

AMENDMENT

THIS AMENDMENT (the "**Amendment**") to McKesson Master Agreement No. MA135605204 (MHS No. 15519) dated June 11, 2013 (the "**MA**") and more specifically Order Form No. 20559 dated May 20, 2014 (the "**Order Form**"; the MA and the Order Form are collectively referred to as the "**Agreement**") is effective as of the latest date in the signature block below (the "**Amendment Effective Date**") between McKesson Health Solutions, a division of McKesson Technologies Inc. ("**McKesson**") and The County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care teaching hospital owned and operated by the County ("**Customer**"; McKesson and Customer are collectively referred to as the "**Parties**").

WHEREAS, the Parties desire to amend the Agreement as of the Amendment Effective Date on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual exchange of promises set forth herein, McKesson and Customer agree to amend the Agreement as follows:

1. Except as defined herein or otherwise required by the context herein, all capitalized terms used in this Amendment have the meaning set forth in the Agreement.

2. The Order Form is hereby amended by deleting the California Tax provision on Exhibit A-1 in its entirety and replacing with the following:

"TAX: The parties acknowledge and agree that the Clinical Content licensed hereunder will be made available to Customer electronically. Under current California law, this transaction is not taxable, and so McKesson will not add taxes to the applicable invoices. However, Customer shall indemnify McKesson against any taxes, interest or penalty assessed against McKesson, based on the disallowance of Customer's exemption from sales taxes due on the charges under this Order Form."

3. The Order Form is further amended by deleting the Maximum Obligation provision on Exhibit A-1 in its entirety and replacing with the following:

"MAXIMUM OBLIGATION: Subject to the limitations set forth in this Order Form, Customer shall pay to McKesson during the Initial Term of this Order Form a maximum amount of \$158,988.61 for license and service fees under this Order Form."

4. Except as otherwise modified by this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives.

MCKESSON

THE COUNTY OF MONTEREY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, ON BEHALF OF NATIVIDAD MEDICAL CENTER, AN ACUTE CARE TEACHING HOSPITAL OWNED AND OPERATED BY THE COUNTY

MCKESSON HEALTH SOLUTIONS, A DIVISION OF MCKESSON TECHNOLOGIES INC.

By: *Kelly R. O'Keefe*
Name: *Kelly R. O'Keefe*
Title: *Interim CEO*
Date: *10/22/14*

By: _____
Name: _____
Title: _____
Date: _____

CUSTOMER – For Execution:
McKesson no longer requires the exchanging and signing of hard copy contracts. Please fax or email (scanned document) the signed agreement to your sales executive or account manager.

Customer Number	NAT04
SAP Number	1010301
Contract Number	25648

APPROVED AS TO FORM AND LEGALITY
Way Mills
DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY, CA

Reviewed as to fiscal provisions
[Signature]
Auditor-Controller
County of Monterey 10-17-14

ORDER FORM

(CLAIMS PERFORMANCE AND MEDICAL MANAGEMENT SOLUTIONS)

ORDER FORM TO PRODUCT SCHEDULE 5 of McKesson Master Agreement No. MA135605204 (MHS No. 15519), dated June 11, 2013 and incorporating all referenced Exhibits, Schedules, and Attachments ("**Order Form**") and is made binding as of the latest date in the signature block below.

Exhibits

A-1	Payment Schedule, Term and Administration
A-2	Reserved
B-1	Implementation, Education, and Consulting Services
C-1	Reserved
D-1	Reserved
E-1	Products and Services

The pricing in this Order Form and McKesson's corresponding offer to Customer expires unless McKesson receives this Order Form signed by Customer on or before September 30, 2014.

Customer's purchase order ("**PO**") number is required. Pre-printed terms on or attached to Customer's purchase order will be of no force or effect. Failure to provide McKesson with a PO order number or copy will not relieve Customer of any obligation, including any payment obligation, under this Order Form. Customer must include Purchase Order Number in order for McKesson to process shipping.

By signing this Order Form, Customer acknowledges and agrees that (a) McKesson has made no warranty or commitment with regard to any functionality not Generally Available as of the OF Effective Date, whether or not included as part of Software Maintenance Services, for any of the Software licensed by this Order Form; and (b) Customer has not relied on the availability of any future version of the purchased Product or any other future Product in executing this Order Form.

Each signatory hereto represents and warrants that it is duly authorized to sign, execute, and deliver this Order Form on behalf of the party it represents and the applicable Facility.

