

Minutes
Community Health Services Board
Library Conference Room
September 18, 2014 – 12:00 PM
Special Meeting

I. CALL TO ORDER AND ROLL CALL –

Kristin Carpenter called the HSB special meeting to order at 12:00 pm. Board members present: **Kristin Carpenter, David Reggiani and Tim Joyce.**

A quorum was not established. Carpenter advised that though there was not a quorum that the members present could have a discussion on the subject as there is no action to be had.

CMMC staff present: **Stephen Sundby, Interim CEO; Tiffany Varnadoe, CFO.**

Interested parties present telephonically: **Sean McCallister, Providence; Susan Humphrey-Barnett, Providence and Randy Robertson, City Manager.**

II. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

A. Guest Speakers – None

B. Audience Comments - None

III. CONFLICT OF INTEREST – None

IV. APPROVAL OF AGENDA - None

V. APPROVAL OF CONSENT CALENDAR - None

VI. REPORTS AND CORRESPONDENCE

A. Administrator’s Report – None

B. President’s Report - None

C. Finance Report - None

VII. ACTION ITEMS - None

VIII. DISCUSSION ITEMS

A. Electronic Medical Records –

Carpenter ~ So you all have been talking to Healthland for a year?

Sundby ~ It’s been longer than that actually, the contract was signed almost 2 years ago. Where we’re at now with them is that they’re trying to resolve all of the issues that we foresee. We’ve got \$430,000 invested already, and we looked at the cost of another and if we were to go with another company it would be \$1.2 million. So financially it would be good if we could work this out with Healthland rather than start over. Tiffany will be meeting with them on Monday.

Varnadoe ~ They’ve promised me a new plan, we’re also asking them for some names of other hospitals that have implemented the plan. I’d like to contact them and see what kind of problems they’ve had and what they like about the program.

Carpenter ~ wasn’t there something about a certain module that wasn’t part of their own software that you would have to buy separately?

Varnadoe ~ Yes, it’s for the Long Term Care Unit, there was a line item for it when we signed the contract in 2012. Between then and now they’ve decided not to develop the module, they’ve purchased it third-party. It will be a separate program and a separate implementation.

Sundby ~ But the cost is supposed to be included since it was in the original contract, they’ve in essence just substituted what they were going to develop for one that is

already developed. There will be some additional costs, which are mainly just travel since that's not included in the cost.

Varnadoe ~ We'll have to pay for all implementation, Airfare, hotel, food etcetera.

Carpenter ~ So you've got \$420,000 into it, and at least \$330,000 more.

Varnadoe ~ \$330,000 to pay up the contract, I'm guessing around \$150,000 for implementation and then of course our hardware is \$170,000.

Joyce ~ One of my concerns, and this goes back to Susan and Sean, one of the things when we started down this road with Healthland was that we had a contract with them to have this installed by certain dates because there were some reimbursements that we could get. And if we exceeded those dates we could get into a penalty situation, and we've already done that. We're into that penalty situation where whenever we implement, whenever that happens we're going to be fined because we're late. So I'm wondering, is there some way that Providence can put some pressure on Healthland?

Humphrey-Barnett ~ I agree with you, I think that is a really good idea for us to ask Providence to get with Healthland and say that we had intended to get some of our meaningful use money back based on our original implementation date through no fault of ours. I think we should try to get them to reduce what we owe or what we will owe if we stay with them by the amount that we could've gotten from meaningful use. I don't know if we're going to be in a penalty situation or not, maybe Tiffany can answer that.

Varnadoe ~ we've missed the attestation for this year, we might be able to depending on when the actual implementation happens be able to attest for next year. But we've definitely missed it for this year. So we're already into the penalty for next year.

Carpenter ~ So there's a penalty of a certain percentage if we don't get it working by 2015?

Varnadoe ~ Yes, it's just for the Medicaid patients, and they basically take 1% off the top.

Joyce ~ That's significant.

Varnadoe ~ It's not good, but the good thing is that our volume for Medicaid is small.

Humphrey-Barnett ~ Yes I think that our In-patient and Swing bed Medicaid use is very small.

Joyce ~ It may not be a lot of money, but it's money we didn't need to lose.

