



Board Agenda Item 33

DATE: August 6, 2019

TO: Board of Supervisors

SUBMITTED BY: Robert W. Bash, Director, Internal Services/Chief Information Officer

SUBJECT: Agreement with Clearwater Compliance, LLC, d.b.a. Clearwater Insights LLC

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute an Agreement with Clearwater Compliance LLC, d.b.a. Clearwater Insights LLC for software products and professional services related to security compliance with the Health Insurance Portability and Accountability Act, effective upon execution, not to exceed five consecutive years, which includes a three-year base contract, and two optional one-year extensions, total not to exceed \$300,000.

Approval of the recommended action will allow the County to obtain Clearwater Insights LLC (Clearwater) IRM Analysis software and professional services to ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA) and assist in ensuring the County meets these requirements during Office for Civil Rights (OCR) audits. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board could:

- 1) Direct staff to negotiate or draft an agreement with the second-ranked bidder for HIPAA compliance-related software; or
- 2) Direct staff to issue a new Request for Proposal (RFP) for HIPAA compliance-related software.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. Costs associated with the proposed agreement will not exceed \$300,000 for the total possible 5-year term of this agreement. Sufficient appropriations are included in the FY 2019-20 Internal Services Department - Information Technology Services Division Org 8905 Recommended Budget. Ongoing costs for the remaining term of the agreement will be included in future budget requests.

DISCUSSION:

On October 18, 2018, the County of Fresno, on behalf of the Internal Services Department, issued Request for Proposal (RFP) No. 19-022 for Security Compliance Software to two thousand one hundred and thirty-two (2,132) vendors registered in Public Purchase. The response period closed on November 15, 2018, and six vendors responded: Singular Security, Inc.; Sergeant Laboratories, Inc.; IBM Security; Templar Shield; Cask Technologies, LLC; and Clearwater Compliance LLC.

An evaluation panel composed of representatives from the Internal Services Department and the Department of Public Health evaluated each proposal solely based on the requirements of the RFP. Each

evaluator individually reviewed each proposal, including bidder-provided data, capability, and qualifications. The evaluation panel narrowed its recommendations to Templar Shield, Cask Technologies, and Clearwater. These selected vendors provided demonstrations of their products to the evaluation panel.

The evaluation panel recommended the proposal submitted by Clearwater as the number one selection to provide HIPAA security compliance software under the terms of the RFP. The recommendation for award was based on: Clearwater's competitive pricing and intuitive, user-friendly software system, which is able to import policy definitions, add expiration and review dates for policies, and view when those policies are implemented. These notifications will assist staff in tracking when policies expire and/or require review, ensuring that the County is up to date with its compliance with HIPAA. Additionally, Clearwater's proposal offers reports that follow OCR verbiage, which will greatly assist the County when submitting reports to OCR.

The evaluators concluded that Clearwater had the expertise, experience, and knowledge that would best benefit the County in meeting the RFP requirements, and that the proposal from Clearwater better met the RFP requirements than the proposals received from the other responding vendors.

Approval of the recommended agreement will allow the County to comply with HIPAA Security and Privacy standards, and assist in ensuring that the County meets these requirements during OCR audits.

The recommended agreement contains non-standard language, including a non-standard warranty, a limitation on liability, and a non-standard hold harmless provision. However, Risk Management and ISD staff have reviewed this language, and believes the benefits of entering into the recommended agreement outweigh the risks, as a prudent business decision.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Clearwater Compliance LLC

CAO ANALYST:

Yussel Zalapa