



Monterey County

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Board Report

Legistar File Number: A 15-214

June 23, 2015

Introduced: 6/12/2015

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 8 to the Agreement (A-11879) with KPMG LLC (formerly Beacon Partners, Inc.), for Meditech management, support and consulting services at NMC, extending the Agreement an additional one year period for a revised term of January 1, 2010 through June 30, 2016 and adding \$3,192,000 for a revised total Agreement amount not to exceed \$11,346,270.
- b. Authorize the Deputy Purchasing Agent for NMC to execute the Acknowledgement and Consent to the Assignment and Assumption Agreement between KPMG LLC (Assignee) and Beacon Partners, Inc. (Assignor), effective when signed by the Deputy Purchasing Agent for NMC.

RECOMMENDATION:

It is recommended the Board of Supervisors:

- a. Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) to execute Amendment No. 8 to the Agreement (A-11879) with KPMG LLC (formerly Beacon Partners, Inc.), for Meditech management, support and consulting services at NMC, extending the Agreement an additional one year period for a revised term of January 1, 2010 through June 30, 2016 and adding \$3,192,000 for a revised total Agreement amount not to exceed \$11,346,270.
- b. Authorize the Deputy Purchasing Agent for NMC to execute the Acknowledgement and Consent to the Assignment and Assumption Agreement between KPMG LLC (Assignee) and Beacon Partners, Inc. (Assignor), effective when signed by the Deputy Purchasing Agent for NMC.

SUMMARY/DISCUSSION:

NMC's Transition to a Fully Staffed IT Department

NMC is in the process of reducing its reliance on independent contractors. NMC's goal is to fully staff its Information Technology ("IT") department with County employees wherever possible and to rely on the skills and expertise of independent contractors on a limited, project-specific basis when it is in the best interest of the County to do so.

Since the Board's July 2014 approvals, NMC has taken more determined measures than in prior years to increase success in NMC's recruitment efforts.

- During the summer of 2014, NMC IT Department hosted a university intern from California State University - Monterey Bay ("CSUMB"). The internship experience was intended to encourage a local university student to consider the public healthcare field in seeking out IT employment, NMC anticipates hosting another CSUMB intern this coming summer.
- In July 2014, NMC requested and the Board approved 6 new FTE IT positions bringing the total number of budgeted open positions to 14. NMC opened recruitment for these previously budgeted and new positions the same month.
- In February 2015, NMC opened recruitment for the Chief Information Officer ("CIO") position.
- In February 2015, staff of NMC IT and Human Resources ("HR") attended a CSUMB hosted job fair for IT professionals to promote the presence of NMC and encourage job seekers attending the fair to consider the County of Monterey, especially NMC, as a potential employer.
- In April 2015, NMC HR staff attended the Monterey Community job fair at the Portola Hotel in the City of Monterey, to encourage local job seekers to consider their employment opportunities at the County of Monterey/NMC.

As a result of these and other efforts, NMC filled one FTE position in September 2014, one FTE position in January 2015 and two FTE positions in March 2015 and one in May 2015. There are still currently 9 positions to fill.

KPMG (formerly Beacon partners, Inc.) Assistance with NMC IT Transition

Amendment #8 to the Agreement with KPMG is intended to assist NMC's transition of IT projects connected to its Meditech Electronic Health Records to a County IT Staff that can fully support NMC's Meditech needs. NMC has selected KPMG for this transition because of the company's depth of experience and expertise of its consultants. For the last several years NMC has purchased, and continues to purchase, necessary modules of Meditech in order to systematically build a fully operational EHR. The implementation of these modules provide for improved safety and services to NMC patients, as well as, meeting the ongoing mandated Medicaid and Medicare Meaningful Use requirements via the HITECH Act legislated by the federal government. Please refer to Attachment A of this Board Report, "Explanation and Description of Meaningful Use" for more detailed information regarding Meaningful Use.

This request is for resources to manage, design, implement and support Meditech modules. This year NMC will be implementing Meditech's Operating Room Manager (ORM) module, from approximately July 1, 2015, through June 30, 2016. NMC is requesting Subject Matter Expert (SME) Consultants to design and implement the ORM module in Meditech. Consultants will also be needed for Optimization after Go-Live until a permanent FTE employee is hired.

NMC has recently implemented multiple modules in its EHR, Meditech. Daily support for these modules is required. NMC is actively planning and recruiting FTE's but until NMC is staffed by FTES, and they are trained, NMC requests ongoing consultant SME's. These modules include, Computerized Provider Order Entry (CPOE), Physician Documentation (PDOC), Multi-Disciplinary Discharge Routine (MDR), Patient Care System (PCS), LAB, Emergency Department Management (EDM), Imaging and Therapeutic Services (ITS),

Accounts Payable (AP), Billing/Accounts Receivable (BAR), Blood Bank (BBK), Bedside Medication Verification (BMV), Claims (CL), Fixed Assets (FA), Materials Management (MM), Order Entry (OE), Physician Care Manager (PCM), and Provider Order Management (POM).

Note: During the month of April 2015, NMC was notified that KPMG LLC acquired Beacon Partners, Inc. and would be assuming responsibility of the services agreement. KPMG LLC and Beacon Partners will issue an Assignment and Assumption document to formally acknowledge the acquisition and the transfer of contractual obligations. That Assignment and Assumption shall be submitted to NMC at the same time Amendment No. 8 is approved and fully executed.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment No. 8 as to legal form and risk provisions, and the Auditor-Controller has reviewed and approved as to payment provisions. The Amendment No. 8 has also been reviewed and approved by NMC's Finance Committee on 3/26/15 and by its Board of Trustees on 4/3/15.

FINANCING:

The cost for this Amendment No. 8 is \$3,192,000 all of which is to be included in the Recommended Budget for Fiscal Year 2015-16. There is no impact to the General Fund.

Prepared by: Charles Harris, MD, 783-2785

Approved by: Gary R. Gray, DO, Interim Chief Executive Officer, 783-2504

Attachments:

Attachment A to Board Report "Explanation and Description of Meaningful Use"

Amendment No. 8 with KPMG

Amendment No. 7 with Beacon Partners

Amendment No. 6 with Beacon Partners

Amendment No. 5 with Beacon Partners

Amendment No. 4 with Beacon Partners

Amendment No. 3 with Beacon Partners

Amendment No. 2 with Beacon Partners

Amendment No. 1 with Beacon Partners

Original Agreement with Beacon Partners, Inc.

Spend Sheet

Assignment and Assumption Agreement between KPMG, LLC and Beacon Partners, Inc.

Attachments on file with the Clerk of the Board

for Andrea Rosenbcy
Gary Gray DO, Interim Chief Executive Officer

 6/15/15
Date