SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "Agreement"), including the Supplements hereto (the "Supplements") is made by and between The County of Monterey on behalf of Natividad Medical Center with offices located at 1141 Constitution Boulevard, Salinas, CA 93905 (the "Subscriber"), and Truven Health Analytics Inc., an IBM Company (Healthcare) Inc. ("Company"). As of July 1, 2016 (the "Effective Date"), Subscriber and Company hereby agree as provided below and in the Supplements:

1. Input Data. (a) Data Provided to Company. To the extent applicable and throughout the Agreement Term (as defined in Section 5), Subscriber shall provide to Company certain patient, operational and financial data as more fully described in the applicable Supplements ("Input Data").

(b) Data Requirements. All Input Data submitted to Company will be prepared and provided to Company in accordance with Company's standard policies, input data formats and specifications in effect from time to time (the "Submission Requirements"). Subscriber shall pay Company additional fees at Company's then current time and materials rates for any work or materials prepared by Company due to Subscriber's failure to comply with the Submission Requirements.

(c) Input Data Compliance. The parties hereby acknowledge that the Input Data may be subject to state and federal laws, rules and regulations relating to confidentiality or security of patient information and agree that the provisions of Section 12 of this Agreement and, as applicable, Subscriber's Business Associate Agreement, attached hereto as Exhibit A will govern the Input Data.

(d) License by Subscriber. Subscriber grants Company a worldwide, nonexclusive, perpetual, royalty-free right and license to use, copy, distribute, display, modify, sub-license, sell, lease, assign and incorporate into other products and services:

(i) Subscriber's Input Data, masked to prevent identification of patients or Subscriber as the source of specific data (except to the extent Subscriber may in accordance with a Data Sharing Supplement be identified as among the organizations covered by such Supplement, if any such Supplement is executed by Subscriber hereunder); including the combining and aggregation with Input Data received from other subscribers of Company for the provision of data aggregation services; and

(ii) Any ideas, suggestions, improvements, or services Subscriber or its personnel may provide or disclose to Company in the course of operations under this Agreement.

2. Licensed Products. (a) Right and License. Provided that Subscriber remains in compliance with this Agreement Company hereby grants to Subscriber the non-exclusive, non-transferable, revocable right and license to access and use during the Agreement Term (as defined in Section 5 below), the products, reports, data, databases and services more fully described in the Supplements (collectively, the "Licensed Products"). The Licensed Products will be delivered to Subscriber as set forth in the applicable Supplement. Except as required by law, Subscriber will use the Licensed Products for Subscriber's internal business operations and analysis only, and may not sublicense, distribute, sell or otherwise transfer the Licensed Products (including the data contained in the Licensed Products and reports or analyses developed using the Licensed Products), except that Subscriber may disclose to its third party consultants summaries, solely with respect to Subscriber's business, that are developed by Subscriber using the Licensed Products. Any consultant receiving such summaries will be subject to the restrictions contained in this Agreement, and Subscriber will be responsible for ensuring that each consultant who obtains a summary is aware of and complies with the terms of this Agreement. Subscriber is prohibited from allowing access to the Licensed Products by anyone who is not an employee of Subscriber except as required by law.

(b) User IDs for Internet Access. With respect to any components of the Licensed Products that are accessed through the Internet, Company will provide Subscriber with the number of user identification references ("User Ids") specified in the applicable Supplement. Subscriber will assign the User IDs to specific individuals who are employees of Subscriber, and will not permit the sharing of User IDs with anyone who is not an employee of Subscriber. Subscriber will ensure that each individual who is assigned a User ID is aware of and complies with the terms of this Agreement.

(c) Company Right to Modify or Update. From time to time, Company may, and reserves the right to, modify the Licensed Products to make minor revisions, modifications and corrections, without charge to Subscriber (collectively, "Updates"). In Company's sole discretion, Updates may replace any component of the Licensed Products, including the nature, format, and extent of any reports to be delivered as part of the Licensed Products, in accordance with Company's standard policies from time to time and its experience with Subscriber hereunder, provided that any such Updates does not materially and adversely affect the fundamental nature or value of the Licensed Products. Updates exclude any new version of the Licensed Products that Company decides in its sole discretion to make available as a separately priced item, such as releases that include significant function or feature enhancements ("Upgrades"), provided that Company reserves the right, in its sole discretion, to replace a Licensed Product with an Upgrade without charge to Subscriber, as long as any such Upgrade does not materially and adversely affect the fundamental nature or value of the Licensed Product being replaced.

(d) Data Sharing. Subscriber acknowledges that this Agreement may provide for the sharing of hospital-specific, confidential, operational, financial and statistical data ("Shared Data") with other health care organizations that are subscribers under a Company Subscription Agreement and are designated by Subscriber in an applicable Data Sharing Supplement, as may be amended from time to time ("Sharing Hospitals"). Subscriber acknowledges that the sharing of Shared Data may inherently present the potential for abuse if used in a manner not authorized under this Agreement or any applicable Company Data Sharing Supplement. Subscriber hereby represents and warrants that the Shared Data will not be used for any illegal or improper purpose and will be used only in accordance with this Agreement and any applicable Data Sharing Supplement. Subscriber acknowledges that Company is not obligated to determine whether Subscriber competes with other subscribers. Subscriber shall ensure that: (i) no competing hospitals are included for data sharing, and (ii) Subscriber's use of the Shared Data complies with applicable laws and regulations. To the extent allowed by applicable law, Subscriber shall defend, indemnify and hold harmless Company from and against any and all actions, claims, damages, disputes, costs and liabilities (including reasonable attorneys' fees) arising from or related to acts or omissions of Subscriber, its officers, employees, agents or subcontractors in connection with any Shared Data including, without limitation, uses which may violate antitrust laws, rules, or

regulations. Company may, at its sole discretion, revoke Subscriber's data sharing privileges at any time.

3. Access. Company anticipates that the components of the Licensed Products that are made available to Subscriber through the Internet will be available to Subscriber on a 24-hour, 7-day per week basis from its Website. However, Subscriber understands that Company may interrupt access for normal and customary maintenance, for Updates and Upgrades if any, and at other times as deemed necessary or desirable by Company. Access may also be interrupted due to Subscriber's inability to access the Website for reasons that are beyond the control of Company. Subscriber acknowledges that its inability to access the Licensed Products during these periods is to be expected, and shall not constitute a breach of this Agreement. Company's standard practice is for daily backup of data residing with Company.

4. Fees, Expenses and Taxes. (a) Fees and Expenses. Subscriber will pay Company all fees required under the Supplements or otherwise in this Agreement (the "Fees"). Except as otherwise set forth in a Supplement, Subscriber will be responsible for all reasonable travel expenses incurred by Company or Subscriber personnel in connection with the provision of any Company products and services hereunder in accordance with the Monterey County Travel Policy.

(b) Taxes. Fees do not include sales, use, excise or other applicable taxes (other than taxes based on Company's net income), and Subscriber will pay or reimburse Company for all such taxes. If Subscriber is a tax-exempt entity, it will have no tax obligations under this Agreement for so long as Subscriber maintains such status, provided that it delivers to Company a copy of its certificate of tax-exempt status or other similar evidence that is reasonably satisfactory to Company.

(c) Payment. Company will submit invoices to Subscriber for payment. Subscriber shall approve and forward the certified invoice(s) to the County Auditor-Controller. The County Auditor-Controller shall pay the amount within thirty (30) days from receipt of invoice. To the extent permitted by law, Subscriber will be liable for any and all costs associated with the recovery of such payment, including court costs and reasonable attorney fees

5. Agreement Term and Product Terms. (a) Term. Certain of the Supplements with respect to the Licensed Products state a period during which Company's license to Subscriber of each Licensed Product will be applicable (the respective "Product Terms"). Unless properly terminated sooner, the "Agreement Term" means the period from the Effective Date through December 31, 2019. Notwithstanding the foregoing, the parties' rights and obligations under this Agreement shall extend for the remainder of the then-current Product Term of any Supplement still in effect at the end of the Agreement Term.

(b) Termination. Company may terminate the Agreement Term and all Product Terms: (i) if Subscriber breaches this Agreement and fails to cure such breach within 30 days after receipt of notice from Company specifying the nature of such breach; (ii) immediately if Subscriber breaches any of Subscriber's duties or obligations under Section 6; or (iii) if Subscriber or any of the Covered Affiliates (as defined in Section 11) ceases to conduct business, files for bankruptcy, or becomes the subject of an insolvency proceeding.

Subscriber may terminate this Agreement if Company breaches this Agreement or a Supplement, as applicable, and fails to cure such breach within 30 days after receipt of notice from Subscriber specifying the nature of such breach. Company will reimburse to Subscriber all Fees paid to Company by Subscriber under the applicable Supplement(s), on a pro-rata basis from the date of the breach to the end of the current period of the Product Term of the Supplement.

Termination in Response to Non-Appropriation of County Funding. Notwithstanding any other provision of this Agreement, Subscriber shall not be obligated for Company's performance hereunder or by any provision of this Agreement during any of Subscriber's future fiscal years unless and until the Monterey County Board of Supervisors appropriates funds for this Agreement in Subscriber's Budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. Subscriber shall notify Company in writing of any such non-allocation of funds at the earliest possible date.

(c) Return of Licensed Products. At the end of the applicable Product Term, Subscriber will promptly purge, return or destroy all copies of the corresponding Licensed Products, in any form (whether made by Subscriber or provided to it), including all archival or back-up copies and any copies on hard drives or other media, and certify to Company in writing to Company that Subscriber has done so.

(d) Return of Subscriber Data. All data provided by Subscriber belongs to Subscriber. Except as otherwise provided in the Business Associate Agreement, the following shall apply to Subscriber Data: Upon written request by Subscriber and upon termination of the applicable Supplement or this Agreement, Company shall provide in a useable electronic form, encrypted using commercial and readily available software tools, machine-readable in its entirety in a manner that prevents its physical reconstruction. Written confirmation of destruction of all data shall be submitted to Subscriber within thirty (30) days of the later of (i) termination of the applicable Supplement of this Agreement or (ii) Company's receipt of Subscriber's written request, provided such request is received by Company within one (1) year of termination of the applicable Supplement or this Agreement.

