



Oregon

Kate Brown, Governor

Oregon Department of Corrections

Office of the Director

3723 Fairview Industrial Drive SE Suite 200

Salem, OR 97302

Phone: 503-945-0927

Fax: 503-373-1173



May 2, 2022

The Honorable Rachel Armitage, Co-Chair
The Honorable Nancy Nathanson, Co-Chair
Joint Committee on Information Management and Technology
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

The Oregon Department of Corrections (DOC) respectfully asks you to accept this letter as a status report on the Electronic Health Records (EHR) Project.

Background

DOC is seeking to modernize the management of adults in custody (AIC) health records as recommended by the Workgroup on Corrections Health Care Costs established by Senate Bill 843 (2013). This project will procure and implement the first EHR system to address business problems faced by the agency's primarily paper-based system.

In fiscal year 2021, DOC provided medical care, behavioral health services, dental care, substance abuse treatment, and medications to an average of 13,050 AICs housed in 14 institutions. DOC now operates 12 institutions following the closure of two facilities in 2021. DOC also sent patients to hospitals and providers in the community. The agency tracks all data generated by this care in paper charts and by entering rudimentary data into an antiquated electronic offender management system.

Over the last few years, especially in 2020 and 2021, it has been challenging to manage critical healthcare situations such as the wildfire evacuations and COVID-19, and health equity overlaid on these crises. The lack of sufficient portability of healthcare records and limited data analytics make it difficult to inform and shape the healthcare outcomes of DOC patients.

The continued use of an increasingly outdated, paper/electronic patchwork of disparate applications and processes limits the department's ability to deliver effective and efficient constitutionally mandated healthcare services to the AICs. DOC received funding in the 2021-2023 budget, and a competitive procurement is underway for a commercial, off-the-shelf system (COTS) or Software as a Service (SaaS) solution that has been successfully implemented in an environment similar to DOC Health Services.

Scope, Budget, and Schedule

As of March 2022, the EHR Project reported an overall status of **YELLOW**. Scope, budget, and schedule are outlined below, including additional comments on schedule in the risk section.

Color rating is reflective of the project perspective:

G	As planned or baseline
Y	Risk area needs active management to stay on plan
R	Needs immediate attention

G	Scope	G	Budget (incremental, conditional)**
	Baseline #3, revision of Integrated Project Schedule		
	APPROVAL DATE 11/12/2020		
	CHANGES WITH SCHEDULE IMPACT ANTICIPATED? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	CHANGES WITH BUDGET IMPACT ANTICIPATED? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
		'19-21 BUDGET \$1,500,000	'21-23 BUDGET \$18,400,000
		'19-21 PLANNED \$1,500,000	'21-23 PLANNED \$18,400,000
		'19-21 ACTUAL \$1,501,278	'21-23 ACTUAL \$437,195***
		VARIANCE \$1,278	VARIANCE TO DATE \$0

** Planned and approved thru Q2 2023
*** Per cost report 4/5 for #s: 18900200, 10598001, and 38300006

R	Milestone Schedule				
DESCRIPTION	Planned	Projected	Received	ON SCHEDULE	
				YES	NO
Project Initiation (Stage Gate 1***)			January 2017		
Resource/Solution Analysis (Stage Gate 2)	April 2021	December 2021	December 10, 2021		X
RFP Issuance	April 2021	December 2021	December 14, 2021		X
Apparent Successful Bidder Announced	New baseline in process	May 2022	TBD	X	
Implementation Planning (Stage Gate 3)	New baseline in process	September 2022	TBD	X	
Vendor Contract Execution	New baseline in process	September 2022	TBD	X	
Transition to Operations (Stage Gate 4)	New baseline in process	March 2024	TBD	X	

***Some Stage Gate 1 documentation updated

Scope

The scope of this project encompasses all activities and components needed to implement an EHR, which automates the health records management of dental, behavioral, pharmaceutical, treatment programs, and medical care of the AIC population across 12 facilities. The solution will provide a comprehensive EHR system that can be shared in a secure and integrated environment across all DOC healthcare delivery modalities. This project will reduce or eliminate paper medical charts and provide an electronic mechanism to securely share critical patient treatment data with all providers within DOC, as well as those providing care to AICs outside DOC facilities.

This EHR will improve coordination of care between providers of services through the integration of data; provide opportunities to reduce costs through streamlining and automating clinical operations; produce better treatment outcomes through integrated treatment protocols; enhance and improve patient education; and standardize processes where possible.

Budget

The department received \$1.5 million in the 2019-2021 budget for the EHR project and an additional \$18.4 million for the 2021-2023 biennium. At this time, DOC expects the current funding to be sufficient to implement the EHR system, though there will be more clarity after the solution vendor has been selected. The project will need authorization to expend the funds beyond June 30, 2023. As outlined in the business case for the project, there are plans for a policy option package request for the 2023-2025 biennial budget to cover ongoing expenses for operations and maintenance.

Schedule: Procurement Accomplishments, Updates and Milestones

As shown in the chart above, DOC is behind schedule in the procurement process as COVID-19 and other crises have created staffing shortages for both DOC and partner agencies. But DOC continues to make progress with the EHR project.

Following Stage Gate 2 approval on December 10, 2021, the Request for Proposal (RFP) for an EHR published to OregonBuys on December 14, 2021, with a 45-day response window. The team hosted a preproposal conference which was well attended by vendors on December 21, 2021. Through the Department of Administrative Services' (DAS) standard procurement process, DOC also collected formally submitted questions. Responses to the vendor Q&A were posted to OregonBuys in mid-January. Due to the RFP issuance taking place during the holidays, DOC offered another short Q&A period following the request of some prospective vendors and agreed to an extension to the response period. The process closed February 10, 2022, instead of January 28, 2022, to ensure interested parties had adequate time to review the Q&A responses and submit thorough proposals.

