

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

April 21, 2026

FROM

ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center

SUBJECT

Amendment to Contract with Forward Advantage, Inc. for Imprivata, Inc. Subscription Licensing and Related Software Maintenance and Technical Support Services

RECOMMENDATION(S)

Approve Amendment No. 1 to Contract 4400027851 with Forward Advantage, Inc. for subscription licensing and related software maintenance and technical support services related to Imprivata, Inc. single sign-on software, increasing the total not-to-exceed amount by \$192,471 for a 12-month period, from \$500,000 to \$692,471 with no change to the contract term of March 26, 2025 through March 26, 2028.

(Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The cost of \$192,471 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

This amendment with Forward Advantage Holdings, Inc. (Forward Advantage) will allow for the additional purchase of 350 Imprivata Inc. (Imprivata) OneSign Single Sign-On/Authentication Management (SSO/AM), ConfirmID Electronic Prescribing of Controlled Substances (EPCS) licenses, related implementation services including ARMC's electronic healthcare system (EHR) connector, and necessary equipment and authentication devices in support of the Community Connect Program between ARMC and the County's Department of Public Health, for a period of 12 months commencing upon the effective date of the purchase order.

ARMC's Imprivata system is its internal single sign-on and rapid badge tap-in and tap-out system. This solution is integrated into the Epic EHR. It is also used and integrated into ARMC's EPCS within the Epic EHR system. This system is a patient care critical system that has been installed for years and was also integrated with ARMC's previous Meditech EHR system. The

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Imprivata software will not be used with County multi-factor authentication systems, such as virtual private network or Azure active directory. This is used exclusively at ARMC and on ARMC assets.

On March 26, 2025, as the result of formal solicitation No. ARMC125-ARMC-5603, pursuant to County Policy 11-05, County CEO and the Purchasing Department approved an End User License Agreement (EULA) with Imprivata, Inc., including non-standard terms, for single sign-on software licenses and service as purchased from reseller Forward Advantage via the standard County contract (SAP Contract 4400027851), in the not-to-exceed amount of \$500,000, beginning on the date of execution for a period of three years.

The Imprivata software and services are sold through Forward Advantage under County standard contract terms, but once the order was accepted by Forward Advantage, ARMC was required to accept the online Imprivata EULA in order to access the software and services.

The Imprivata EULA is Imprivata's standard commercial agreement, which includes terms that differ from the standard County contract and omits certain County standard contract terms. The EULA is a non-negotiable clickwrap accepted upon download of the software. The non-standard and missing terms include the following:

1. Governing law is the Commonwealth of Massachusetts.
 - The County standard contract requires California governing law.
 - Potential Impact: The Agreement will be interpreted under Massachusetts law. Any questions, issues or claims arising under this Agreement will require the County to hire outside counsel competent to advise on Massachusetts law, which may result in fees that exceed the total Agreement amount.
2. Imprivata may assign the Agreement without notice to the County and without the County's approval in connection with a corporate transaction.
 - The County standard contract requires that the County must approve any assignment of the contract.
 - Potential Impact: Imprivata could assign the Agreement to a third-party or business with which the County is legally prohibited from doing business due to issues of Federal debarment or suspension and conflict of interest, without the County's knowledge. Should this occur, the County could be out of compliance with the law until it becomes aware of the assignment and terminates the Agreement. County Counsel cannot advise on whether and to what extent Massachusetts law may permit or restrict a party's right to assign without an express provision in the Agreement.
3. There is no provision in the Agreement addressing each party's responsibility for paying attorneys' fees.
 - The County standard contract requires each party to bear its own costs and attorney fees, regardless of who is the prevailing party.
 - Potential Impact: County Counsel cannot advise on, whether and to what extent, Massachusetts law may affect a party's requirement to pay the prevailing party's attorneys' fees and costs in a legal action where no specific provision is provided in the Agreement.

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4. The County is required to indemnify Imprivata against any claim based on the County's breach of warranty regarding the import/export of the products in violation of US export restriction laws.
 - The County standard contract does not include any indemnification or defense by the County of a contractor.
 - Potential Impact: By agreeing to indemnify Imprivata, the County could be contractually waiving the protection of sovereign immunity. Claims that may otherwise be barred against the County, time-limited, or expense-limited could be brought against Imprivata without such limitations and the County could be responsible to defend and reimburse Imprivata for costs, expenses, and damages, which could exceed the total Agreement amount. County Counsel cannot advise on, whether and to what extent Massachusetts law may limit or expand this Agreement term.
5. The Agreement does not require Imprivata to meet the County's insurance standards as required pursuant to County Policies, 11-05, 11-07 and 11-07SP.
 - County policy requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department and as set forth in County policy and in the County standard contract.
 - Potential Impact: The County has no assurance that Imprivata will be financially responsible for claims that may arise under the Agreement, which could result in expenses to the County that exceed the total Agreement amount.
6. Imprivata's maximum liability to the County is limited to the fees paid and payable by the County during the prior 12-month period, except for damages for personal injury.
 - The County standard contract does not include a limitation of liability.
 - Potential Impact: Claims could exceed the liability cap and the Agreement amount leaving the County financially liable for the excess. County Counsel cannot advise on, whether and to what extent Massachusetts law may limit or expand the exclusion of limits to the extent prohibited by applicable law.
7. Payment terms are Net 30 date of invoice with late payment interest of 1.5% per month.
 - County standard payment terms are Net 60 days with no interest or late payment penalties.
 - Potential Impact: County standard processing time is 60 days or more. Failing to pay within 30 days from the date of invoice may result in a material breach of the Agreement, which could allow Imprivata to terminate the Agreement and seek other legal remedies, including charging the County interest at a rate of 15%, which could exceed the Agreement amount.
8. There is no stated venue in the Agreement.
 - County Policy 11-05 requires venue for disputes in Superior Court of California, County of San Bernardino, San Bernardino District.
 - Potential Impact: Imprivata is headquartered in Middlesex County, Massachusetts. Having no express venue in the Agreement means that Middlesex County, Massachusetts venue could be applied to disputes arising under this Agreement, which may result in additional expenses that exceed the amount of the Agreement.

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ARMC recommends approval of the Agreement with Forward Advantage, including non-standard terms, to provide for the safety, health and service needs of County residents by ensuring that ARMC has a two-factor authentication sign-on and secure verification system.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on March 16, 2026; Purchasing (Veronica Pedace, Buyer III, 387-2464) on March 30, 2026; Risk Management (Stephanie Mead, Staff Analyst II, 386-9044) on April 8, 2026; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on March 30, 2026; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on March 31, 2026.

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Technical Support Services**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: April 21, 2026



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree
MBA 04/22/2026