

Hospital Case Study

Scheduling System Contract Type

The scheduling system contract is primarily a cost-plus contract. The system vendor has submitted a proposal that includes the estimated price for the scheduling system, customization work, implementation work, and initial support.

The vendor will estimate and commit to a fixed price for the system software and standard implementation services after the design is approved.

Customization work is time and materials, including a change request clause for charging additional amounts for work due to changes after the design is approved. Another cost plus feature is a \$50,000 early delivery bonus that the hospital will pay for completing system implementation one or more months before the deadline.