

**AMENDMENT NO. 2
TO
CONTRACT NO. MA-042-22011557
FOR
ELECTRONIC HEALTH RECORD MAINTENANCE, SUPPORT AND REMOTE HOSTING
SERVICES**

This Amendment (“Amendment No. 2”) to Contract No. MA-042-22011557 for Electronic Health Record Maintenance, Support and Remote Hosting Services is made and entered into upon full execution by the Parties (“Effective Date”) between Cerner Corporation, a Delaware For-Profit Corporation (“Contractor”), with a place of business at 8779 Hillcrest Road, Kansas City, MO 64138, and the County of Orange, a political subdivision of the State of California (“County”), through its Health Care Agency, with a place of business at 200 W. Santa Ana Blvd., Ste. 650, Santa Ana, CA 92701. Contractor and County may sometimes be referred to individually as “Party” or collectively as “Parties”.

RECITALS

WHEREAS, the Parties executed Contract No. MA-042-22011557 for Electronic Health Record Maintenance, Support and Remote Hosting Services, effective July 1, 2022, through June 30, 2025, for a maximum obligation of \$15,864,933.79 (“Contract”); and

WHEREAS, the Parties executed Amendment No. 1 to the Contract to amend Article V. Payments and Article XII.B. Shared Computing Services of Exhibit A of the Contract; to add Article I.G. Disaster Recovery Scope of Use Expansion and Article I.H. Application Management Services Scope of Use Limits to Exhibit B of the Contract; and to amend Article V. Equipment Maintenance and Support Inventory of Exhibit F of the Contract; and

WHEREAS, the Parties now desire to enter into this Amendment No. 2 to the Contract: to increase the maximum obligation by \$390,000 and to amend Article V. Payments of Exhibit A of the Contract.

NOW THEREFORE, Contractor and County agree to amend the Contract as follows:

1. The Contract’s maximum obligation is increased by \$390,000, for a revised maximum obligation of \$16,254,933.79.
2. Exhibit A, Article V. Payments, of the Contract is deleted in its entirety and replaced with the following:

V. Payments

- A. BASIS FOR REIMBURSEMENT – As compensation to CONTRACTOR for the Services described in this Exhibit A, and in Exhibits B and F of this Agreement, which amount shall be inclusive of applicable sales tax, COUNTY shall pay CONTRACTOR monthly in arrears; provided, however, that the total of such payments shall not exceed the COUNTY’s Maximum Obligation per period. The actual monthly amount paid to

CONTRACTOR shall be determined by the Equipment, Licensed Software, and Sublicensed Software inventories set forth in Exhibits B and F of this Agreement, which may be amended, in writing, by mutual agreement of the Parties.

Current System Recurring Extension	Jul 22- Jun 23	Jul 23- Jun 24	Jul 24- Jun 25	Totals
Application Service Provider Fees	237,670.49	245,988.96	254,598.57	738,258.01
Managed Services	345,495.46	178,793.90	-	524,289.36
AMS	567,716.71	587,586.79	608,152.33	1,763,455.84
Subscription Services	61,792.65	63,955.40	66,193.84	191,941.88
Support Services	1,083,207.42	1,105,018.44	1,101,011.30	3,289,237.15
Transactional Services	36,663.84	37,947.07	39,275.22	113,886.14
Equipment Maintenance Services	113,921.33	64,347.86	11,164.70	189,433.90
Sublicense Software Support	665,893.24	436,884.20	193,869.65	1,296,647.10
Totals:	3,112,361.15	2,720,522.62	2,274,265.61	8,107,149.38
Extension for PH ELC	Jul 22- Jun 23	Jul 23- Jun 24	Jul 24- Jun 25	Totals
Application Service Provider Fees	-	121,728.24	125,976.12	247,704.36
Shared Computing Services	-	50,599.83	52,370.83	102,970.65
Licensed Software Support	-	6,260.24	6,479.35	12,739.59

