



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 13-060, **Version:** 1

Authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #6 to the Agreement (A-11879) with Beacon Partners Inc., for Meditech Clinical Modules, Meditech 5.66 Software Upgrade, and Computerized Physician Order Entry (CPOE) Implementation and Support Services at NMC, extending the Agreement to April 15, 2015 and adding \$3,022,790 for a revised total Agreement amount not to exceed \$4,055,870 in the aggregate.

RECOMMENDATIONS:

It is recommended that the Board of Supervisors authorize the Purchasing Manager for Natividad Medical Center (NMC) to execute Amendment #6 to the Agreement (A-11879) with Beacon Partners Inc., for Meditech Clinical Modules, Meditech 5.66 Software Upgrade, and Computerized Physician Order Entry (CPOE) Implementation and Support Services at NMC, extending the Agreement to April 15, 2015 and adding \$3,022,790 for a revised total Agreement amount not to exceed \$4,055,870 in the aggregate.

SUMMARY/DISCUSSION:

CPOE is an essential part to meeting the requirements of the mandated, Health Information Technology for Economic and Clinical Health (HITECH) Act, for an Electronic Health Record (EHR) System (in NMC's case MediTech). CPOE is the most clinically critical of all Electronic Health Record (EHR) implementations, due to its potential impact on morbidity and mortality of NMC patients. In a study reviewing CPOE implementation by the Lucille Packard Hospital, implementation of CPOE resulted in a 20% reduction in mortality. In another study from the University of Pittsburg, where CPOE implementation was sub-optimal; there was an increase in mortality from 2.80 to 6.57%.

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. Modules of MediTech, in turn, meet the ongoing mandated Medicaid and Medicare Meaningful Use requirements via the HITECH Act legislated by the federal government.

“Meaningful Use” is defined as the “Meaningful use of an EHR Technology (in NMC's case Meditech) to achieve specific health and efficiency goals.” Meaningful Use, as dictated by the HITECH Act, states that all hospitals meeting the targets of Meaningful Use Stage 1 & 2, will receive reimbursements for provided services. Medicaid/Medical Meaningful Use Stage 1 requirements have been completed at NMC. The Medicare requirement for Meaningful Use Stage 1 began in March 2013 and is expected to be completed in June 2013. For NMC to meet Meaningful Use Stage 2, CPOE must be in place and fully functional by October 1, 2014.

The CPOE module implementation will be carried out by a team of consultants from two different vendors -Beacon Partners and Navin Haffty. Beacon Partners will provide clinical and technical expertise (2 consultants over a period of 2+ years of which \$1,504,200 of the \$3,022,790 will be applied to the CPOE implementation) to assist NMC for both implementation and post-implementation support of CPOE. Navin Haffty & Associates will be providing additional consulting resources (5 consultants) for a total of \$1,907,500 to assist NMC and Beacon Partners in the implementation of the CPOE software module. Beacon Partners additional services will include upgrading Meditech's systems software to version 5.66, and Provation Order Set Software building and implementation.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Amendment No. 6 as to legal form and risk provisions. The Auditor-Controller has reviewed and approved this Amendment No. 6 as to fiscal provisions. The Amendment No. 6 has also been reviewed and approved by Natividad Medical Center's Board of Trustees

FINANCING:

The cost for this Amendment No. 6 is \$3,022,790. \$1,800,000 is included in the Fiscal Year 2012/2013 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

Prepared by: Jim Fenstermaker, Senior IT Strategist, 783-2559
Approved by: Harry Weis, Chief Executive Officer, 783-2553

Attachments: Agreement, Amendments 1, 2, 3, 4, 5 and 6
Attachments on file with the Clerk to the Board's Office