditions and provisions of the Agreement and Renewal and Amendment No.1, Amendment No. 2 are unchanged and unaffected by this Renewal and Amendment No. 3 and shall continue in full force and effect as set forth in the Agreement.
5. A copy of this Renewal and Amendment No. 3 and all previous Amendments shall be attached to the original Agreement (No. A-12169/MYA 265).
6. The effective date of this Renewal and Amendment No. 3 is January 1, 2014.

IN WITNESS WHEREOF, the parties hereto are in agreement with this Amendment on the basis set forth in this document and have executed this Amendment on the day and year set forth herein.

Natividad Medical Center

By: [Signature]
Sid Cate, NMC Contracts Manager

K. Aldrich

Date: 7-18-14

By: [Signature]
Harry Weis, NMC Chief Executive Officer

Date: 6/12/17

APPROVED AS TO LEGAL PROVISIONS

By: [Signature]
Anne Brauer, Secretary
Monterey County, Deputy County Counsel

Date: June 16, 2014

APPROVED AS TO FISCAL PROVISIONS

By: _____
Gary Giboney
Monterey County Auditor/Controller's Office

Date: _____

Contractor

eCare Manage, inc.
Contractor's Business Name*** (see instructions)

[Signature]
Signature of Chair, President, or Vice-President

Jim Fenstermaker, President
Name and Title

Date: 05/21/14

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Name and Title

Date: _____

***Instructions

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If CONTRACTOR is contracting in and individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required)