Carpenter ~ What is it going to take to get Healthland to do what they said they were going to do? And I want to know that we're going down this road because it's going to give us long term functionality, not because we've already spent a bunch of money. Is this system going to be as functional as say CPSI?

Sundby ~ What they're claiming now is that they have 75% of the screenings for Clinical and Financial that we wouldn't have to build, which is still a lot, but much better than having to build all of it. And they're changing the plan on how they're going to implement it, a big concern of ours is that even though they deal primarily with small hospitals they are having a hard time understanding that we don't have a lot of extra staff. And I think now they understand that.

Carpenter ~ I keep coming back to CPSI because it's the only other package that I know of that's already been developed. Are you able to look at their system and get some kind of a functionality bench-mark of this is what they system is supposed to do for us?

Varnadoe ~ CPSI will not let me look at their system, but I called some of the other hospitals and talked with their IT people and find out how their implementation worked, how does their Clinical Staff like it, how does their Business Office Staff like it and those things.

McCallister ~ I do believe that if we were serious about switching vendors that CPSI

would come to Cordova and do a demonstration and certainly show the product. CPSI was Valdez's first choice about five years ago. And it was a difficult implementation and followed by significant dissatisfaction at the point of care. Now, we only had it for a couple of years and then Providence as an enterprise decided that for all of its facilities that they would migrate to Epic. And frankly our smaller facilities have struggled with Epic, even the larger ones. All of these EMR system products are very challenging. Now I do want to tell you with CPSI that in the middle of that we did ask CPSI to defer us to some of their customers around the country and we did make contact with some of them. There are facilities that are extremely pleased with the product, but not until they've been into it for about five years.

Joyce ~ The one thing I want to come away with after this meeting is that Monday when you meet with those folks if you're not perfectly satisfied or you're not getting the response that you were expecting then we need to come back and coming back to Sean and Susan again, we're going to need your help putting some pressure on them and getting things implemented. I'm really worried about what's going to happen here in the next few days if they come and give us more delays.

McCallister ~ Both Susan and I agree with you, I did attend the initial meeting and I did make sure that Healthland knew that I represented Providence. And absolutely we will put pressure on Healthland. I will be participating in Monday's call as well. Maybe it's that Providence needs to write a letter to Healthland to make that point that were serious and that this has to go smoothly and that Healthland has to deliver on its commitments and work with us to make this successful.

Reggiani ~ It's just very discouraging situation to be in.

Carpenter ~ How tight is our contract, if we're not able to hold them to deadlines what is our recourse?

Sundby ~ I requested those from Healthland and what they said was pretty much what we had. The original contract was the 1998 contract when we got Classic, and what they did was added an addendum for Centriq to that. In that contract it was pretty clear; if we already had it implemented and we wanted to get out of that maintenance fee it tells you how to do that. What it doesn't tell you is what happens like in our scenario, we haven't implemented it yet and it hasn't come, if we decided that we aren't happy with it then how do we get out of it. I even asked them, if we wanted to get out of this then how do we do it? And they said that they would have to go to their legal team and ask.

Carpenter ~ Maybe this is something that Providence could help with if we decide to continue and accept their work plan, I would like to see them sign something that holds them accountable. If we don't have that now, I don't want to give them another dime until we could get something in place.

Varnadoe ~ we can certainly ask them to give us something in writing, to amend the contract.

McCallister ~ I believe you told me that the City's attorney Jennifer Alexander has the contract and is looking through it.

Varnadoe ~ Her response to Stephen and I was that she really didn't see an out or a way to not get out. It wasn't mentioned at all.

Roberts ~ I have spoken with Mrs. Wells and I have given Holly some bench marks that I'd like for her and her team to sit down and look at. I would encourage you all, I'm not sure if you want to keep putting money into a used car because you still have a used car. I didn't know this relationship was sixteen years old. But all that said and done, Holly is prepared to spend some time on this contract. Now that you all have given me a charter I can handle that.

Carpenter ~ Stephen and Tiffany if you all could keep us posted with what you learn on Monday.

IX. AUDIENCE PARTICIPATION - None

X. BOARD MEMBERS COMMENTS – None

XI. EXECUTIVE SESSION - None

XII. ADJOURNMENT –
Carpenter declared the worksession adjourned at 12:35 pm.

Transcribed by:

Faith Wheeler-Jeppson