DOC selected a multi-disciplinary vendor evaluation committee comprised of both management and represented Health Services and Information Technology employees. This committee completed vendor evaluation training with DAS Procurement on February 9, 2022, with first-round vendor evaluations conducted during the weeks of February 14 and February 21, 2022. In March, the project completed round one evaluations with the publishing of the competitive range, which included the three highest-scoring vendors, Fusion, KaZee, and Naphcare. The project did receive a protest regarding the competitive range, which paused round two evaluations and impacted the schedule. The protest was responded to by DAS Procurement at the end of March.

Following the resolution of the protest, the project team completed the round two instructions amendment in collaboration with DAS and the Department of Justice. For the second round, vendors will submit additional information ahead of time, then present in a standardized format live over one and a half days per vendor. Pricing is also evaluated during round two. That amendment published the first full week of April with round two demonstrations scheduled for the weeks of April 25 and May 2, 2022. DOC received approval to add non-scoring advisors so subject matter experts can provide input to evaluators. Oregon Health Authority representatives will participate in round two as an evaluator and several advisors. Once a vendor is selected, implementation planning will be clearer, as DOC will have information about the vendor's intended approach for the EHR roll-out across the agency. Contract negotiation and execution are estimated to complete in September 2022 with Stage Gate 3 endorsement at that time.

Lastly, DOC finalized a contract amendment with North Highland, the EHR project management vendor, to provide organizational change management (OCM) services. With execution of this contract, OCM activities increased during March, most notably with the hiring of the Adoption Lead, planning of an EHR Roadshow, and ongoing work toward the OCM assessment. An internal Health Services Manager was selected for the role of Adoption Lead to officially start in late April. The team also confirmed the approach and schedule for the EHR Roadshow, which will take place over the summer and include stops at most institutions. Roadshow activities are focused on front-line engagement but will also include tactical go-live planning. Leadership interviews and data gathering for the OCM assessment ramped up in March and are expected to conclude in April. These efforts will ensure impacted staff are aware and engaged in the project for successful design and implementation.

The illustration below summarizes the process, progress, and budget from July 2019 through June 2025:



Risks and Challenges

Staffing for the EHR Project is the current focus. Health Services continues to work closely with DOC and DAS Classification/Compensation staff to develop and move the position descriptions for the remaining EHR limited duration positions through DAS for approval.

The availability of clinicians to provide input and support to the EHR solution development, while also maintaining patient care during a pandemic, is a primary concern. As experienced nationwide, DOC is impacted by a shortage of healthcare professionals and is actively engaged in finding solutions. We know the implementation of an EHR will cause employees to initially be less productive as they must learn new processes, so adequate staffing remains critically important for both the EHR Project and patient care.

Also connected to staffing are the continued constraints experienced with our partner agencies in this process. Schedule slippage has resulted in part due to limited availability of resources. With dependencies on each other to keep the project moving through the procurement process, coordination of tasks and timelines remains a critical challenge.

DOC is partnering closely with DAS Enterprise Information Services (EIS) to minimize the probability of additional procurement delays. Steps taken to date include accelerating the evaluation phase, updating the project schedule to reflect current DAS estimates, and escalating document reviews where appropriate.

As mentioned previously, OCM will serve a very important role to engage, motivate, and energize the DOC team to ensure successful adoption of the EHR.

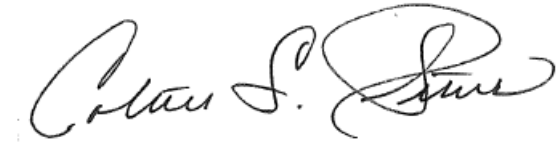
DOC institutions range in age, location, structure, and technology. Older facilities are challenged by the existing infrastructure (e.g., power, networks) and will need an EHR capable of fully functioning despite the variations, to include contingencies for unplanned events such as power outages. Accordingly, the project is collaborating with facilities and physical plant staff to prepare patient care areas as EHR-ready. Infrastructure and equipment are being assessed in advance of site preparation activities, which will ramp up once the vendor is onboard.

Quality Assurance

Following a requirement from EIS, DOC contracted with BerryDunn to provide Independent Quality Management Services (iQMS) services to the EHR Project in March 2021. Findings from the December 2021 Quality Report focused on schedule delays. DOC partnered with BerryDunn to ensure adequate time is allotted for each activity and reasonable buffers are built in for unexpected delays. The initial risk assessment will be completed by BerryDunn after vendor selection following an agreement with DAS EIS to expedite the release of the RFP.

The agency is happy to answer any questions you may have and will present at the next meeting of the Joint Committee on Information Management and Technology if requested.

Sincerely,

A handwritten signature in black ink, appearing to read "Colette S. Peters". The signature is fluid and cursive, with the first name "Colette" being more prominent than the last name "Peters".

Colette S. Peters
Director

cc: Sean McSpaden, Principal Legislative IT Analyst
George Naughton, Chief Financial Officer
Laurie Byerly, Legislative Fiscal Officer
April McDonald, CFO Policy and Budget Analyst
John Terpening, LFO Principal Legislative Analyst
Jeremiah Stromberg, Acting DOC Chief Financial Officer
Jennifer Black, Acting DOC Communications Administrator