

2014-2015 Member Services Agreement Overview

CommonWell Health Alliance™ is an independent trade association devoted to the simple vision that health data should be available to individuals and providers regardless of where care occurs. Additionally, provider access to this data must be built-in health IT at a reasonable cost for use by a broad range of health care providers and the people they serve.

To bring this vision to life, CommonWell, together with our service provider and members, are creating and executing a vendor-neutral platform that breaks down the technological and process barriers that currently inhibit effective health data exchange. Additionally, we are committed to defining and promoting a national infrastructure with common standards and policies.

For CommonWell Members planning to offer CommonWell Services to its clients, a Member Services Agreement (MSA) between the member company and the Alliance is required. The CommonWell Health Alliance MSA outlines what the Member obligations and terms are with regards to the core services available through the Alliance’s Service Provider.

Currently, the MSA is oriented to the offering of services for acute and ambulatory care settings. Additional service use cases are being considered by the Alliance.

Member Services Fees

Member Services fees are in addition to an Alliance Member’s annual membership dues and are only applicable to those members who offer CommonWell Services to their clients.

In order to allow access to Members of all sizes, the Alliance charges a fixed-rate fee for an annual subscription based upon the Member’s annual revenue. The following revenue tiers and annual subscription fees apply to Members with a primary focus on acute care hospitals or ambulatory physicians:

Annual Revenue of Member	Annual Subscription Fee
Less than \$50,000,000	\$50,000
\$50,000,000.01 to \$100,000,000	\$125,000
\$100,000,000.01 to \$200,000,000	\$250,000
\$200,000,000.01 to \$500,000,000	\$500,000
\$500,000,000.01 to \$1,000,000,000	\$750,000
\$1,000,000,000.01 to \$2,000,000,000	\$1,250,000
More than \$2,000,000,000	\$2,750,000

Note: While the Alliance desires to provide its services at competitive prices, fees and rates are subject to change.

In addition, a one-time Certification fee will be charged for services to validate compliance with the Specification and the Services.

CommonWell Health Alliance Member Services Agreement (MSA) FAQ

Note: As with any summary of an agreement, this document does not include all of the important terms and conditions that appear in the MSA. Please review all applicable terms with your legal counsel prior to signing.

Q. What benefits can a Member get through the Commercial Services (Services) from the Alliance?

A. The Services include those that enable: 1) Person enrollment; 2) The ability to link clinical patient records across health care organizations for patient identity and consent management, and; 3) query and retrieval functionality of clinical health care patient records available through the network.

Q. How does the Agreement protect its Member's and their customer's data?

A. The Alliance takes the privacy of its Members' and their clients' data seriously. In fact, the MSA grants the Service Provider only limited rights to use such data, solely for the purpose of providing the services within the scope of the MSA. The MSA also specifically provides that the Alliance itself, as opposed to the Service Provider, will not have access to any data, including patient health information (PHI), in connection with the provision of the Services.

Q. What is the length of the Agreement, and when can the MSA be terminated?

A. The current Agreement has an Initial Term of 36 Months. At the end of the Initial Term, the Agreement will automatically renew for 2 additional 1-year Terms. Either Party can terminate the Agreement by giving 120 days notice before the end of the Initial Term or any Subsequent Renewal Term.

Q. Does the Member get to retain its Intellectual Property (IP) rights?

A. Along with other important IP terms and protections, the MSA makes it clear that the Member will own all right, title and interest in and to its Confidential Information, Member Solution and Member Materials, including any and all IP Rights therein. Please see the MSA for the definitions relating to those member materials.

Q. What obligations does the Member have under the Agreement?

A. In order to be able to receive the benefit of the Services, Members are required to provide their Member Interface and other technical information in accordance with the official documentation and in compliance with the Alliance Specification. Members are also required to comply with and require their users to comply with: 1) the Alliance's Data, Security, and Privacy Policy, and; 2) the Alliance's End User Terms provided for in the MSA, or terms substantially similar thereto.

Q. What about regulatory compliance?

A. Members are responsible for their own compliance. The Alliance is not responsible for our Member's or their client's compliance with legal or regulatory requirements imposed by the use of the Services. For example, to the extent our Members may be required to obtain consents or enter into a BAA with their customers or users, Members are responsible for compliance with all such regulations. With regards to a business associate agreement (BAA) with the Alliance, the MSA includes a BAA that will apply between the Alliance and its Members.

Q. Who owns the Alliance Specification and how is it licensed?

A. Ownership and licensing of the Alliance Specification is governed by the terms of your Membership Agreement. The Alliance Specification is licensed under the terms and conditions of the CommonWell Health Alliance Specification license, which is publically available here:

<http://www.commonwellalliance.org/license/>

Q. What about competition laws? Is there a concern that many of the Alliance Members are competitors?

A. The MSA and the Alliance Membership Agreement require all Members and the Alliance to conduct their activities in compliance with the spirit and letter of state and federal competition law and their existing compliance policies. We believe that the goals and objectives of the Alliance can be pro-competitive, and we are committed to compliance with all applicable laws.

Q. What fees will apply?

A. In order to allow access to Members of all sizes, the Alliance charges a fixed-rate fee for an annual subscription based upon the Member's annual revenue. This fee allows the Member to onboard an unlimited amount of clients onto the CommonWell Network.

The following revenue tiers and annual subscription fees apply to Members with a primary focus on acute care hospitals or ambulatory physicians:

Annual Revenue of Member	Annual Subscription Fee
Less than \$50,000,000	\$50,000
\$50,000,000.01 to \$100,000,000	\$125,000
\$100,000,000.01 to \$200,000,000	\$250,000
\$200,000,000.01 to \$500,000,000	\$500,000
\$500,000,000.01 to \$1,000,000,000	\$750,000
\$1,000,000,000.01 to \$2,000,000,000	\$1,250,000
More than \$2,000,000,000	\$2,750,000

Note: While the Alliance desires to provide its services at competitive prices, fees and rates are subject to change.

Q. What other fees apply?

A. There is a one-time Certification fee of up to \$50,000. Members with multiple software or systems using the Services which require separate and distinct certifications, or Members whose software or system is undergoing a substantial upgrade or other modification requiring a new separate and distinct certification, will be provided Implementation Services at a rate up to \$10,000 in one-time fees for up to 50 hours of service.

Q. What is the billing cycle for Membership fees?

A. Members are billed for their Annual Subscription Fees on a quarterly basis, with one-fourth of the annual subscription fee due at the beginning of each quarter.

Q. What choice of law governs the MSA?

A. The MSA is governed by the laws of the State of Delaware.