



## Board Report

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**File #:** A 19-299, **Version:** 1

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- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with Change Healthcare Technologies, LLC for software and maintenance services at NMC for a total amount not to exceed \$4,451,055 with an agreement term retroactive to July 1, 2019 through June 30, 2024.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$445,106) of the original cost of the agreement.
- c. Approve the NMC Chief Executive Officer's recommendation to accept non-standard indemnification, insurance, limitations on liability, and limitations on damages provisions within the agreement.

### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an agreement with Change Healthcare Technologies, LLC for software and maintenance services at NMC for a total amount not to exceed \$4,451,055 with an agreement term retroactive to July 1, 2019 through June 30, 2024.
- b. Authorize the Deputy Purchasing Agent for NMC or his designee to execute up to three (3) future amendments to the agreement which do not significantly alter the scope of work and do not cause an increase of more than ten percent (10%) (\$455,106) of the original cost of the agreement.
- c. Approve the NMC Chief Executive Officer's recommendation to accept non-standard indemnification, insurance, limitations on liability, and limitations on damages provisions within the agreement.

### **SUMMARY/DISCUSSION:**

#### Relay Health:

RelayHealth provides Health Information Exchange (HIE) software which, in collaboration with Salinas Valley Medical Healthcare Systems (SVMHS) and Community Hospital of the Monterey Peninsula (CHOMP), provides County healthcare providers with a longitudinal view of patient care. Our HIE allows Natividad to better track and securely share patients' complete medical histories which helps facilitate coordinated patient care, reduce duplicative treatments, avoid costly mistakes and reduce health related costs.

#### PACS/Radiology:

The Picture Archiving and Communication System (PACS) is an imaging medical software that provides an electronic process for Radiologists to view images. The Radiologists use the system to manipulate the digital images and are then able to provide diagnostic information to the care providers. The agreement includes installation of Change PACS version 12.4. The agreement includes installing up to date servers to host the software.

#### Conserus Workflow Intelligence (CWI):

The CWI software solution is a peer review component that allows the Radiologist to quality check reports. The software provides a tool to automatically select at random various imaging studies to have a second radiologist review for quality and completeness. The software allows for the radiologist to over read any preliminary reports completed by an emergency room physician or a teleradiologist. The software has a radiologic technologist workflow to provide a platform for the radiologist to give feedback to the technologist.

#### Datatility:

The Datatility package is the storage component of DICOM images from the PACS and the CPACS software. This is a hosted storage component. Older images are archived and stored through Change Healthcare software rather than storing the older images directly in the PACS and CPACS software.

InterQual:

InterQual is a software program used as a guide in determining the need for hospitalization or continued inpatient stay. This is a review tool used by Case Management Nurses at Natividad to justify hospital stay, insurance reimbursement, and avoid payment denials. Centers for Medicare & Medicaid Services (CMS) require the use of admission screening tool, such as InterQual, as part of the medical review process. In addition, a standardized medical criteria review system is required to participate in the Public Hospital Project, which allows participating hospitals such as Natividad to process authorizations for Medi-Cal admissions efficiently.

Cardiology:

Cardiology Picture Archiving and Communication Systems or CPACS allows us the ability to create a single platform and storage for echocardiograms. Therefore establishing a single point of entry and access for our cardiologists and referring physicians. CPACS would provide an immediate access to information and cardiovascular images (both current and historical) over local and remote networks regardless of your location by providing anytime, anywhere access to our Cardiologist and referring physicians, ultimately providing faster and better patient care.

This agreement includes:

- A version update from 13.2 to the latest version 14.1.1
- An update of 3 Cardiology review workstations. The existing stations are 6 years old.
- One (1) license for power scribe connectivity.
- An updated storage system to a Hosted storage system for greater storage space and efficiency as department grows.

Change Healthcare has been providing services to Natividad since 2007. This new agreement will allow Change Healthcare to continue providing ongoing software and support services under revised terms and conditions.

This agreement underwent extensive vetting by County approvers. There are numerous technical aspects and non-standard risk provisions that were negotiated and rewritten, such as Indemnification, Confidentiality, Payments, Warranty Disclaimer, Insurance, Term and Termination, Modification, Assignment, Limitations on Liability, and Limitations on Damages.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this agreement as to legal form and the Auditor-Controller has reviewed and approved as to payment provisions. The agreement has also been reviewed and approved by NMC's Finance Committee and by its Board of Trustees on June 7, 2019.

**FINANCING:**

The cost for this agreement is \$4,326,883 of which \$1,016,578 is included in the Fiscal Year 2019-20 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This agreement is for a software system which improves data processing at NMC. The use of this system directly contributes to a more efficient and effective use of resources within the organization.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Charles Harris, MD, Medical Staff, 783-2785

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Change Healthcare Master Relationship Agreement

Business Associate Agreement

Attachments on file with the Clerk of the Board