6. Ownership; Protection of Confidential Information. (a) Ownership and Third Party Licensors. Certain portions of the Licensed Products may consist of data, services and other materials proprietary to third parties which have licensed to Company the right to redistribute or sublicense such materials. Such third party licensors shall be third party beneficiaries of this Agreement. As between Company and Subscriber, Company shall have and retain all title and ownership of, and intellectual property and other rights in and to, the Licensed Products, together with all copies, Updates, Upgrades, new versions, and any other manifestations thereof. Company reserves all rights not expressly licensed to Subscriber under this Agreement. No intellectual property right (including without limitation all copyrights, program or database structure and organization, specific sets of information extracted therefrom, non-public data, and specifics about the means and standards of compilation of any Company database) shall vest in or be transferred to Subscriber.

(b) Confidentiality. Company acknowledges that Subscriber is a public hospital and the Agreement is its entirety may be reviewed by the public. Subscriber acknowledges that Company treats the components of the Licensed Products as Company's confidential information, whether or not particular portions or aspects thereof may also be available from other sources. Subscriber will likewise take reasonable measures to protect the secrecy of and avoid disclosure and unauthorized use of Company's confidential information except as required by law. Such measures will be no less stringent than the measures that Subscriber takes to protect its own most highly confidential business information. Subscriber acknowledges that unauthorized disclosure or use of the Licensed

Products could cause irreparable harm to Company for which monetary damages may be difficult to ascertain. Company will have the right, in addition to its other rights and remedies, to seek injunctive relief for or to prevent any unauthorized disclosure or use, and to limit or recover any improper benefits derived therefrom.

(c) Subscriber Confidential Information. Subscriber may provide Company with certain confidential, non-public or proprietary information or materials regarding the business and affairs of Subscriber ("Subscriber Confidential Information"). Company shall use commercially reasonable measures to keep all Subscriber Confidential Information confidential and use such information only for the purposes expressly set forth in this Agreement. Such measures will be no less stringent than the measures that Company takes to protect its own most highly confidential business information. Company shall have no obligation of confidentiality and non-use with respect to any portion of Subscriber Confidential Information which (i) is or later becomes generally available to the public by use, publication or the like, through no act or omission of the Company; (ii) is obtained from a third party who had the legal right to disclose the information to Company; or (iii) is already in Company's possession at the time of disclosure by Subscriber. If Company is required by law to disclose any Subscriber Confidential Information, Company will provide Subscriber with reasonable prior written notice, and an opportunity to seek a protective order. Company acknowledges that unauthorized disclosure or use of Subscriber's Confidential Information could cause irreparable harm to Subscriber for which monetary damages may be difficult to ascertain. Subscriber will have the right, in addition to its other rights and remedies, to seek injunctive relief for or to prevent any unauthorized disclosure or use.

7. As Documented Warranty; Disclaimer of Product Warranty. Subscriber acknowledges that Subscriber is relying on its own expertise to evaluate and use the Licensed Products and the related data. In recognition of this, and given the potential for varying materials, labor, insurance, transportation, and hospital facility conditions for any given user:

THE LICENSED PRODUCTS ARE PROVIDED "AS IS." COMPANY DOES NOT MAKE, AND HEREBY SPECIFICALLY EXCLUDES AND DISCLAIMS ALL WARRANTIES NOT EXPLICITLY STATED IN THIS AGREEMENT, INCLUDING ANY SUPPLEMENT, AS APPLICABLE, WHETHER EXPRESS, IMPLIED, OR ARISING BY TRADE USAGE OR COURSE OF DEALING, INCLUDING WITHOUT LIMITATION ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, AND IMPLIED INDEMNITIES. SUBSCRIBER HEREBY EXPRESSLY WAIVES ALL SUCH WARRANTIES AND INDEMNITIES AND AGREES TO ASSUME AND TO BEAR ALL RISKS AS TO RESULTS OF ITS USE OF, OR ITS FAILURE TO BE ABLE TO USE, THE LICENSED PRODUCTS UNLESS OTHERWISE STATED HEREIN. THE USE AND RISK AS TO QUALITY, PERFORMANCE, ACCURACY AND EFFORT IS WITH SUBSCRIBER EXCLUSIVELY. WITHOUT LIMITING THE FOREGOING, COMPANY DOES NOT WARRANT THAT THE LICENSED PRODUCTS WILL SATISFY SUBSCRIBER'S REQUIREMENTS OR BE UNINTERRUPTED OR ERROR-FREE.

8. Exclusion of Damages and Remedies; Other Limitations. COMPANY WARRANTS THAT THE LICENSED PRODUCT WILL CONFORM AND FUNCTION SUBSTANTIALLY IN ACCORDANCE WITH THE COMPANY'S APPLICABLE USER DOCUMENTATION FOR THE LICENSED PRODUCT ("AS DOCUMENTED WARRANTY"). AS SUBSCRIBER'S SOLE REMEDY FOR CLAIMS PURSUANT TO THE AS DOCUMENTED WARRANTY, UPON RECEIPT OF NOTICE FROM SUBSCRIBER OF A BREACH OF WARRANTY, COMPANY WILL USE REASONABLE EFFORTS TO CORRECT THE BREACH OR PROVIDE A SUITABLE WORKAROUND. SUBSCRIBER AGREES TO COOPERATE WITH AND TO PROVIDE COMPANY WITH ALL AVAILABLE INFORMATION TO FACILITATE SUCH EFFORTS BY COMPANY.

UNDER NO CIRCUMSTANCES WILL COMPANY OR ITS PERSONNEL, AFFILIATES OR THIRD PARTY LICENSORS BE LIABLE FOR ANY SPECIFIC PERFORMANCE OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE, ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT, WHETHER FOR LOST GOODWILL OR PROFITS, LOSS OF DATA OR SOFTWARE, WORK STOPPAGE OR IMPAIRMENT OF OTHER GOODS, EVEN IF COMPANY KNOWS OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGE, AND WHETHER OR NOT ANY EXCLUSIVE REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

EXCEPT AS EXPLICITLY PROVIDED IN SECTION 9 BELOW, COMPANY'S AGGREGATE LIABILITY UNDER OR IN CONNECTION WITH ALL AGREEMENTS BETWEEN SUBCRIBER AND COMPANY SHALL NOT EXCEED THE ACTUAL AMOUNT PAID TO COMPANY FOR THE LICENSED PRODUCTS GIVING RISE TO THE CLAIM. COMPANY SHALL NOT BE LIABLE FOR THE COSTS OF PROCUREMENT OF SUBSTITUTE DATA, OR OTHER PRODUCTS OR SERVICES.

NEITHER PARTY MAY BRING ANY ACTION OR CLAIM HEREUNDER MORE THAN TWO YEARS AFTER THE CAUSE OF ACTION HAS ACCRUED OR THE STATUTE OF LIMITATION FOR THE COURSE OF ACTION, WHICHEVER IS SHORTER.

9. Company's Infringement Indemnity. Company will, as Subscriber's sole remedy, indemnify, defend and hold harmless Subscriber from and against any third party claim that the Licensed Products constitute any infringement of any United States copyright or trade secret misappropriation, as long as Subscriber notifies Company promptly upon learning of such claim and gives Company authority, information and assistance to defend or settle the claim. If any such claim arises, Subscriber will permit Company, at Company's expense, to either: (i) procure the right for Subscriber to continue using the Licensed Products, (ii) replace or modify the Licensed Products to eliminate the infringement while providing functionally equivalent performance, or (iii) pay to Subscriber the amount that Subscriber has actually paid for the Licensed Product for the period that the Licensed Product was not usable in exchange for the right to terminate Subscriber's right to use the Licensed Product and this Agreement. This Section 9 sets forth Company's exclusive liability to Subscriber and Subscriber's exclusive remedy against Company with respect to any infringement claims. Company will not be liable to Subscriber and will not indemnify Subscriber for any claim to the extent it is caused by Subscriber's failure to act in accordance with the terms of this Agreement or otherwise by Subscriber's improper actions or omissions.

10. Additional Indemnification.

(a) Indemnification by Company: Other claims. Company shall indemnify, defend, and hold harmless Subscriber, its officers, agents and employees from any claim, liability, loss, injury or damages arising out of, or in connection with, the negligent or wrongful acts or omissions of Company and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by Company. It is the intent of the parties to this Agreement to provide the broadest possible coverage for Subscriber. Company shall reimburse Subscriber for all costs, attorneys' fees, expenses and liabilities incurred with respect to any

litigation in which Company is obligated to indemnify, defend and hold harmless Subscriber under this Agreement.

(b). Indemnification by Subscriber. Subscriber shall indemnify, defend, and hold harmless Company, its officers, agents and employees from any claim, liability, loss, injury or damages arising out of, or in connection with, the negligent or wrongful acts or omissions of Subscriber and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by Subscriber. It is the intent of the parties to this Agreement to provide the broadest possible coverage for Company. Subscriber shall reimburse Company for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which SUBSCRIBER is obligated to indemnify, defend and hold harmless Company under this Agreement.

In addition, Subscriber, and not Company, will be fully responsible for any uses made of the Licensed Products by Subscriber or anyone obtaining access thereto from or through Subscriber, and for the consequences of any decisions made or actions taken or not taken based in whole or in part thereon, whether by Subscriber, Covered Affiliates, or their personnel, professionals, patients or other third parties. Subscriber will, during and after the Agreement Term, at Company's request, defend and indemnify Company from and against any claims, damages and expenses arising therefrom or related thereto (including, without limitation, reasonable attorneys' fees and costs of defense), except to the extent of Company's improper actions or omissions.