Subscription Services	-	3,162.26	3,272.94	6,435.19
Sublicense Software Support	-	5,760.00	5,760.00	11,520.00
Totals:	-	187,510.56	193,859.23	381,369.79
Crisis Stabilization Unit				
Crisis Stabilization Unit	Jul 22- Jun 23	Jul 23- Jun 24	Jul 24- Jun 25	Totals
Equipment Purchase/Install	10,495.77	-	-	10,495.77
Professional Services	843,823.80	-	-	843,823.80
License Software	27,145.86	-	-	27,145.86
License Software Support	4,582.80	4,743.20	4,909.21	14,235.21
Subscriptions	12,529.44	12,967.97	13,421.85	38,919.26
Shared Computing Services Recurring Fees	84,406.92	87,352.31	90,633.45	262,392.68
Sublicensed Software Purchase/Installation	73,995.00	-	-	73,995.00
Sublicensed Software Maintenance	11,840.04.	12,254.44	12,683.35	36,777.83
Totals:	1,068,819.63	117,317.92	121,647.86	1,307,785.40
New Assets				
New Assets	Jul 22- Jun 23	Jul 23- Jun 24	Jul 24- Jun 25	Totals
Shared Computing Services One Time Fees	111,875.00	-	-	
Shared Computing Services Recurring Fees	37,861.32	39,186.50	40,558.21	117,606.03

Managed Services RHO Fees	620,000.00	1,205,775.00	1,285,470.00	3,111,245.00
Embedded Integration Architect	250,000.00	250,000.00	250,000.00	750,000.00
Conversion Support - Ambulatory	32,000.00	-	-	32,000.00
Professional Services	1,371,779.93	-	-	1,371,779.93
Opioid Monitoring	24,240.00	-		24,240.00
Extension of Maintenance and Support Client Hosted System		390,000.00		390,000.00
Unforeseen Expenses	201,332.99	165,890.34	182,659.93	785,726.87
Total New Assets	2,649,089.24	2,050,851.84	1,758,688.14	6,458,629.22
GRAND TOTAL	\$6,830,270.01	\$5,076,202.94	\$ 4,624,557.44	\$16,254,933.79

1. PAYMENT TERMS

Description	Payment Number	Percent (%) Of Total Due	Payment Due
Licensed Software	1	50%	On the Effective Date
	2	50%	90 days following the Effective Date
Application Services	1	100%	On the Effective Date
Shared Computing Services	1	100%	On the Effective Date
Equipment and Installation (if applicable)	1	100%	Upon Shipment
Sublicensed Software and Installation (if applicable)	1	100%	Upon Shipment
Professional Services: Fixed Fee	1	25%	On the Effective Date
	2	25%	90 days following the Effective Date
	3	25%	180 days following the Effective Date
	4	25%	360 days following the Effective Date
Embedded Integration Architect	1-12	100%	12 Quarterly Payments of \$62,500 beginning on the Effective Date

MONTHLY RECURRING FEES		
Description	Percent (%) Of Total Due	Payment Due
Software Support	100%	Monthly in arrears beginning on the Effective Date
Subscription Services	100%	Monthly in arrears beginning on the Effective Date

Application Services	100%	Monthly in arrears beginning on the Effective Date
Shared Computing Services	100%	Monthly in arrears beginning on the Effective Date
Transaction Services	100%	Monthly in arrears beginning on the Effective Date
Sublicensed Software Maintenance	100%	Monthly in areas beginning upon shipment
Recurring Professional Services	100%	Monthly in arrears beginning on the Effective Date
Application Management Services	100%	Monthly in arrears beginning on the Effective Date
Managed Services	100%	Monthly in arrears beginning on the Effective Date

AS-INCURRED FEES		
Description	Percent (%) Of Total Due	Payment Due
Transaction Services Usage Fees	100%	Monthly in arrears
Professional Services: Fee for Service	100%	Monthly in arrears

2. The above listed amounts may be amended, in writing, by mutual agreement of the Parties as necessary throughout the term of the Agreement based upon amendment, in writing, by mutual agreement of the Parties, of the inventories set forth in Exhibits B and F of the Agreement.

3. The amounts referenced in Subparagraph V.A.1. above, shall be deemed payment in full for Support Services and Maintenance fees for all Equipment, Sublicensed Software, Licensed Software, Subscriptions, Term Licensed Software, Shared Computing Services, Managed Services, Application Service Providers, and Transaction Services purchased through CONTRACTOR and in First Productive Use as of the date of execution through the termination date, as such dates are identified in the Referenced Contract Provisions Paragraph of the Agreement.

4. Both parties agree that should COUNTY receive any computer software purchased from CONTRACTOR and/or CONTRACTOR's Subsidiaries electronically, these transactions are sales tax exempt under California Code Regulation 1502 (f) (1) (D).

