

CITY OF LONG BEACH

DEPARTMENT OF HEALTH AND HUMAN SERVICES

2525 GRAND AVENUE • LONG BEACH, CALIFORNIA 90815 • (562) 570-4000

January 18, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Agreement With Garrison Enterprises, Inc. for a Health Information System (Citywide)

DISCUSSION

The Department of Health and Human Services (DHHS) provides a wide variety of services to protect the public's health and safety. Currently, the DHHS utilizes over ten separate information systems to collect and analyze data for these programs. A recent analysis of the Department's business processes revealed that the Department would benefit from a single integrated software application that would support all DHHS programs. A new information system is also required for compliance with the federal Health Insurance Portability and Accountability Act (HIPAA), which imposes strict requirements on medical privacy, including the entry, storage, and transmission of electronic health information.

The proposed system would support DHHS specific functions, which are outside the scope of the citywide Integrated Information Systems (IIS). The DHHS will use the citywide IIS for functions common to other departments.

The proposed integrated system will consolidate all existing health information systems as well as capture data from programs that are not currently automated. The functionality of the Health Information System will include: medical clinic visits, bioterrorism and disease surveillance, disease trend information, case management, animal control, and electronic health records. By integrating all of the Department's data in one system, the proposed Health Information System will: improve client care; enhance the Department's ability to identify, monitor, and respond to disease trends; provide tools for assessing the effectiveness of programs; and meet current and emerging federal and industry data standards, such as HIPAA. The new information system will result in increased efficiencies and cost recovery opportunities, such as increased billings to the State and granting agencies, estimated at \$100,000 per year.

In August 2004, the DHHS released a Request for Proposals to develop and implement an integrated Health Information System. Of the 14 vendors who responded, four were invited to present product demonstrations. The selection panel, which included representatives from the Departments of Technology Services, Financial Management,

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and Health and Human Services, selected Garrison Enterprises, Inc. to develop the system. This selection was based on the vendor's record of developing public health applications for over 100 local health jurisdictions throughout the United States, their focus on the business needs of the DHHS, and their fully integrated, HIPAA-compliant product. The City's Information Technology Advisory Committee recommended to the City Manager moving forward with the proposed project on December 17, 2004.

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on January 6, 2005 and Budget Management Officer David Wodynski on January 7, 2005.

TIMING CONSIDERATIONS

City Council approval is requested on January 18, 2005 to insure system implementation prior to the effective date of HIPAA regulations that will impact data security. Federal law requires compliance by April 20, 2005.


FISCAL IMPACT

The cost of development and implementation of the Health Information System is \$405,000. Annual system maintenance will be \$105,000, with annual Consumer Price Index adjustments, and will be supported with existing appropriations for system maintenance. An estimated \$200,000 of existing appropriations, including grant funds, will support the development and implementation of this project. Therefore, a one-time appropriation increase of \$205,000, utilizing existing Health Fund balance, is requested in the recommendation below.

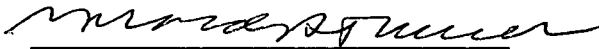
IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Authorize the City Manager to execute all necessary documents with Garrison Enterprises, Inc. for the development and implementation of a Health Information System in an amount not to exceed \$405,000, and for annual system maintenance in an amount not to exceed \$105,000 plus Consumer Price Index adjustments, for a period of four years, with the option to renew the maintenance agreement for three additional periods of five years each.
2. Increase appropriations in the Department of Health and Human Services (HE) and in the Health Fund (SR 130) by \$205,000.

Respectfully submitted,


RONALD R. ARIAS
DIRECTOR
HEALTH AND HUMAN SERVICES

APPROVED:


GERALD R. MILLER
CITY MANAGER