11. Affiliated Entities. Subscriber may not extend its rights under this Agreement to any of its subsidiaries or other affiliated entities (the "Covered Affiliates") unless: (i) all such Covered Affiliates are listed in an "Affiliates Supplement" to this Agreement which is approved and executed by Company (which approval may be withheld or granted in Company's discretion); (ii) Subscriber pays to Company such additional fees or reimbursements as may be required of Subscriber or the Covered Affiliate as provided in the Affiliates Supplement; and (iii) each Covered Affiliate is bound in writing to perform, with respect to itself and its own data and operations, all of the obligations of the Subscriber under this Agreement.

12. Compliance and Use Restrictions (a) Regulatory. Subscriber and Company acknowledge that the Licensed Products may be subject to federal and state laws, rules and regulations relating to, among other subjects, the confidentiality or security of patient information, including but not limited to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the applicable regulations promulgated thereunder. The parties will at all times comply with the applicable provisions of such laws, regulations and policies and hereby agree to execute any supplemental agreement regarding the confidentiality or security of Protected Health Information ("PHI") as required to comply or support Subscriber's compliance with applicable state or federal law(s), rule(s) and/or regulation(s). For purposes of this Agreement, PHI shall mean individually identifiable information as defined by the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Parts 160 and 164 (see Exhibit A, Business Associate Agreement).

(b) Data Use. Before Company grants Subscriber access to the Licensed Products, Subscriber will execute all data use agreements and obtain all third party approvals, from regulatory agencies and other third parties, required to permit such access. Company will use reasonable efforts to assist Subscriber in its efforts to obtain the necessary approvals. If federal or state laws, regulations or policies change so as to prevent Company or make it impractical for Company in its sole discretion to continue to provide the Licensed Products hereunder, then Company may terminate this Agreement and refund to Subscriber any portion of the fees attributable to the remaining portion of the Term in full satisfaction of all obligations of Company pursuant to this Agreement.

(c) Availability. In the event that any third party source of data included in the Licensed Products terminates the release of such data, or modifies the terms of disclosure or nature of such data, in either event such that the fundamental nature or value of the products and services provided by Company under this Agreement are materially and adversely affected as determined by Company in its discretion, then Company may terminate this Agreement and refund to Client any portion of the fees which are attributable to the remaining portion of the Agreement Term as full payment of all obligations of Company pursuant to this Agreement.

13. Force Majeure. Neither party will be deemed in default of this Agreement if its performance of obligations under this Agreement is delayed or becomes impossible or impractical by reason of any act of God, war, fire, earthquake, , terrorism, epidemic, third party service provider act of government or government agency or officers or any similar cause beyond the control of such party.

14. Miscellaneous. (a) Assignment. Subscriber will not sublicense or assign this Agreement or any right or interest hereunder without Company's prior written consent, and any attempted sublicense or assignment without such consent will be void. Subject to the foregoing restriction, this Agreement will bind and benefit the parties and their respective successors and assigns.

(b) Governing Law; Severability. This Agreement will be interpreted, construed and enforced in all respects in accordance with the laws of the State of California, without giving effect to its principles of conflict of laws. If any provision of this Agreement is determined to be invalid to any extent or in any context, such provision will be enforced to the extent and in the contexts in which it is valid, and the remaining provisions are severable and will not be affected by any such determination of invalidity.

(c) Equal Employment Opportunity. It is the policy of Company to employ, train, compensate, promote and provide other terms and conditions of employment, without regard to a person's race, color, religion, national origin, sex (including pregnancy), sexual orientation, age, disability, veteran status, or other characteristics protected by law.

(d) Entire Agreement. This Agreement and all exhibits and attachments hereto set forth the entire agreement, and supersede any and all prior agreements, of Company and Subscriber with respect to the subject matter hereof. No amendment of this Agreement will be valid unless set forth in a writing signed by both Parties. No waiver shall be binding unless signed by the party to be bound. In the event and to the extent that any provision of this Agreement conflicts with a provision of a Supplement, the provision contained in the Supplement will control.

(e) Survival. The provisions of this Agreement that may reasonably be interpreted or construed as surviving termination of the Agreement Term or any Product Term (including without limitation Sections 6, 8, 9, and 10) will so survive.

(f) Insurance. Company maintains adequate levels of insurance based on current industry standards for the Licensed Products provided under this Agreement. Company agrees to maintain the minimum standards of insurance listed in Exhibit B, attached hereto. Throughout the Term of this Agreement, Company and Subscriber each will maintain insurance sufficient to cover their respective obligations under this Agreement and will provide evidence of such insurance to the other within thirty (30) days of written request.

The County of Monterey on behalf of Natividad Medical Center	Truven Health Analytics Inc., an IBM Company
By: _____	By: _____
Printed Name: _____	Printed Name: Brandon Williams
Title: _____	Title: Director of Finance
Date Signed: _____	Date Signed: June 28, 2016
CMS ID: _____	Address for notices hereunder (notices must be in writing): 1 North Dearborn, 14th Floor, Chicago, IL 60602, Fax: 312-533-3501
Address for notices hereunder (notices must be in writing): _____ _____	Attn: General Counsel
Fax: _____	
Attn: _____	

AK
ABKrcton
Dep. Co. Counsel
7-8-16

Reviewed as to fiscal provisions
Auditor-Controller
County of Monterey
7/6/16

Exhibit A
Business Associate Agreement

Exhibit A

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement"), effective July 1, 2016 ("Effective Date"), is entered into by and among the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center ("Covered Entity") and **Truven Health Analytics, Inc.,** ("Business Associate") (each a "Party" and collectively the "Parties").

Business Associate provides certain services for Covered Entity ("Services") that involve the use and disclosure of Protected Health Information that is created or received by Business Associate from or on behalf of Covered Entity ("PHI"). The Parties are committed to complying with the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164, Subparts A and E as amended from time to time (the "Privacy Rule"), and with the Security Standards, 45 C.F.R. Part 160 and Part 164, Subpart C as amended from time to time (the "Security Rule"), under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations ("HITECH"). Business Associate acknowledges that, pursuant to HITECH, 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and procedures and documentation requirements) and 164.502 *et. seq.* apply to Business Associate in the same manner that such sections apply to Covered Entity. The additional requirements of Title XIII of HITECH contained in Public Law 111-005 that relate to privacy and security and that are made applicable with respect to covered entities shall also be applicable to Business Associate. The Parties are also committed to complying with the California Confidentiality of Medical Information Act, Ca. Civil Code §§ 56 *et seq.* ("CMIA"), where applicable. Business Associate acknowledges that the CMIA prohibits Business Associate from further disclosing the PHI it receives from Covered Entity where such disclosure would be violative of the CMIA. The Parties are also committed to complying with applicable requirements of the Red Flag Rules issued pursuant to the Fair and Accurate Credit Transactions Act of 2003 ("Red Flag Rules"). This Agreement sets forth the terms and conditions pursuant to which PHI, and, when applicable, Electronic Protected Health Information ("EPHI"), shall be handled. The Parties further acknowledge that state statutes or other laws or precedents may impose data breach notification or information security obligations, and it is their further intention that each shall comply with such laws as well as HITECH and HIPAA in the collection, handling, storage, and disclosure of personal data of patients or other personal identifying information exchanged or stored in connection with their relationship.

The Parties agree as follows:

1. DEFINITIONS

All capitalized terms used in this Agreement but not otherwise defined shall have the meaning set forth in the Privacy Rule, Security Rule and HITECH.

2. PERMITTED USES AND DISCLOSURES OF PHI

2.1 Unless otherwise limited herein, Business Associate may:

(a) use or disclose PHI to perform functions, activities or Services for, or on behalf of, Covered Entity as requested by Covered Entity from time to time, provided that such use or disclosure would not violate the Privacy or Security Rules or the standards for Business Associate Agreements set forth in 45 C.F.R. § 164.504(e), exceed the minimum necessary to accomplish the intended purpose of such use or disclosure, violate the additional requirements of HITECH contained in Public Law 111-005 that relate to privacy and security, or violate the CMIA;

(b) disclose PHI for the purposes authorized by this Agreement only: (i) to its employees, subcontractors and agents; (ii) as directed by this Agreement; or (iii) as otherwise permitted by the terms of this Agreement;

(c) use PHI in its possession to provide Data Aggregation Services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B);

(d) use PHI in its possession for proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate as permitted by 45 C.F.R. § 164.504(e)(4)(i);

(e) disclose the PHI in its possession to third parties for the proper management and administration of Business Associate to the extent and in the manner permitted under 45 C.F.R. § 164.504(e)(4)(ii); provided that disclosures are Required by Law , or Business Associate obtains reasonable assurances from the persons to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached;

(f) use PHI to report violations of law to appropriate Federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1);

(g) de-identify any PHI obtained by Business Associate under this Agreement for further use or disclosure only to the extent such de-identification is pursuant to this Agreement, and use such de-identified data in accordance with 45 C.F.R. § 164.502(d)(1).

3. RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

3.1 Responsibilities of Business Associate. With regard to its use and/or disclosure of PHI, Business Associate shall:

(a) use and/or disclose the PHI only as permitted or required by this Agreement or as otherwise Required by Law;

(b) report to the privacy officer of Covered Entity, in writing, (i) any use and/or disclosure of the PHI that is not permitted or required by this Agreement of which Business Associate becomes aware, and (ii) any Breach of unsecured PHI as specified by HITECH, within two (2) days of Business Associate's determination of the occurrence of such unauthorized use and/or disclosure. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure. The notification of any Breach of unsecured PHI shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, used or disclosed during the Breach.