**THE COUNTY OF MONTEREY, A POLITICAL
SUBDIVISION OF THE STATE OF
CALIFORNIA, ON BEHALF OF NATIVIDAD
MEDICAL CENTER, AN ACUTE CARE
TEACHING HOSPITAL OWNED AND
OPERATED BY THE COUNTY**

**MCKESSON HEALTH SOLUTIONS, A DIVISION
OF MCKESSON TECHNOLOGIES INC.**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Customer PO. No. _____

CUSTOMER – For Execution:
McKesson no longer requires the exchanging and signing of hard copy contracts. Please fax or email (scanned document) the signed agreement to your sales executive or account manager.

McKesson Health Solutions, a division of
McKesson Technologies Inc.
5995 Windward Parkway
Alpharetta, Georgia 30005
Attn: General Counsel
Fax: 404-338-5138

With a copy to:

McKesson Health Solutions, a division of
McKesson Technologies Inc.
275 Grove Street
Suite 1-210
Newton, MA 02466
Attn: Vice President of Product Operations

Customer Number	NAT04
Service Contract Number	MHS9115-COS-1-C
SAP Number	1010301
Contract Number	25461

FOR MCKESSON INTERNAL USE ONLY

Submit fully executed contract to:
McKesson Health Solutions
Attn. Account Management
275 Grove St.
Suite 1-110
Auburndale, MA 02466
Fax: 617-273-3777

EXHIBIT A-1

PAYMENT SCHEDULE, TERM AND ADMINISTRATION

PAYMENT SCHEDULE

SOFTWARE, CLINICAL CONTENT, AND ASP SERVICES LICENSE FEES

Notwithstanding anything to the contrary in the MA, the annual payments for the Software and Clinical Content and the number of Beds set forth herein are not subject to decrease.

\$5,906.29*	due on the OF Effective Date.	Such fee includes a fifteen percent (15%) discount and is prorated beginning on the OF Effective Date through May 19, 2015.
\$6,803.45*	due on May 20, 2015.	Such fee includes a fifteen percent (15%) discount.
\$6,803.45*	due on May 20, 2016.	Such fee includes a fifteen percent (15%) discount.
\$6,803.45*	due on May 20, 2017.	Such fee includes a fifteen percent (15%) discount.
\$6,803.45*	due on May 20, 2018.	Such fee includes a fifteen percent (15%) discount.
\$766.32*	due on May 20, 2019.	Such fee includes a fifteen percent (15%) discount and is prorated from May 20, 2019 through June 30, 2019.

*Plus applicable taxes.

TAX: The parties acknowledge and agree that the Clinical Content licensed hereunder will be made available to Customer electronically. Under current California law, this transaction is not taxable, and so McKesson will not add taxes to the applicable invoices. However, Customer shall indemnify McKesson against any taxes, interest or penalty assessed against McKesson, based on the disallowance of Customer's exemption from sales taxes due on the charges under this Order Form.

PAYMENT SCHEDULE FOR SERVICES FEES.

\$1,200.00* due on the OF Effective Date.

*Plus applicable taxes.

MAXIMUM OBLIGATION: Subject to the limitations set forth in this Order Form, Customer shall pay to McKesson during the Initial Term of this Order Form a maximum amount of \$35,086.42 for license and service fees under this Order Form.

UNAVAILABILITY OF FUNDS: For purposes of this Order Form, McKesson agrees to comply with California Code relating to the unavailability of funds. Both parties agree that, following the first twelve (12) months from the Order Form Effective Date, should funds become unavailable because of Monterey County Board of Supervisors' failure to continue to fund Customer's obligations under this Order Form, then this Order Form will be terminated thereafter immediately upon written notice by Customer to McKesson without penalty. Upon such termination, Customer agrees to remit all amounts due and payable up to and including the termination date of this Order Form.

TERM: The term of this Order Form will commence upon the latest date executed by the parties (the "**OF Effective Date**") and ends on June 30, 2019 (the "**Initial Term**").

INCREASE IN USAGE BASED VARIABLES: If, during the Initial term, Customer's Usage-Based Variables increase above the limitation set forth herein, or in an Order Form, for any reason other than Customer's acquisition of another entity ("**Natural Growth**"), Customer will pay the Prevailing Rates for such increased Usage-Based Variables.

Pursuant to this Section, the parties acknowledge and agree that Customer will provide notification of any increase in the Usage-Based Variables and McKesson shall bill Customer accordingly for any increase in fees.

Customer is solely responsible for reporting all discounts or appropriate net prices received from McKesson pursuant to this Order Form on cost reports filed by Customer with any government entity.

