



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Health
Department No.: 041
For Agenda Of: July 12, 2016
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Takashi Wada, MD, MPH, Director and Health Officer
Director Public Health Department
Contact Info: Dan Reid, Assistant Deputy Director (681-5173)
SUBJECT: Fifth Amendment to System Agreement with GE Healthcare

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve, ratify, and authorize the Chair to execute a Fifth Amendment to incorporate a Change Order to the System Agreement with GE Healthcare for the period March 14, 2016 through May 31, 2017, in an amount not to exceed \$226,360.25 for ongoing license support, maintenance and professional services for a total Agreement maximum of \$2,018,682.76.
- b) Determine that the recommended actions are fiscal activities which do not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment and are thus exempt from California Environmental Quality review pursuant to CEQA Guidelines Section 15378(b)(4).

Summary Text:

This item is on the Agenda for approval to execute a Fifth Amendment with GE Healthcare for the annual software license support and maintenance as well as additional professional services to provide after-hours support for patches and version updates as well as specialized training and or product customization for the Public Health Department (PHD) practice.

The Change Order for this Fifth Amendment includes: up to \$48,944 of professional services for offsite/remote support (no travel expenses are anticipated for these services) and \$177,416.25 annual software license and maintenance for the various electronic health record elements and modules. The

new maximum contract amount not to exceed for the five year period of the Agreement that ends in May 2017 is \$2,018,682.76.

Background:

On March 15, 2011 the Board of Supervisors authorized a System Agreement with General Electric (GE) Healthcare for the GE Centricity EHR. PHD has successfully implemented the system across all Health Care Centers and its Satellite Clinics. However, there are ongoing needs to develop training updates and customize various forms and workflows associated with the EHR that require technical support from GE.

Additionally, as the complexity and data storage within the system has grown, PHD has moved patches and version upgrade installations to the evenings and weekends when PHD has no patient care to minimize service disruptions. On occasion, these implementations have required consultation and support from GE that cannot be predicted. Therefore, this Amendment includes professional after-hours support should it be necessary to ensure proper implementation of these upgrades.

PHD began negotiating with GE for a new Basic Agreement in late 2015; however, it is still under negotiation. PHD expected the negotiating process to be completed well before this date, but since negotiations continue to be delayed through no fault of PHD, PHD is exercising one of the options. This Amendment was not completed prior to June 2016, not only due to negotiations, but also because PHD was waiting for accurate cost information from GE that was not provided until early June 2016. Although the license renewal lapsed as of June 1, 2016, the existing Agreement sunset on March 14, 2016. Therefore, this Amendment is retroactive beginning March 14, 2016. GE has continued to provide support, maintenance, and licensing during the retroactive period in accordance with the existing Agreement.

Performance Measure:

There is no specific performance measure tied to this Change Order. However, it is critical to PHD that the GE system has no service disruptions to patient care. Working closely with GE support and after-hours upgrades there have been minimal service disruptions over the last few years and the ability to escalate service requests when the system is negatively impacted are built into the maintenance agreements.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

General Fund					
State					
Federal	\$	133,062.18	\$	133,062.18	\$ 36,708.00
Fees	\$	44,354.07	\$	44,354.07	\$ 12,236.00
Other:					
Total	\$	177,416.25	\$	177,416.25	\$ 48,944.00

This Agreement Amendment incorporates the annual license and software maintenance agreement elements and includes elements for professional support services should they be needed during the next 12 month cycle. Thus, of the new contract maximum of the agreement of \$2,018,682.76, only \$48,944 is applicable to one-time professional support.

The FY 2015/2016 amount of \$177,416.25 and the FY 2016/2017 amounts of \$177,416.25 and \$48,944 will be paid from available appropriations in the professional and special services line item in the Adopted budgets for the PHD Health Information Technology program, so no budget revision is necessary.

Key Contract Risks:

GE Healthcare is a multi-national company with a solid financial status and long-term history. More than 50% of the funding to support this Agreement originates from healthcare reimbursements from Medicare and Medi-Cal which have been stable funding sources.

Staffing Impacts:

There are no staffing impacts associated with the approval of this Fifth Amendment to the GE Healthcare System Agreement.

Special Instructions:

Please execute two (2) originals of the Fifth Amendment for the System Agreement with GE Healthcare and retain one (1) original Fifth Amendment and one (1) Minute Order for pick-up by the department. Please email phdcu@sbcphd.org when available for pickup.

Attachments:

- A. Fifth Amendment to the System Agreement with GE Healthcare
- B. Fourth Amendment to the System Agreement with GE Healthcare
- C. Third Amendment to the System Agreement with GE Healthcare
- D. Second Amendment to the System Agreement with GE Healthcare
- E. First Amendment to the System Agreement with GE Healthcare
- F. Original Agreement with GE Healthcare

Authored by:

Dan Reid, Assistant Deputy Director, Administration and Fiscal Division