(c) use commercially reasonable safeguards to maintain the security of the PHI and to prevent use and/or disclosure of such PHI other than as provided herein;

(d) obtain and maintain an agreement with all of its subcontractors and agents that receive, use, or have access to, PHI pursuant to which agreement such subcontractors and agents

agree to adhere to the same restrictions and conditions on the use and/or disclosure of PHI that apply to Business Associate pursuant to this Agreement;

(e) make available all internal practices, records, books, agreements, policies and procedures and PHI relating to the use and/or disclosure of PHI to the Secretary for purposes of determining Covered Entity or Business Associate's compliance with the Privacy Rule;

(f) document disclosures of PHI and information related to such disclosure and, within ten (10) days of receiving a written request from Covered Entity, provide to Covered Entity such information as is requested by Covered Entity to permit Covered Entity to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with 45 C.F.R. § 164.528, as well as provide an accounting of disclosures, as required by HITECH, directly to an individual provided that the individual has made a request directly to Business Associate for such an accounting. At a minimum, the Business Associate shall provide the Covered Entity with the following information: (i) the date of the disclosure, (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure. In the event the request for an accounting is delivered directly to the Business Associate, the Business Associate shall, within two (2) days, forward such request to the Covered Entity. The Business Associate shall implement an appropriate recordkeeping process to enable it to comply with the requirements of this Section;

(g) subject to Section 4.4 below, return to Covered Entity within twenty-one (21) days of the termination of this Agreement, the PHI in its possession and retain no copies, including backup copies;

(h) disclose to its subcontractors, agents or other third parties, and request from Covered Entity, only the minimum PHI necessary to perform or fulfill a specific function required or permitted hereunder;

(i) if all or any portion of the PHI is maintained in a Designated Record Set:

(i) upon ten (10) days' prior written request from Covered Entity, provide access to the PHI in a Designated Record Set to Covered Entity or, as directed by Covered Entity, the individual to whom such PHI relates or his or her authorized representative to meet a request by such individual under 45 C.F.R. § 164.524; and

(ii) upon ten (10) days' prior written request from Covered Entity, make any amendment(s) to the PHI that Covered Entity directs pursuant to 45 C.F.R. § 164.526;

(j) maintain policies and procedures to detect and prevent identity theft in connection with the provision of the Services, to the extent required to comply with the Red Flag Rules;

(k) notify the Covered Entity within five (5) days of the Business Associate's receipt of any request or subpoena for PHI. To the extent that the Covered Entity decides to assume responsibility for challenging the validity of such request, the Business Associate shall cooperate fully with the Covered Entity in such challenge;

(l) maintain a formal security program materially in accordance with all applicable data security and privacy laws and industry standards designed to ensure the security and integrity of the Covered Entity's data and protect against threats or hazards to such security

The Business Associate acknowledges that, as between the Business Associate and the Covered Entity, all PHI shall be and remain the sole property of the Covered Entity.

3.2 Additional Responsibilities of Business Associate with Respect to EPHI. In the event that Business Associate has access to EPHI, in addition to the other requirements set forth in this Agreement relating to PHI, Business Associate shall:

(a) implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C;

(b) ensure that any subcontractor or agent to whom Business Associate provides any EPHI agrees in writing to implement reasonable and appropriate safeguards to protect such EPHI; and

(c) report to the privacy officer of Covered Entity, in writing, any Security Incident involving EPHI of which Business Associate becomes aware within two (2) days of Business Associate's discovery of such Security Incident. For purposes of this Section, a Security Incident shall mean (consistent with the definition set forth at 45 C.F.R. § 164.304), the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. In such event, the Business Associate shall, in consultation with the Covered Entity, mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of such improper use or disclosure.

3.3 Responsibilities of Covered Entity. Covered Entity shall, with respect to Business Associate:

(a) provide Business Associate a copy of Covered Entity's notice of privacy practices ("Notice") currently in use;

(b) notify Business Associate of any limitations in the Notice pursuant to 45 C.F.R. § 164.520, to the extent that such limitations may affect Business Associate's use or disclosure of PHI;

(c) notify Business Associate of any changes to the Notice that Covered Entity provides to individuals pursuant to 45 C.F.R. § 164.520, to the extent that such changes may affect Business Associate's use or disclosure of PHI;

(d) notify Business Associate of any changes in, or withdrawal of, the consent or authorization of an individual regarding the use or disclosure of PHI provided to Covered Entity pursuant to 45 C.F.R. § 164.506 or § 164.508, to the extent that such changes may affect Business Associate's use or disclosure of PHI; and

(e) notify Business Associate, in writing and in a timely manner, of any restrictions on use and/or disclosure of PHI as provided for in 45 C.F.R. § 164.522 agreed to by Covered Entity, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4. TERMS AND TERMINATION

4.1 Term. This Agreement shall become effective on the Effective Date and shall continue in effect unless terminated as provided in this Article 4. Certain provisions and requirements of this Agreement shall survive its expiration or other termination as set forth in Section 5.1 herein.

4.2 Termination. Either Covered Entity or Business Associate may terminate this Agreement and any related agreements if the terminating Party determines in good faith that the terminated Party has breached a material term of this Agreement; provided, however, that no Party may terminate this Agreement if the breaching Party cures such breach to the reasonable satisfaction of the terminating Party within thirty (30) days after the breaching Party's receipt of written notice of such breach.

4.3 Automatic Termination. This Agreement shall automatically terminate without any further action of the Parties upon the termination or expiration of Business Associate's provision of Services to Covered Entity.

4.4 Effect of Termination. Upon termination or expiration of this Agreement for any reason, Business Associate shall return all PHI pursuant to 45 C.F.R. § 164.504(e)(2)(ii)(I) if, and to the extent that, it is feasible to do so. Prior to doing so, Business Associate shall recover any PHI in the possession of its subcontractors or agents. To the extent it is not feasible for Business Associate to return or destroy any portion of the PHI, Business Associate shall provide Covered Entity a statement that Business Associate has determined that it is infeasible to return or destroy all or some portion of the PHI in its possession or in possession of its subcontractors or agents. Business Associate shall extend any and all protections, limitations and restrictions contained in this Agreement to any PHI retained after the termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed.

5. MISCELLANEOUS

5.1 Survival. The respective rights and obligations of Business Associate and Covered Entity under the provisions of Sections 4.4, 5.1, 5.6, and 5.7, and Section 2.1 (solely with respect to PHI that Business Associate retains in accordance with Section 4.4 because it is not feasible to return or destroy such PHI), shall survive termination of this Agreement until such time as the PHI is returned to Covered Entity or destroyed. In addition, Section 3.1(i) shall survive termination of this Agreement, provided that Covered Entity determines that the PHI being retained pursuant to Section 4.4 constitutes a Designated Record Set.

5.2 Amendments; Waiver. This Agreement may not be modified or amended, except in a writing duly signed by authorized representatives of the Parties. To the extent that any relevant provision of the HIPAA, HITECH or Red Flag Rules is materially amended in a manner that changes the obligations of Business Associates or Covered Entities, the Parties agree to negotiate in good faith appropriate amendment(s) to this Agreement to give effect to the revised obligations. Further, no provision of this Agreement shall be waived, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.

5.3 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

5.4 Notices. Any notices to be given hereunder to a Party shall be made via U.S. Mail or express courier to such Party's address given below:

NATIVIDAD MEDICAL CENTER:
Natividad Medical Center
Attn: Contracts Division
1441Constitution Blvd
Salinas, CA. 93906

CONTRACTOR:
Truven Health Analytics, Inc.
General Counsel
1 North Dearborn, 4th Floor
Chicago, IL 60602

Each Party named above may change its address and that of its representative for notice by the giving of notice thereof in the manner hereinabove provided. Such notice is effective upon receipt of notice, but receipt is deemed to occur on next business day if notice is sent by FedEx or other overnight delivery service.

5.5 Counterparts; Facsimiles. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.

5.6 Choice of Law; Interpretation. This Agreement shall be governed by the laws of the State of California; as provided, however, that any ambiguities in this Agreement shall be resolved in a manner that allows Business Associate to comply with the Privacy Rule, and, if applicable, the Security Rule and the CMIA.

5.7 Indemnification. Contractor shall indemnify, defend, and hold harmless the County of Monterey (hereinafter County), its officers, agents, and employees from any claim, liability, loss, injury, cost, expense, penalty or damage, including the County's reasonable cost of providing notification of and of mitigating any acquisition, access, use or disclosure of PHI in a manner not permitted by this BAA, arising out of, or in connection with, performance of this BAA by Contractor and/or its agents, members, employees, or sub-contractors, excepting only loss, injury, cost, expense, penalty or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this BAA to provide the broadest possible indemnification for the County. Contractor shall reimburse the County for all costs, attorneys' fees, expenses, and liabilities incurred by the County with respect to any investigation, enforcement proceeding or litigation in which Contractor is obligated to indemnify, defend, and hold harmless the County under this BAA. This provision is in addition to and independent of any indemnification provision in any related or other agreement between the Covered Entity and the Business Associate.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf as of the Effective Date.

Truven Health Analytics, Inc.

By: _____

Print Name: Brenda Williams

Print Title: Director of Finance

Date: 6/26/14

County of Monterey, on behalf of Natividad Medical Center

By: _____

Print Name: _____

Print Title: _____

Date: _____

Exhibit B
Insurance Requirements

Exhibit A B
Insurance Provisions

INSURANCE REQUIREMENTS:

Evidence of Coverage:
Prior to commencement of this Agreement, Truven Health Analytics ("Truven") shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, Truven upon request shall provide a certified copy of the policy or policies.

Insurance Coverage Requirements: Without limiting Truven's duty to indemnify, Truven shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial General Liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than $1,000,000 per occurrence.

Workers' Compensation Insurance, If Truven employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than $1,000,000 each person, $1,000,000 each accident and $1,000,000 each disease.

Other Requirements:

Each liability policy shall provide that the Natividad Medical Center shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Truven and additional insured with respect to claims arising from each sub-contractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each sub-contractor showing each sub-contractor has identical insurance coverage to the above requirements.

The Commercial General Liability policy shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of the Truven's work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by Truven's insurance.** The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000).

Truven shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to NMC's Contracts/Purchasing Department, 1441 Constitution Blvd., Salinas CA 93906.

CareDiscovery® Transform Supplement

This Supplement is effective as of July 1, 2016 (the "Supplement Effective Date"), and is entered into by Truven Health Analytics Inc., an IBM Company ("Company") and the County of Monterey on behalf of Natividad Medical Center with offices located at 1441Constitution Boulevard, Salinas, CA 93905 ("Subscriber") under and subject to the terms of the Subscription Agreement, dated as of July 1, 2016("Subscription Agreement") attached as Exhibit A to the Agreement for Services dated July 1, 2016 (the "Agreement"). Capitalized terms that are not defined in this Supplement shall have the meaning assigned to them in the Subscription Agreement.

