



**BOARD OF GOVERNORS  
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

June 15, 2022

**Subject:** Proposed Sales Order (OPT-0297289) with Cerner Corporation for the purchase of the Cerner/Tonic Patient Intake solution.

**Recommended Action:** Approve; Authorize Chairman to sign

Attached is the Board memo and supporting documentation that was not included in the Board packet.



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**Recommended Action:** Approve; Authorize Chairman to sign

**Summary:**

Kern Medical requests your Board approve the proposed Sales Order Agreement (OPT-0297289) with Cerner Corporation for the purchase of the Cerner/Tonic Patient Intake solution. From July 2019, Kern Medical has directly contracted with Tonic Solutions for the services required for patient intake. Tonic Solutions is now a Cerner certified partner; therefore, the current Tonic Solutions agreement will transition to this proposed Cerner Sales Order in order for Kern Medical to continue use the product and receive operational support.

Cerner Corporation's fees for this 66-month engagement is \$879,978, as outlined below.

**Year 1 maximum payable - \$159,996**

**Year 2 maximum payable - \$159,996**

**Year 3 maximum payable - \$159,996**

**Year 4 maximum payable - \$159,996**

**Year 5 maximum payable - \$159,996**

**Year 6 maximum payable - \$ 79,998**

The Agreement contains non-standard terms and conditions that cannot be approved as to form by Counsel including a self-renewing term and pass-through third-party terms.

Even with this non-standard term, the need for this product to insure accurate patient registration outweighs the issue of counsel being unable to approve as to form. Therefore, it is recommended that your Board approve the Cerner Corporation Sales Order for the Cerner/Tonic Patient Intake solution, with a not-to-exceed amount of \$879,978, for a term of sixty-six (66) months, and authorize the Chairman to sign.







**PASS-THROUGH PROVISIONS**

Where pass-through provisions are applicable to third-party products and services, these provisions are referenced by a pass-through code in the "Solutions", "Equipment/Sublicensed Software", "Professional Services", "Application Management Services", or "Managed Services" sections of this Cerner Sales Order, and that code can be entered at <https://passthroughprovisions.cerner.com> to view the pass-through provisions. These pass-through provisions are incorporated into this Cerner Sales Order by reference, and may also be attached as an exhibit to this Cerner Sales Order.

**QUOTE ASSUMPTIONS**

The following are general assumptions regarding the solutions, services, and project set forth in this Cerner Sales Order.

In the event that Client elects to enable our FHIR-based integrations, we will scope the corresponding implementation and fees

**ADDITIONAL TERMS AND PROVISIONS****THIRD-PARTY SERVICES**

Certain Services have been developed by Cerner's third-party suppliers (the "Third-Party Services"). The Third-Party Services may be provided under the required terms of the applicable supplier, which will be available on Cerner's website. Cerner is not liable under this Cerner Sales Order for any damages of any kind or nature related to or arising out of Third-Party Services. Cerner does not warrant or provide any indemnities on Third-Party Services. To the extent that any third-party pass-through provisions contain liability limitations with respect to the Third-Party Services, such limitations state the total maximum liability of Cerner (and then only to the extent that Cerner can collect from the supplier for Client's benefit) and each supplier with respect to the Third-Party Services.