

STATEMENT OF WORK (SOW) - OKAY EXAMPLE

SOW Number: SOW-HC-QA-2024-001 **Version:** 1.0 **Effective Date:** August 1, 2024

This Statement of Work ("SOW") is entered into under the terms and conditions of the Master Service Agreement ("MSA") between **HealthCare Co. ("Client")** and **QuantumStream Analytics Ltd. ("Consultant")**, effective as of July 1, 2024. All terms not defined herein shall have the meaning ascribed to them in the MSA.

1. PROJECT TITLE

Predictive Analytics Model Development for Patient Readmission Risk

2. PROJECT OVERVIEW

Client seeks Consultant's expertise to develop a predictive analytics model within Snowflake that identifies patients at high risk of hospital readmission. The goal is to provide insights that enable proactive interventions, reducing readmission rates and improving patient outcomes.

3. SCOPE OF SERVICES

Consultant shall perform the following Services:

3.1. Phase 1: Data Exploration & Feature Engineering (Weeks 1-5) * Access and explore Client's historical patient data in Snowflake (EHR, claims, demographics). * Identify and engineer relevant features for readmission prediction. * Perform data cleansing and preparation for model training.

3.2. Phase 2: Model Development & Training (Weeks 6-12) * Select appropriate machine learning algorithms for predictive modeling (e.g., logistic regression, gradient boosting). * Develop and train the predictive model within Snowflake (using Snowpark or external ML platforms). * Evaluate model performance using standard metrics (e.g., AUC, precision, recall). * Iterate on model design based on performance and Client feedback.

3.3. Phase 3: Model Deployment & Documentation (Weeks 13-16) * Deploy the trained model within Snowflake for inference on new patient data. * Develop basic documentation on model architecture, features, and performance. * Provide a knowledge transfer session to Client's analytics team.

4. DELIVERABLES

Consultant shall provide the following Deliverables:

- Data Exploration & Feature Engineering Report (by end of Week 5)
- Predictive Model Code (trained and functional within Snowflake, by end of Week 12)
- Model Performance Report (by end of Week 12)
- Model Deployment Guide (by end of Week 16)
- Basic Model Documentation (by end of Week 16)

5. ROLES AND RESPONSIBILITIES

Client Responsibilities:

- Provide secure access to Snowflake environment and relevant datasets.
- Assign a dedicated Project Manager and clinical data scientists/analysts.
- Provide timely feedback on model development and performance.
- Validate model outputs against business understanding.

Consultant Responsibilities:

- Perform all Services and deliver all Deliverables as specified in Sections 3 and 4.
- Assign a Lead Data Scientist and a Machine Learning Engineer.
- Ensure all work adheres to the MSA's terms, including confidentiality and data security.
- Provide weekly progress updates in status meetings.

6. TIMELINE AND AGREEMENT DURATION

The project is estimated to be completed within **sixteen (16) weeks** from the **Effective Date** of this SOW. This SOW's duration is tied to the completion of the project as outlined herein. The overall Agreement's duration is three (3) years from July 1, 2024, with no automatic renewal, as specified in the MSA.

7. COMPENSATION AND PAYMENT TERMS

Client shall pay Consultant a fixed fee of **\$180,000 USD** for the successful completion of all Services and Deliverables. This fixed fee is based on an estimated 1,200 hours of effort at a **Negotiated Rate Per Hour of \$150 USD per hour**. Payment shall follow the schedule below:

- 30% (\$54,000) upon SOW execution and commencement of Phase 1.
- 40% (\$72,000) upon completion and Client acceptance of "Predictive Model Code."
- 30% (\$54,000) upon completion and Client acceptance of "Model Deployment Guide."

Note: The negotiated rate per hour (\$150) is higher than the \$115 standard rate specified in the MSA (Article 4.1). This SOW does not explicitly state an override of the MSA's rate, making it a non-compliant term.

All invoices submitted under this SOW shall be paid by Client within thirty (30) days of receipt, as per the **Payment Terms** outlined in the MSA.

8. ACCEPTANCE CRITERIA

Deliverables will be deemed accepted upon Client's written approval, which shall not be unreasonably withheld or delayed. Client shall have seven (7) business days from receipt of a Deliverable to provide written acceptance or rejection with specific reasons for rejection. Consultant shall address rejections promptly.

9. CHANGE CONTROL

Any significant changes to the scope, timeline, or compensation of this SOW must be mutually agreed upon in writing by both Parties through a formal Change Order, signed by authorized representatives.

10. KEY PERSONNEL

- **Client Project Lead:** Dr. Benjamin Carter, Lead Data Scientist
- **Consultant Project Lead:** Sophia Khan, Principal Data Scientist

11. GENERAL PROVISIONS

This SOW is governed by and incorporates by reference the terms and conditions of the MSA. All general terms and conditions, including but not limited to, provisions regarding unexpected events beyond reasonable control (excluding labor disputes directly involving Consultant's employees), mutual obligations to protect against liabilities (excluding IP infringement unless solely due to Consultant's tools), confidentiality commitments, data security and privacy requirements, intellectual property ownership, warranties, limitations of liability, governing law, dispute resolution, and notice procedures, as detailed in the MSA, apply to this SOW. The **Notice Period** for termination of this SOW or the MSA is also governed by the terms set forth in the MSA.

IN WITNESS WHEREOF, the Parties have executed this SOW as of the Effective Date.

HEALTHCARE CO.

By: _____

Name: [Authorized Signatory Name]

Title: [Authorized Signatory Title]

Date: _____

QUANTUMSTREAM ANALYTICS LTD.

By: _____

Name: [Authorized Signatory Name]

Title: [Authorized Signatory Title]

Date: _____