1. **Licensed Product; Term**. The Licensed Product to be covered by this Supplement is CareDiscovery® Transform. The Product Term shall be for three (3) years and six (6) months, commencing on the Supplement Effective Date.

2. **Fees and Payment**.

   (a) Subscriber will pay Company for the Licensed Product as set forth below:

Product Term	**Year 1 6 Months 7/1/016 to 12/31/16**	**Year 2 1/1/17 to 12/31/17**	**Year 3 1/1/18 to 12/31/18**	**Year 4 1/1/19 to 12/31/19**
Subscription Fee	$28,717	$60,304	$63,320	$66,486
Two (2) Registrations to the Company National Client Conference	Waived	Waived	Waived	Waived
Core Measure Data Import	Included	Included	Included	Included
Total Annual Fee	**$28,717**	**$60,304**	**$63,320**	**$66,486**

   (b) Travel Expenses. Subscriber will be responsible for Company's reasonable travel expenses in accordance with the Monterey County Travel Policy (http://www.in.co.monterey.ca.us/auditor/pdfs/County_Travel_Business_Expense_Policy_12-5-12.pdf), if onsite training is requested by Subscriber.

   (c) Payment. All Fees payable hereunder for Year 1 of the Product Term, plus applicable taxes, will be invoiced by Company promptly following the Supplement Effective Date. For each subsequent year of the Product Term, Company will invoice Subscriber for all Fees payable hereunder for such year, plus applicable taxes, on or about January 1st of such year. Subscriber shall pay all Fees in accordance with the Subscription Agreement.

3. **Company Deliverables.** Company will provide Subscriber access to the Licensed Product during the Product Term as set forth in this Section 3 and under and subject to the third party terms and conditions contained in Attachment 1 to this Supplement.

   (a) Conference Registrations. Company will provide Subscriber with two (2) registrations to the Company national client conference during each year of the Product Term.

   (b) User IDs. The Subscription Fee includes user IDs for ten (10) users for Subscriber. Additional user IDs may be licensed at Company's then-current rates.

   (c) Support. Standard technical and content support via a toll free phone number and Company's product support web site in accordance with Company's regularly published work schedule. The current work schedule (excluding holidays observed by Company) is Monday through Friday from 7 a.m. to 5 p.m. Central Time. Subscriber may request service outside of Company's regularly published work schedule provided that it pays for this service at Company's then-current time and materials rate. Any payment due for such support shall be documented under an amendment to this Supplement to be signed by both parties.

(d) Core Functionality. CareDiscovery is an internet-based patient discharge dataset (UB-92) analysis tool. Core functionality provided by the tool includes the following:

(i) Patient Population Finder – Simplifies the identification of specific groups of patients for analysis and reporting

(ii) Analysis Report Catalog – Standard reports that allow for the slicing of patient populations from different vantage points (multi-dimensional view) through pre-created presentation ready reports

(iii) Reveal – Subscriber defined reports which combine focused analytics and effective visual displays to highlight insights within the data for a patient population

(iv) Provider Profiles – Subscriber configured highly-focused, meaningful physician performance reporting leveraging patient populations

(v) Ad hoc – A reporting tool that leverages patient populations to provide comprehensive reporting

(vi) Access to the Data Sources designated herein below;

(vii) Periodic data submissions (as applicable);

(viii) Data integrity checks and data validations;

(ix) Data normalization methodologies;

(x) Access to the Company's Online Communities; and

(xi) Access to the Company's internet-based Education and Training curriculum.

(e) Data Sources. The following table identifies the data sources selected by Subscriber.

Data Source Type		Data Source
X	Subscriber Supplied Facility Level Data	HDF 4800
	Subscriber Supplied Private State/System Data[1] [2] MDSS Upload	
X	Company Supplied Public State Data[1]	California
X	Company Supplied MedPar Data[2]	CMS

[1] Third party data use agreements may be required. Fees do not include the cost of any state data that must be separately licensed, which is Subscriber's responsibility. Minimum of 5 years of data required.

[2] Third party data use agreement is required; additional fees may apply.

(f) Subscriber Services. Subscriber Services will consist of service delivery coordination and access to product expertise. Company will appoint a Services Manager to serve as the point of contact for Subscriber service delivery throughout the Product Term. Activities and deliverables provided with this service are:

(i) Coordination and management of services related to the Licensed Product;

(ii) Participation in Subscriber's routine performance improvement and quality improvement meetings (where appropriate);

(iii) Guidance and assistance regarding best use of the Licensed Product to address Subscriber's business needs; and

(iv) Monitoring of Subscriber's production data submissions.

(g) Options.

(i) Core Measure Data Import. Subscriber has opted to license Core Measure Data Import functionality in the Licensed Product as follows. Subscriber will be permitted to view its core measures data from the CareDiscovery Quality Measures ("CDQM") Product in the Licensed Product at no charge, provided that Subscriber maintains a current subscription to the CDQM Product for the remainder of the Product Term identified in this Supplement. In the event that Subscriber's CDQM subscription expires or is terminated during the Product Term, Subscriber may submit core measures content for the Core Measures Data Import directly to Company via a quarterly data submission in accordance with Company's specifications for an additional fee. Any such fees and services shall be documented in an amendment to this Supplement.

4. **Licensed Product Internet Access Requirements**. Subscriber will provide hardware and software that meets or exceeds the minimum specifications as established by Company in the Licensed Product documentation, as may be updated by Company. It is Subscriber's responsibility to provide access to the Internet.

5. **Data Submission**. Subscriber shall provide to Company Input Data (if applicable) in accordance with the Submission Requirements (as defined in the Subscription Agreement) and Company's published data submittal deadlines. Company will provide reasonable assistance to Subscriber to ensure that the Input Data conforms to the Submission Requirements; however, Subscriber is responsible for the quality, accuracy and timeliness of its Input Data submissions. Company will provide Subscriber with access to the Output Data after completion of the Input Data submission process.

AGREED AND ACCEPTED:

Natividad Medical Center	Truven Health Analytics Inc., an IBM Company
By:_____	By:_____
Printed Name: Dr. Gary Gray	Printed Name: Brendan Williams
Title: Chief Executive Officer	Title: Director of Finance
Date Signed:_____	Date Signed: 6/28/16

AB
Aberetta
Dep. to Counsel
7-8-16

Reviewed as to fiscal provisions

Auditor-Controller 7/11/16
County of Monterey

Attachment 1
Third Party Terms and Conditions

1. *American Medical Association*

Pursuant to Company's CPT Distribution License Agreement with The American Medical Association ("AMA"), as it may now or hereafter be amended, Company is authorized to distribute and sublicense to Subscriber **Physicians' Current Procedural Terminology, Fourth Edition**, a coding system of nomenclature and codes for reporting of healthcare services (collectively, "CPT"), as part of the Licensed Product, provided that Subscriber is bound by certain terms and conditions. Subscriber's rights to use the CPT terminate if Subscriber fails to comply with any of the material terms and conditions thereof. The terms and conditions set forth in the Subscription Agreement that apply to the Licensed Product generally also apply to the CPT. The following are the additional terms and conditions that apply to the CPT:

a. The provision of an updated version of CPT in the Licensed Product is dependent upon Company's continuing contractual relations with the AMA.

b. The Licensed Product is nontransferable, nonexclusive, and for the sole purpose of internal use by Subscriber, and only within the United States.

c. The CPT license is granted in consideration for a license fee and other consideration.

d. Subscriber is prohibited from publishing, distributing via the Internet or other public computer-based information system, creating derivative works (including translating), transferring, selling, leasing, licensing or otherwise making available to any unauthorized party, the CPT, or a copy or portion of the CPT.

e. Subscriber may only make copies of the Licensed Product for back up or archival purposes.

f. CPT is copyrighted by the AMA and is a registered trademark of the AMA. All notices of proprietary rights, including trademark and copyright notices in CPT must appear on all permitted back-up or archival copies made by the user; any printout or other output from the Licensed Product that contains any portion of CPT (other than that which would constitute fair use, internal reports and claim forms for specific patients and external reports distributed outside of Subscriber containing less than twenty (20) CPT codes and/or descriptions) will display the following: *"CPT only © 2015 American Medical Association. All Rights Reserved"*. The year specified in the copyright notices must conform to future CPT updates.

g. Subscriber shall require that anyone who has authorized access to the Licensed Product (including consultants and contractors who perform services for Subscriber) complies with the provisions of this Attachment.

h. Except as otherwise expressly provided in the Subscription Agreement, the CPT is provided "as is" without any warranty from or liability to Company or the AMA, including, without limitation, liability for consequential or special damages or lost profits for sequence, accuracy or completeness of data, or that it will meet Subscriber's requirements; Company's and AMA's sole responsibility is to use reasonable efforts to provide corrections to or a replacement of the CPT; AMA disclaims any liability for any consequences due to use, misuse or interpretation of information contained or not contained in CPT.

i. The CPT license terminates in the event of default by Subscriber under the Subscription Agreement, subject to any applicable cure period.

j. In the event that a provision is determined to violate any law or is unenforceable the remainder of the Subscription Agreement shall remain in full force and effect.

k. The Licensed Product includes CPT which is commercial technical data and/or computer data bases and/or commercial computer software and/or commercial computer software documentation, as applicable which were developed exclusively at private expense by the American Medical Association, 515 North State Street, Chicago, Illinois 60654. U.S. Government rights to use, modify, reproduce, release, perform, display, or disclose these technical data and/or computer data bases and/or computer software and/or computer software documentation are subject to the limited rights restrictions of DFARS 252.227-7015 (b) (2) (November 1995) and/or subject to the restrictions of DFARS 227.7202-1(a) (June 1995) and DFARS 227.7202-3(a) (June 1995), as applicable for U.S. Department of Defense procurements and the limited rights restrictions of FAR 52.227-14 (December 2007) and/or subject to the restricted rights provisions of FAR 52.227-14 (December 2007) and FAR 52.227-19 (December 2007), as applicable, and any applicable agency FAR Supplements, for non-Department of Defense Federal procurements.

