



KENAI PENINSULA BOROUGH

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Gary Knopp, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*

FROM: Craig Chapman, Director of Finance *C Chapman*
Mark Fowler, Purchasing and Contracting Director *Mark Fowler*

DATE: July 26, 2012

SUBJECT: Ordinance 2012-19-22, appropriating \$666,646 for purchase and implementation of an upgraded emergency department information system using certified electronic health record technology

The federal HITECH Act of 2009 authorized the Medicare and Medicaid Electronic Health Record (EHR) Incentive Program to support hospitals, physicians, and other providers, through incentive payments, in adopting, implementing, and upgrading certified EHR technology, and in demonstrating meaningful use of EHR systems.

Central Peninsula Hospital's current EHR system does not fit the needs of its Emergency Department. The hospital evaluated several software solutions and the Picis system was selected based on physician preference, functionality, integration capability, vendor ability to deliver and cost. CPGH, Inc. (CPGHI) has indicated that the implementation of this software will improve revenue efficiency, allow for more complete and rapid documentation, decrease time to complete billings, and improve productivity.

CPGHI negotiated a package of license and services agreements with Picis, Inc. and its subvendors to provide an upgraded Emergency Department Information System (EDIS), using certified EHR technology. The estimated vendor licensing and implementation cost is \$566,646 and the total project is estimated to cost \$666,646.

The CPGHI board at its July 26, 2012, meeting approved the purchase of the EHR system from Picis, Inc. The Central Kenai Peninsula Hospital Service Area (CKPHSA) board is expected to consider this ordinance at its next meeting. Its recommendation will be provided to the assembly prior to final hearing.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.	<u>490.20602</u>
Amount	<u>\$666,646</u>
By: <u>pc</u>	Date: <u>7/24/12</u>