



KENAI PENINSULA BOROUGH

Finance Department

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MIKE NAVARRE
MAYOR

MEMORANDUM

TO: Dale Bagley, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Borough Mayor *MN*

FROM: Craig Chapman, Finance Director *C Chapman*
Valentina Sustaita, Acting Purchasing and Contracting Director *V Sustaita*

DATE: September 30, 2015

SUBJECT: Ordinance 2015-19-16, An Ordinance Authorizing the Purchase and Implementation of the Epic Electronic Health Record System and Appropriating \$6,340,044 from the CPGH, Inc. Plant Replacement and Expansion Fund for this Project

To comply with electronic health care records requirements including portability, Central Peninsula General Hospital, Inc. (CPGH, Inc.) needs to replace its current electronic health record system. CPGH, Inc. issued a RFP and conducted a search of the industry for vendors who service mid to large size hospitals. After a thorough review of the RFP respondents, CPGH, Inc. is recommending that it acquire and implement the Epic Electronic Health Records system. Procurement of the Epic system will also allow CPGH, Inc. to convert the hospital's electronic health record system from Meditech, eClinical Works, Picis, and other disparate systems into an integrated system which is also capable of electronically exchanging information with Anchorage-based and other health facilities, allowing for improved care coordination.

The total proposed expenditure is broken down as follows:

Cost of acquiring and implementing EPIC EHR	\$ 4,330,114
Necessary equipment replacement and upgrade to utilize EPIC	864,430
Data Transfer and conversion	817,500
Archiving current electronic system	280,000
User Training	48,000
Total	\$ <u>6,340,044</u>

Current unobligated funds in the CPH Plant Replacement and Expansion Fund total \$14,064,842 and are sufficient to support the purchase and implementation of this project. It should be noted that the unobligated amount has been reduced by the \$3,050,000 included in Ordinance 2015-19-09, which will be replenished when the bonds proceeds are received.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>490.20602</u>
Amount	<u>\$6,340,044</u>
By:	<u>pp</u> Date: <u>9/29/15</u>