2. *Red Book*

The prices contained in Red Book are based on data *reported* by manufacturers. Company has not performed any independent analysis of the *actual* prices paid by wholesalers and providers in the marketplace. Thus, *actual* prices paid by wholesalers and providers may well vary from the prices contained in this database and all prices are subject to change without notice. Please refer to the "AWP Policy" in the Licensed Product for more information.

Core and eMeasures Reporting Bundle Supplement

This Supplement is effective as of July 1, 2016 (the "Supplement Effective Date"), and is entered into by Truven Health Analytics Inc., an IBM Company ("Company") and the County of Monterey on behalf of Natividad Medical Center with offices located at 1441Constitution Boulevard, Salinas, CA 93905 ("Subscriber") under and subject to the terms of the Subscription Agreement, dated as of July 1, 2016("Subscription Agreement") attached as Exhibit A to the Agreement for Services dated July 1, 2016 (the "Agreement"). Capitalized terms that are not defined in this Supplement shall have the meaning assigned to them in the Subscription Agreement.

1. **Product Term; Output Data Term.**

   (a) The Licensed Product to be covered by this Supplement is the Core and eMeasures Reporting Bundle, which includes Company's CareDiscovery® Quality Measures and Meaningful Use Quality Manager Products. The Product Term is three (3) years and six (6) months, commencing on the Supplement Effective Date.

   (b) Subscriber will receive Output Data and Reporting during the "Output Data Term" which shall be defined as: for CareDiscovery Quality Measures, 3rd Quarter 2016 through 4th Quarter 2019; and for Meaningful Use Quality Manager, the Centers for Medicare & Medicaid Services ("CMS") fiscal year ("FY") 2016 through CMS FY 2019. **Reporting (when available) unless otherwise stated by CMS or The Joint Commission ("TJC") (each, an "Agency"), will be completed by Company by the applicable Agency reporting date, assuming Company's timely receipt of Input Data from Subscriber.** Subscriber shall have access to the Output Data and Reporting for the final quarter or CMS fiscal year (as applicable) of data processed under this Supplement for a period not to exceed (i) six (6) months after the after the Output Data Term has ended for Core Measures through CareDiscovery Quality Measures and (ii) two (2) months and fifteen (15) days after the Output Data Term has ended for Clinical Quality Measures through Meaningful Use Quality Manager. After such period, Company shall have no further data processing and reporting requirements under this Supplement.

2. **Fees and Payment.**

   (a) Fees. Subscriber will pay Company for the Licensed Product as set forth below:

Product Term	**Year 1 6 Months 7/1/016 to 12/31/16**	**Year 2 1/1/17 to 12/31/17**	**Year 3 1/1/18 to 12/31/18**	**Year 4 1/1/19 to 12/31/19**
CareDiscovery Quality Measures Subscription Fee	$17,559	$36,873	$38,717	$40,653
Meaningful Use Quality Metrics Subscription Fee	$10,500	$22,050	$23,153	$24,311
TOTAL FEES	**$28,059**	**$58,923**	**$61,870**	**$64,964**

   Note: The Year 1 Fees have been pro-rated to reflect the six (6) month period.

   (b) Travel Expenses. Subscriber will be responsible for Company's reasonable travel expenses in accordance with the Monterey County Travel (Policyhttp://www.in.co.monterey.ca.us/auditor/pdfs/County_Travel_Business_Expense_Policy_12-5-12.pdf) , if onsite training is requested by Subscriber, or for on-site visits in support of data quality initiatives as mandated or otherwise required by an Agency.

   (c) Fee Increases Due to TJC / CMS Changes. The Fees set forth above may be increased due to changes in the Licensed Product (including services contained therein) required for compliance with TJC or CMS regulations. Company shall provide Subscriber with written notice of any such fee changes no later than ninety (90) days prior to the effective date of such fee change.

   (d) Payment. All Fees payable hereunder for Year 1 of the Product Term, plus applicable taxes, will be invoiced by Company promptly following the Supplement Effective Date. For each subsequent year of the Product Term, Company will invoice Subscriber for all Fees payable hereunder for such year, plus

applicable taxes, on or about January 1st of such year. Subscriber shall pay all Fees in accordance with the Agreement.

3. **Core Measures Selection**.

(a) Initial Measure Set Selection. Subscriber hereby selects the measures identified below as its Core Measures, and requests submission to the appropriate reporting Agencies (as identified by Subscriber). **It is Subscriber's sole responsibility to register such measures and maintain any updates with applicable reporting Agency(ies). Subscriber shall provide documentation of such registration to Company prior to submission of initial data for the applicable reporting period, and no later than 30 days prior to the Agency's submission deadline. If Subscriber fails to provide registration documentation more than 30 days prior to the Agency's submission deadline, measures will not be activated and data will not be submitted for that reporting period.**

Natividad Medical Center	
1441Constitution Boulevard, Salinas, CA 93905	
Medicare ID / CCN -	**The Joint Commission ID -**
Measure Selection	**Description of Measure Set**
X = Included in Subscription Fee	
	Children's Asthma Care (CAC)
X	Emergency Department (ED)
	Hospital Based Inpatient Psychiatric Services (HBIPS)
X	Immunization (IMM)
X	Outpatient Measures (OP)
X	OP Web Endo Surveillance, EBRT: OP-29, OP-30, OP-33
X	Perinatal Care (PC)
X	Severe Sepsis/Septic Shock (SEP-1)
X	Stroke (STK)
	Substance Use (SUB)
	Tobacco Treatment (TOB)
X	Venous Thromboembolism (VTE)

(b) Changes. Subscriber may make changes to its measure selections and Agency submissions from time to time by registering such changes with the applicable Agency pursuant to the applicable Agency's requirements and providing written documentation of such changes to Company before submitting any data for such measures to Company for the applicable reporting period, and in any event, no later than 30 days prior to the Agency's submission deadline. If Subscriber fails to provide documentation of registration changes to Company in the time and manner set forth above, no changes will be made to the measures for the applicable reporting period. Changes to such measures after initial implementation may require an additional Fee. Such Fee will be quoted to Subscriber in advance and documented in writing.

4. **Clinical Quality Measures**.

(a) Measures. Subscriber may choose up to 16 Clinical Quality Measures from those listed in the table below. Changes to such measures after initial implementation may require an additional Fee. Such Fee will be quoted to Subscriber in advance and documented in writing. As of the Supplement Effective Date, the Licensed Product is currently certified for the following 23 of the 29 Clinical Quality Measures defined in the CMS Stage 2 Final Regulations:

CMS eMeasure ID	Measure ID	Measure Title	National Quality Strategy Domain
55	ED-1	Median time from ED arrival to ED departure for admitted ED patients	Patient and Family Engagement
111	ED-2	Median time from admit decision time to ED departure for discharged ED patients	Patient and Family Engagement
32	ED-3	Median time from ED arrival to ED departure for discharged ED patients.	Care Coordination

104	STK-2	Discharged on antithrombotics	Clinical Process/ Effectiveness
71	STK-3	Anticoagulation therapy for atrial fibrillation/flutter	Clinical Process/ Effectiveness
91	STK-4	Thrombolytic therapy within 3 hours of time last known well	Clinical Process/ Effectiveness
72	STK-5	Antithrombotic therapy by end of hospital day 2	Clinical Process/ Effectiveness
105	STK-6	Discharged on statins	Clinical Process/ Effectiveness
107	STK-8	Stroke education	Patient and Family Engagement
102	STK-10	Assessed for rehabilitation	Care Coordination
108	VTE-1	VTE prophylaxis	Patient Safety
190	VTE-2	ICU VTE prophylaxis	Patient Safety
73	VTE-3	VTE patients with anticoagulation overlap therapy	Clinical Process/ Effectiveness
109	VTE-4	VTE patients receiving UFH with monitoring by protocol	Clinical Process/ Effectiveness
110	VTE-5	VTE discharge instructions	Patient and Family Engagement
114	VTE-6	Incidence of potentially preventable VTE	Patient Safety
100	AMI-2	Aspirin Prescribed at Discharge for AMI	Clinical Process/ Effectiveness
60	AMI-7a	Fibrinolytic Therapy Received Within 30 minutes of Hospital Arrival	Clinical Process/ Effectiveness
53	AMI-8a	Primary PCI Received Within 90 Minutes of Hospital Arrival	Clinical Process/ Effectiveness
30	AMI-10	Statin Prescribed at Discharge	Clinical Process/ Effectiveness
113	PC-01	Elective Delivery Prior to 39 Completed Weeks Gestation	Clinical Process/ Effectiveness
9	PC-05	Exclusive Breast Milk Feeding	Clinical Process/ Effectiveness
26	HMPC (CAC 3)	Home Management Plan of Care (HMPC) document given to patient/caregiver	Patient and Family Engagement

5. **Company Deliverables**. Company will provide Subscriber access to the Licensed Product as set forth in this Section 5 and in all attachments hereto, and in accordance with the third party terms attachment attached hereto. The Licensed Product includes:

   (a) User IDs. The Fee includes User IDs for up to up to ten (10) users each for CareDiscovery Quality Measures and for Meaningful Use Quality Manager for Subscriber. Additional users are subject to an additional fee.

   (b) Training. Standard Company web-based training regarding the Licensed Product for Subscriber's users. Additional or customized training may be added for an additional fee.

   (c) CareDiscovery ® Quality Measures. As part of the Licensed Product, Subscriber will have access to Company's CareDiscovery Quality Measures Product, which includes the following:

      (i) Data Collection Tool

      - Capability for users to abstract data for the measures selected by Subscriber;
      - Input Data loaded to Data Collection tool for review and additional data abstraction;
      - Record Sampling based upon The National Hospital Quality Measures (NHQM) sampling rules; and
      - Audit log of all changes to Input Data made by Subscriber's users.