B. PAYMENT METHOD

1. CONTRACTOR shall submit a single invoice per month, in arrears, per category as follows: Licensed Software Support, Equipment Maintenance, Subscription Services, Application Services Provider (ASP) and Shared Computing Services, Managed Services, Application Management Services, Transaction Services (with the exception of any overage charges that may apply), and Sublicensed Software Maintenance.

2. COUNTY shall pay CONTRACTOR upon receipt of a properly completed invoice, in arrears, within thirty (30) calendar days following the end of each coverage month. CONTRACTOR'S billings shall be on a form approved or supplied by ADMINISTRATOR and provide such information as is required by ADMINISTRATOR.

C. All billings to COUNTY shall be supported, at CONTRACTOR'S facility, by source documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statement, canceled checks, receipts, receiving records, and records of service provided.

D. ADMINISTRATOR may withhold or delay any payment due CONTRACTOR if CONTRACTOR fails to comply with any material provision of this Agreement; provided, however, CONTRACTOR has been given written notice of the alleged breach and has failed to cure the alleged breach within thirty (30) calendar days.

E. CONTRACTOR shall not claim reimbursement for services provided beyond the expiration and/or termination of the Agreement, except as may otherwise be provided under this Agreement.

F. CONTRACTOR shall be responsible for providing acceptable invoices to ADMINISTRATOR for payment and obtaining prior approvals as required herein. Incomplete or incorrect invoices shall be returned to CONTRACTOR for correction. Documentation, including but not limited to copies of receipts, shall be required by ADMINISTRATOR along with the supporting invoices.

G. County shall pay all Equipment, Licensed Software, Sublicensed Software and Support Services, monthly Maintenance and Support fees for each prospective year, beginning July 1 of each year, in which the Agreement shall be in effect, after the parties review and mutually agree, in writing, on the Equipment, Licensed Software, Sublicensed Software and Support Services inventory for which Support and Maintenance will be provided in the next fiscal year, including the costs of said Support and Maintenance, from July 1 and extending through June 30. The Parties agree that costs associated with the purchase of additional equipment, licensed software, sublicensed and/or software Support Services, and corresponding maintenance, may be included in the inventory to be authorized and expended at sole discretion of ADMINISTRATOR, as referenced in Subparagraphs V.A.1.a.1., V.A.1.a.2., V.A.1.a.7., V.A.1.b.6., V.A.1.b.7.a., V.A.1.b.7.b., V.A.1.c.1., V.A.1.c.2., V.A.1.c.7., and V.A.2..

H. COUNTY acknowledges and agrees that CONTRACTOR may assign its interest in or otherwise grant a security interest in payments due pursuant to this Agreement in whole or in part to an assignee. COUNTY shall acknowledge every such assignment or granting of a security interest as shall be designated by written notice given by CONTRACTOR to COUNTY. CONTRACTOR will continue to perform its obligations under this Agreement to COUNTY following such assignment or granting of a security interest."

3. In all other respects, the Contract remains unchanged.


This Amendment No. 2 modifies the Contract, including all previous amendments, only as expressly set forth herein. Wherever there is a conflict in the terms and conditions between this Amendment No. 2 and the Contract, including all previous amendments, the terms and conditions of this Amendment No. 2 prevail. In all other respects, the terms and conditions of the Contract, including all previous amendments, not specifically changed by this Amendment No. 2, remain in full force and effect.

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE

N WITNESS WHEREOF, the Parties have executed this Amendment No. 2. If Contractor is a corporation, Contractor shall provide two signatures as follows: 1) the first signature must be either the Chairman of the Board, the President, or any Vice President; 2) the second signature must be either the Secretary, an Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution or by-laws demonstrating the legal authority of the signature to bind the company.

Contractor: Cerner Corporation

Teresa Waller	Sr Director, Contract Management
Print Name	Title
	9-8-2023
Signature	Date
Print Name	Title
Signature	Date

County of Orange, a political subdivision of the State of California

Purchasing Agent/Designee Authorized Signature:

	Deputy Purchasing Agent
Print Name	Title
Signature	Date

Approved as to Form
Office of the County Counsel
County of Orange, California

Brittany McLean		09/11/2023
County Counsel	Signature	Date