Unless Customer provides McKesson prior to the OF Effective Date satisfactory evidence of exemption (including evidence of renewal if applicable) from applicable sales, use, value-added, or other similar taxes or duties, McKesson will invoice Customer for all such taxes applicable to the transactions under this Order Form.

ADMINISTRATION:

Sold To:	Bill To:
The County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care teaching hospital owned and operated by the County	The County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care teaching hospital owned and operated by the County
1441 Constitution Boulevard	1441 Constitution Boulevard
Suite 300	Salinas, CA 93906
Salinas, CA 93906	Attention: Marilyn Black, Director of Case Management
Taxable: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Telephone: 831.783.2764
	Facsimile: 831.755.4141
Ship To: See Facility information on Exhibit E-1.	E-mail: BlackMK@natividad.com
	Download Central Administrator:
	Martin Galicia, IT Application Analyst
	E-mail: GaliciaM@natividad.com

EXHIBIT B-1

IMPLEMENTATION, EDUCATION, and CONSULTING SERVICES

InterQual® Learning Source (“ILS”) Training

1.0 SERVICE PRICING

This Change of Scope, also referred to as MHS9115-COS-1 (the “COS”) adds training participants to Services Order MHS9115.

Table 1 (MHS9115-COS-1-C): Services for The County of Monterey, A Political Subdivision of the State of CA, on behalf of Natividad Med Center - Salinas, CA

ILS Training Package(s)	Number of Participants	Fee (Contract Year Two)
<u>ILS LOC: InterQual® Post Acute Inpatient Rehab) Review Manager</u> <ul style="list-style-type: none"> VILT - LOC: Post Acute Inpatient - Rehab (Review Manager) 	Adding 1 participant to MHS9115 Material: 75005571	\$400.00
<u>ILS: InterQual® SIMplus™ Review Manager</u> <ul style="list-style-type: none"> VILT - InterQual® SIM Plus (Review Manager) 	Adding 1 participant to MHS9115 Material: 75005593	\$400.00
<u>ILS BH: InterQual® Behavioral Health Review Manager (Adult)</u> <ul style="list-style-type: none"> VILT - BH: InterQual® Behavioral Health (Review Manager) 	Adding 1 participant to MHS9115 Material: 75005562	\$400.00
Fixed Fee Total:		\$1,200.00

Payment Terms - Services Fees

\$1,200.00* due on the OF Effective Date.

* plus any applicable taxes

2.0 STATEMENT OF PROJECT SCOPE

The Services listed in the Service Pricing table includes InterQual Services in accordance with the **McKesson Health Solutions Guide to Standard Implementation and Training Services** (“Services Guide”).

3.0 ASSUMPTIONS

- 3.1 The Services provided hereunder will be in accordance with the **McKesson Health Solutions Implementation Services and Training Guide (“Services Guide”)**, which may be amended from time to time at McKesson’s discretion and is incorporated herein by reference. To obtain the most current version of the Services Guide, contact your McKesson Sales Executive, Account Manager or download from Customer Hub.
- 3.2 Customer will incur additional fees and training material costs for each additional participant beyond the agreed upon maximum number of participants identified herein and/or each additional instructor-led session requested beyond the McKesson recommended number of

- session(s). Customer will be billed separately for additional participants attending an instructor-led session without pre-registering and/or being covered by this Order Form.
- 3.3 Customer acknowledges that Services will be provided only for Facilities licensed under the MA.
 - 3.4 Training Services will not be carried over from prior years.
 - 3.5 Training includes all applicable self paced trainings.
 - 3.6 All applicable self paced trainings should be completed prior to any VILT session(s).

EXHIBIT E-1

PRODUCTS AND SERVICES

1. Below, any Product for which the "No. of Copies" is blank or "0" is either available online or included in another Product.
2. As of the OF Effective Date, Customer is granted a license to the following Products which will be added to the Natividad Medical Center Facility:
 - a. InterQual® Adult Psychiatry; and
 - b. InterQual® Rehabilitation.
3. Customer acknowledges and agrees that it will maintain the associated licenses, hardware and software set forth in the Required Environments Guide for the Software and ASP Services.

Facility

Natividad Medical Center
1441 Constitution Boulevard
Suite 300
c/o Natividad Medical Center
Salinas, CA 93906

Attn: Marilyn Black, Director of Case Management
Tel: +1 (831) 783-2764
E-Mail: BlackMK@natividad.com

	Size / Type	Users	No. of Copies
InterQual® Clinical Content			
Adult Psychiatry	22 / Beds	0	0
Rehabilitation	10 / Beds	0	0