      (ii) Data Processing, including quality assurance checks to confirm that records identified for chart abstraction have complete and appropriate data values.

      - Information on missing and invalid values and deviations from sampling requirements; and
      - Measure calculation and risk-adjustment to data, as defined in the specification manual applicable to each reporting period.

      (iii) Regulatory Submission, as follows when electronic submission is available from the reporting agency:

- Submission of data on Subscriber's behalf to The Joint Commission and/or to CMS if such submission is elected by Subscriber; and
- Submissions to the applicable reporting Agency are made pursuant to the requirements set forth by such reporting Agency.
- Notwithstanding anything to the contrary, Subscriber will be responsible for the manual submission of aggregate data for additional Web-based measures to CMS until such time CMS has provided an acceptable electronic method of submission.

(iv) Output Data and Reporting, including the following:

- Web-based reporting;
- Web-formatted data tables; and
- Capability to export patient-level data.

(v) Access to the Company Online Communities.

(vi) Input Data Format for Final Billed Data. Subscriber hereby selects the following as the format for the Input Data to be provided to Company for CareDiscovery Quality Measures. The Input Data file may include data for multiple facilities. Data provided from any other source will be returned to Subscriber.

☐	MDSS – Direct User Upload
☐	CareDiscovery 4800 or 3000+TXN format – New upload/submission

(d) Meaningful Use Quality Manager. As part of the Licensed Product, Subscriber will have access to Company's Meaningful Use Quality Manager Product, which includes the following:

(i) An EHR module that is certified under the Office of the National Coordinator ("ONC") Health IT Certification Program to the 2014 Edition inpatient certification criteria for calculating and submitting Clinical Quality Measures. The CHPL Product Number for the 2014 Edition certification is CC- 03192015-2996. The CMS 2014 Edition certified portion of the Licensed Product becomes effective for patient discharges beginning on or after October 1, 2013. Beginning with October 1, 2013 discharges, all hospitals, regardless of their stage of participation in Meaningful Use, are required to follow the Clinical Quality Measures and the associated rules defined in the MU Stage 2 Regulations. (NOTE: Product support for subsequent Meaningful Use ("MU") stages that may occur during the Product Term are outside of the scope of this Supplement's deliverables). Fees for such Product support requested by Subscriber shall be quoted to Subscriber in advance and added under an amendment to this Supplement to be signed by both parties.

(ii) Company will submit to CMS (under the terms of the Subscription Agreement, this Supplement, and CMS Stage 2 regulations) Subscriber's choice of up to 16 Clinical Quality Measures from those listed in the table in Section c) herein below. If required to register by CMS, it is Subscriber's sole responsibility to register such measures and maintain any updates with CMS. Subscriber shall provide documentation of such registration to Company prior to submission of initial data within the fiscal year, and no later than 30 days prior to the CMS's submission deadline. If Subscriber fails to provide registration documentation more than 30 days prior to the CMS's submission deadline, data will not be submitted for that reporting period.

(iii) If the specifications or schedule change in a way that Company can no longer meet the requirements with the data collected in the Meaningful Use Quality Manager, Company will notify Subscriber in writing at least 30 days prior to CMS's published submission deadline.

(iv) Mechanisms for Subscriber Data Submission to Company. Company will provide Subscriber with access to the following:

(1) Data Submission Manual – Includes the Input Data file specification listing the format and the data elements for the Meaningful Use Clinical Quality Measures for submission to Company.

(2) Secure web based data submission – Provides ability for Subscriber to securely upload data in the specified file format to Company.

(v) Data Processing.

(1) Based on Subscriber submitted Input Data file, Company will determine measure results for the Subscriber contracted measures and report to CMS under the CMS Meaningful Use Stage 2 Regulations.

(2) Data quality checks will be performed to identify issues where applicable, with the data submitted.

(3) Submission of NDC codes (in addition to the standard codes defined in the eMeasure specification) is allowed in the Input Data file and process any applicable vocabulary mappings prior to running the measure calculations.

(vi) Reporting.

(1) Secure access is provided to reports containing the data needed to complete attestation.

(2) Electronic files will be provided in the format defined by CMS in the Meaningful Use Stage 2 Regulations.

(vii) Data submission to CMS.

(1) Data submission through attestation: Subscribers eligible for attestation are responsible for reporting the aggregate Clinical Quality Measure results to CMS through a manual attestation process using the CMS web site.

(2) Data submission through electronic data files (eCQM submission): If Subscriber elects to perform eCQM submissions, Company will submit the electronic data files to CMS as per the processes and format defined by CMS.

(viii) Data Submission to The Joint Commission. Company will perform electronic data submission to The Joint Commission ("TJC") on behalf of the Subscriber if Subscriber selects the voluntary TJC eCQM submission and provides Company with all the required data.

(ix) Input Data Format.

(1) The Input Data file format for Subscriber submission of Clinical Quality Measures data elements to Company for measure calculations is flat file format. This is a comma separated values .csv file format. Each csv file can contain data elements for one or more episodes of care. Each Input Data file shall include data for a single facility.

(2) The Licensed Product is able to accept Quality Reporting Document Architecture ("QRDA") Category I files in xml file format if the Subscriber is using an EHR system that is 2014 Edition certified to export QRDA Category I files. However, if Subscriber elects to submit data elements using QRDA Category I format, then Subscriber is responsible for ensuring that the flies contain complete and accurate data in order to be accepted for submission. If Subscriber cannot obtain complete and accurate data as required by Company in such files, then Subscriber must resubmit the files in flat file csv format as described in (1) above.

6. **Licensed Product Internet Access Requirements**. Subscriber will provide hardware and software that meets or exceeds the minimum specifications as established by Company in the Licensed Product documentation, as may be updated by Company. It is Subscriber's responsibility to provide access to the Internet.

7. **Changes to the Licensed Product**. Company reserves the right to alter, discontinue, or otherwise modify the Licensed Product, including any reports made part of the Output Data hereunder or any related services therein, from time to time in order to incorporate changes to the measure specifications or requirements made by TJC or CMS or other changes based upon Subscriber commentary provided to Company. Such

modifications may include but are not limited to additions to or deletions of the measures, additions to or deletions from data fields collected for an existing measure set, changes to acceptable values for existing fields, changes to the sequences of fields entered into the data collection tool, changes to services related to the applicable Agency program for data quality or other related changes.

8. **On-going Data Submission Process**.

   (a) Subscriber shall provide to Company Input Data in accordance with Company's published data submission deadlines and Submission Requirements. Subscriber shall ensure that its submissions of Input Data are timely, complete, and correct.

   (b) For each Input Data submission, Company shall use its then-standard published data processing work plan. If Subscriber fails to meet data submission timelines and additional submissions are required or requested in order to meet Agency requirements, such additional data processing services will be billed at Company's then-current fee. Data submissions must meet the Company specified Submission Requirements in order to be loaded to the Licensed Product.

   (c) In the event Company determines that any Input Data: (i) does not meet Company data rules; (ii) does not conform to the required format; or (iii) otherwise fails to pass the Submission Requirements, Company shall provide Subscriber written notice of such event. If Subscriber fails to submit Input Data which satisfies, or can be made to satisfy, Company data requirements within the timeline established by the parties, Company shall have the right to remove such data from the database and cease product support for the then-current data cycle. Repeated failures by Subscriber to meet and satisfy the Submission Requirements may constitute a material breach of the Subscription Agreement with respect to this Supplement.

9. **Support Services**. Company shall provide telephone technical support and content support to Subscriber in accordance with Company's regularly published work schedule. The current work schedule (excluding holidays observed by Company) is Monday through Friday from 7 a.m. to 5 p.m. Central Time.

10. **Additional Terms.**

   (a) Licensed Product Third Party Provisions. Without limiting the rights of any unspecified third party beneficiaries to the Subscription Agreement or any provisions contained in the Subscription Agreement, Subscriber specifically agrees to be bound by the third party required provisions in Attachment 1 of this Supplement.

   (b) Government Users. The Licensed Products covered by this Supplement or resulting from services purchased under this Supplement and any related documentation are "commercial items," as that term is defined in 48 C.F.R. 2.101, consisting of "commercial computer software" and "commercial computer software documentation," as such terms are used in 48 C.F.R. 12.212. Consistent with 48 C.F.R. 12.212 and 48 C.F.R. 227.7202-1 through 227.7202-4, all U.S. Government end users acquire such products with only those rights expressly set forth in this Supplement and the Subscription Agreement.

   (c) Exportation. Subscriber may not use or otherwise export or re-export any of the Licensed Products except as authorized by United States law and, if Subscriber obtained such products outside of the United States, the laws of the jurisdiction in which Subscriber acquired such products. Such products may not be exported or re-exported (i) into any U.S. embargoed countries or (ii) 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 Supplement, Subscriber represents and warrants to Company that Subscriber is not located in any such country or identified on any such list.

   (d) Practice of Medicine. SUBSCRIBER UNDERSTANDS AND AGREES THAT COMPANY IS NOT ENGAGED IN THE PRACTICE OF MEDICINE AND THAT THE LICENSED PRODUCTS, AND THE PRODUCTS PRODUCED THROUGH THE USE OF THE LICENSED PRODUCTS, ARE INFORMATION TOOLS ONLY AND ARE NOT A SUBSTITUTE FOR COMPETENT MEDICAL ADVISORS. ALL MEDICAL PRACTICE MANAGEMENT AND PATIENT CARE DECISIONS MADE IN WHICH SUCH LICENSED PRODUCTS MAY BE UTILIZED WILL BE EXCLUSIVELY THE

RESPONSIBILITY OF SUBSCRIBER AND ITS AUTHORIZED PERSONNEL. SUBSCRIBER AGREES TO INDEMNIFY, REIMBURSE AND HOLD HARMLESS COMPANY AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS AND EMPLOYEES FROM ANY AND ALL CLAIMS THAT ANY IMPROPER MEDICAL TREATMENT RESULTED FROM OR AROSE OUT OF USE OR RELIANCE UPON ANY LICENSED PRODUCT OR DELIVERABLES.

AGREED AND ACCEPTED:

Natividad Medical Center	Truven Health Analytics Inc., an IBM Company
By:_____	By: [signature]
Printed Name:_____	Printed Name: Brendan Williams
Title:_____	Title: Director of Finance
Date Signed:_____	Date Signed: 6/28/16

Attachment 1
Third Party Terms and Conditions

A. *American Medical Association*

Pursuant to Company's CPT Distribution License Agreement with The American Medical Association ("AMA"), as it may now or hereafter be amended, Company is authorized to distribute and sublicense to Subscriber **Physicians' Current Procedural Terminology, Fourth Edition**, a coding system of nomenclature and codes for reporting of healthcare services (collectively, "CPT"), as part of the System, provided that Subscriber is bound by certain terms and conditions. Subscriber's rights to use the CPT terminate if Subscriber fails to comply with any of the material terms and conditions thereof. The terms and conditions set forth in the Subscription Agreement that apply to the Licensed Product generally also apply to the CPT. The following are the additional terms and conditions that apply to the CPT:

1. The provision of an updated version of CPT in the Licensed Product is dependent upon Company's continuing contractual relations with the AMA.
2. The CPT license is nontransferable, nonexclusive, and for the sole purpose of internal use by Subscriber, and only within the United States.
3. The CPT license is granted in consideration for a license fee and other consideration.
4. Subscriber is prohibited from publishing, distributing via the Internet or other public computer-based information system, creating derivative works (including translating), transferring, selling, leasing, licensing or otherwise making available to any unauthorized party, the CPT, or a copy or portion of the CPT.
5. Subscriber may only make copies of the CPT for back up or archival purposes.
6. CPT is copyrighted by the AMA and is a registered trademark of the AMA. All notices of proprietary rights, including trademark and copyright notices in CPT must appear on all permitted back-up or archival copies made by the user; any printout or other output from the Licensed Product that contains any portion of CPT (other than that which would constitute fair use, internal reports and claim forms for specific patients and external reports distributed outside of Subscriber containing less than twenty (20) CPT codes and/or descriptions) will display the following: *"CPT only © 2015 American Medical Association. All Rights Reserved"*. The year specified in the copyright notices must conform to future CPT updates.
7. Subscriber shall require that anyone who has authorized access to the Licensed Product (including consultants and contractors who perform services for Subscriber) complies with the provisions of this Attachment.
8. Except as otherwise expressly provided in the Subscription Agreement, the CPT is provided "as is" without any warranty from or liability to Company or the AMA, including, without limitation, liability for consequential or special damages or lost profits for sequence, accuracy or completeness of data, or that it will meet Subscriber's requirements; Company's and AMA's sole responsibility is to use reasonable efforts to provide corrections to or a replacement of the CPT; AMA disclaims any liability for any consequences due to use, misuse or interpretation of information contained or not contained in CPT.
9. The CPT license terminates in the event of default by Subscriber under the Subscription Agreement, subject to any applicable cure period.
10. In the event that a provision is determined to violate any law or is unenforceable the remainder of the Subscription Agreement shall remain in full force and effect.
11. The Licensed Product includes CPT which is commercial technical data and/or computer data bases and/or commercial computer software and/or commercial computer software documentation, as applicable which were developed exclusively at private expense by the American Medical Association, 515 North State Street, Chicago, Illinois 60654. U.S. Government rights to use, modify, reproduce, release, perform, display, or disclose these technical data and/or computer data bases and/or computer software and/or computer software documentation are subject to the limited rights restrictions of DFARS 252.227-7015 (b) (2) (November 1995) and/or subject to the restrictions of DFARS 227.7202-1(a) (June 1995) and DFARS 227.7202-3(a) (June 1995), as applicable for U.S. Department of Defense procurements and the limited rights restrictions of FAR 52.227-14 (December 2007) and/or subject to the restricted rights provisions of FAR 52.227-14 (December 2007) and FAR 52.227-19 (December 2007), as applicable, and any applicable agency FAR Supplements, for non-Department of Defense Federal procurements.

B. *MICROSOFT END USER LICENSE TERMS*

TERMS AND CONDITIONS REGARDING USE OF MICROSOFT SOFTWARE

This document governs the use of Microsoft software, which may include associated software, media, printed materials, and "online" or electronic documentation (individually and collectively, "Products") provided by Truven Health Analytics Inc. (hereinafter referred to as "Customer"). Customer does not own the Products and the use thereof is subject to certain rights and limitations of which Customer must inform you. Your right to use the Products is subject to the terms of your agreement with Customer, and to your understanding of, compliance with, and consent to the following terms and conditions, which Customer does not have authority to vary, alter, or amend.

1. **DEFINITIONS.**

   "Client Software" means software that is installed on a Device that allows the Device to access or utilize the Products.

   "Device" means each of a computer, workstation, terminal, handheld PC, pager, telephone, personal digital assistant, "smart phone," server or other electronic device.

   "End User" means an individual or legal entity that obtains Software Services directly from Customer, or indirectly through a Software Services Reseller.

   "Redistribution Software" means the software described in Paragraph 4 ("Use of Redistribution Software") below.

   "Software Services" means services that Customer provides to you that make available, display, run, access, or otherwise interact, directly or indirectly, with the Products. Customer must provide these services from data center(s) through the Internet, a telephone network or a private network, on a rental, subscription or services basis, whether or not Customer receives a fee. Software Services exclude any services involving installation of a Product directly on any End User device to permit an End User to interact with the Product.

2. **OWNERSHIP OF PRODUCTS.** The Products are licensed to Customer from an affiliate of the Microsoft Corporation (collectively "Microsoft"). Microsoft Products are protected by copyright and other intellectual property rights. Products and other Product elements including but not limited to any images, photographs, animations, video, audio, music, text and "applets" incorporated into the Products are owned by Microsoft or its suppliers. You may not remove, modify or obscure any copyright trademark or other proprietary rights notices that are contained in or on the Products. The Products are protected by copyright laws and international copyright treaties, as well as other intellectual property laws and treaties. Your possession, access, or use of the Products does not transfer any ownership of the Products or any intellectual property rights to you.

3. **USE OF CLIENT SOFTWARE.** You may use the Client Software installed on your Devices only in accordance with your agreement with Customer and the terms under this document, and only in connection with the Software Services, provided to you by Customer. The terms of this document permanently and irrevocably supersede the terms of any Microsoft End User License Agreement that may be presented in electronic form during the installation and/or use of the Client Software.

4. **USE OF REDISTRIBUTION SOFTWARE.** In connection with the SoftwareServices provided to you by Customer, you may have access to certain "sample," "redistributable" and/or software development ("SDK") software code and tools (individually and collectively "Redistribution Software"). **YOU MAY NOT USE, MODIFY, COPY, INSTALL AND/OR DISTRIBUTE ANY CLIENT SOFTWARE AND/OR REDISTRIBUTION SOFTWARE.** Microsoft does not permit you to use any Redistribution Software unless you expressly agree to and comply with such additional terms, as provided to you by Customer.

5. **COPIES.** You may not make any copies of the Products; provided, however, that you may (a) make one copy of Client Software on your Device as expressly authorized by Customer; and (b) you may make copies of certain Redistribution Software in accordance with Paragraph 4 (Use of Redistribution Software). You must erase or destroy all such Client Software and/or Redistribution Software upon termination or cancellation of your agreement with Customer, upon notice from Customer or upon transfer of your Device to another person or entity, whichever occurs first. You may not copy any printed materials accompanying the Products.

6. **LIMITATIONS ON REVERSE ENGINEERING, DECOMPILATION AND DISASSEMBLY.** You may not reverse engineer, decompile, or disassemble the Products, except and only to the extent that applicable law, notwithstanding this limitation, expressly permits such activity.

7. **NO RENTAL.** You may not rent, lease, lend, pledge, or directly or indirectly transfer or distribute the Products to any third party, and may not permit any third party to have access to and/or use the functionality of the Products except for the sole purpose of accessing the functionality of the Products in the form of Software Services in accordance with the terms of this agreement and any agreement between you and Customer.

8. **TERMINATION.** Without prejudice to any other rights, Customer may terminate your rights to use the

Products if you fail to comply with these terms and conditions. In the event of termination or cancellation of your agreement with Customer or Customer's agreement with Microsoft under which the Products are licensed, you must stop using and/or accessing the Products, and destroy all copies of the Products and all of their component parts within thirty (30) days of the termination of your agreement with Customer.

9. **NO WARRANTIES, LIABILITIES OR REMEDIES BY MICROSOFT.** Microsoft disclaims, to the extent permitted by applicable law, all warranties and liability for damages by Microsoft or its suppliers for any damages and remedies whether direct, indirect or consequential, arising from the Software Services. Any warranties and liabilities are provided solely by Customer and not by Microsoft, its affiliates or subsidiaries.
10. **PRODUCT SUPPORT.** Any support for the Software Services is provided to you by Customer or a third party on Customer's behalf and is not provided by Microsoft, its suppliers, affiliates or subsidiaries.
11. **NOT FAULT TOLERANT.** The Products are not fault-tolerant and are not guaranteed to be error free or to operate uninterrupted. You must not use the Products in any application or situation where the Product(s) failure could lead to death or serious bodily injury of any person, or to severe physical or environmental damage ("High Risk Use").
12. **EXPORT RESTRICTIONS.** The Products are subject to U.S. export jurisdiction. Customer must comply with all applicable laws including the U.S. Export Administration Regulations, the International Traffic in Arms Regulations, as well as end-user, end-use and destination restrictions issued by U.S. and other governments. For additional information, see http://www.microsoft.com/exporting/.
13. **LIABILITY FOR BREACH.** In addition to any liability you may have to Customer, you agree that you will also be legally responsible directly to Microsoft for any breach of these terms and conditions.
14. **INFORMATION DISCLOSURE.** You must permit Customer to disclose any information requested by Microsoft under the Customer's Agreement. Microsoft will be an intended third party beneficiary of your agreement with Customer, with the right to enforce provisions of your agreement with Customer and to verify your compliance.