



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Adam Sholar
Legislative Counsel
Director of Government Affairs

February 1, 2014

SENT VIA ELECTRONIC MAIL

The Honorable Andrew Brock, Co-Chair
Joint Legislative Oversight Committee on
Information Technology
Room 521, Legislative Building
Raleigh, NC 27603-5925

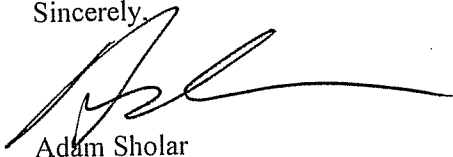
The Honorable Jason Saine, Co-Chair
Joint Legislative Oversight Committee on
Information Technology
Room 402, Legislative Office Building
Raleigh, NC 27603-5925

Dear Senator Brock and Representative Saine:

Session Law 2013-360, Section 12F.5, prohibits the Department of Health and Human Services from taking any further action or expanding any funds to continue the development and implementation of the health care information system for State facilities operated by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services until the Department submits a report to the Joint Legislative Oversight Committee on Health and Human Services; the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division and obtains approval to proceed from the State Chief Information Officer. The report required by this provision is attached, and the Department is working with the State CIO to obtain approval.

Please contact Luckey Welsh, Director of the NC Division of State Operated Healthcare Facilities, should you have any questions regarding this status report. Mr. Welsh can be contacted at (919) 855-4700.

Sincerely,



Adam Sholar

cc: Rod Davis
Jim Slate
Luckey Welsh
Joe Cooper
Dave Richard

Denise Thomas
Patricia Porter
Sarah Riser
Pam Kilpatrick
Brandon Greife

www.ncdhhs.gov

Tel 919-855-4800 • Fax 919-715-4645

Location: Adams Building/Dix Campus • 101 Blair Drive • Raleigh, NC 27603

Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2001

An Equal Opportunity / Affirmative Action Employer



Robin Cummings
Kristi Huff
Susan Jacobs
reports@ncleg.net
Grant Brooks

Sarah Porper
Karlynn O'Shaughnessy
Larry Yates
Chris Estes
Kasey Ginsberg



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Adam Sholar
Legislative Counsel
Director of Government Affairs

February 1, 2014

SENT VIA ELECTRONIC MAIL

The Honorable Ralph Hise, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 1026, Legislative Building
Raleigh, NC 27603

The Honorable Justin Burr, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 307A, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Mark Hollo, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 639, Legislative Office Building
Raleigh, NC 27603-5925

Dear Senator Hise and Representatives Burr and Hollo:

Session Law 2013-360, Section 12F.5, prohibits the Department of Health and Human Services from taking any further action or expanding any funds to continue the development and implementation of the health care information system for State facilities operated by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services until the Department submits a report to the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division and obtains approval to proceed from the State Chief Information Officer. The report required by this provision is attached, and the Department is working with the State CIO to obtain approval.

Please contact Luckey Welsh, Director of the NC Division of State Operated Healthcare Facilities, should you have any questions regarding this status report. Mr. Welsh can be contacted at (919) 855-4700.

Sincerely,

Adam Sholar

www.ncdhhs.gov

Tel 919-855-4800 • Fax 919-715-4645

Location: Adams Building/Dix Campus • 101 Blair Drive • Raleigh, NC 27603

Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2001

An Equal Opportunity / Affirmative Action Employer



cc: Rod Davis
Jim Slate
Luckey Welsh
Joe Cooper
Dave Richard
Robin Cummings
Kristi Huff
Susan Jacobs
reports@ncleg.net
Grant Brooks

Denise Thomas
Patricia Porter
Sarah Riser
Pam Kilpatrick
Brandon Greife
Sarah Porper
Karlynn O'Shaughnessy
Larry Yates
Chris Estes
Kasey Ginsberg



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Adam Sholar
Legislative Counsel
Director of Government Affairs

February 1, 2014

SENT VIA ELECTRONIC MAIL

Mark Trogdon, Director
Fiscal Research Division
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, NC 27603-5925

Dear Mr. Trogdon:

Session Law 2013-360, Section 12F.5, prohibits the Department of Health and Human Services from taking any further action or expanding any funds to continue the development and implementation of the health care information system for State facilities operated by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services until the Department submits a report to the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division and obtains approval to proceed from the State Chief Information Officer. The report required by this provision is attached, and the Department is working with the State CIO to obtain approval.

Please contact Luckey Welsh, Director of the NC Division of State Operated Healthcare Facilities, should you have any questions regarding this status report. Mr. Welsh can be contacted at (919) 855-4700.

Sincerely,

Adam Sholar

cc: Rod Davis
Jim Slate
Luckey Welsh
Joe Cooper
Dave Richard
Robin Cummings

Denise Thomas
Patricia Porter
Sarah Riser
Pam Kilpatrick
Brandon Greife
Sarah Porper

www.ncdhhs.gov

Tel 919-855-4800 • Fax 919-715-4645

Location: Adams Building/Dix Campus • 101 Blair Drive • Raleigh, NC 27603

Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2001

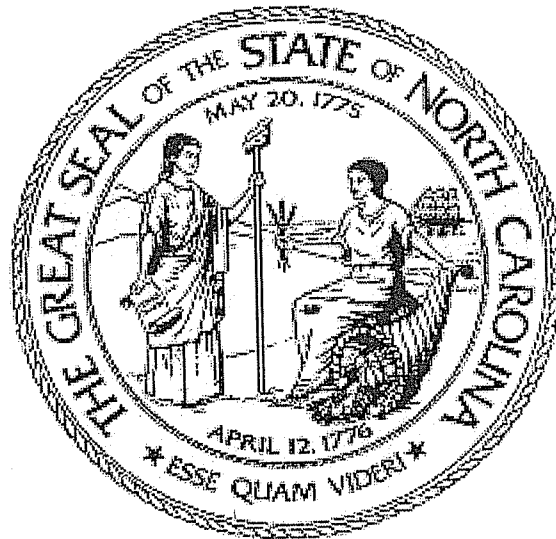
An Equal Opportunity / Affirmative Action Employer



Kristi Huff
Susan Jacobs
reports@ncleg.net
Grant Brooks

Karlynn O'Shaughnessy
Larry Yates
Chris Estes
Kasey Ginsberg

**Report to the
Joint Legislative Oversight Committee on Health and Human
Services,
the Joint Legislative Oversight Committee on Information
Technology,
and
the Fiscal Research Division**



**Session Law 2013-360 Section 12F.5
MH/DD/SAS Health Care Information System Project**

February 1, 2014

Department of Health and Human Services

Section 12F.5.(1) of Session Law 2013-360 required the Department of Health and Human Services (DHHS), by no later than March 1, 2014, to submit a detailed plan on the development and implementation of the health care information system for State facilities operated by the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services. This report was developed to include responses and explanations for all elements of the plan as required, with each area within Section 12F.5. (1)(a-p) addressed individually within the body of the report and in the order listed in the Session Law.

12F.5.(1)a. "The process the Department used to select the Veterans Health Information Systems and Technology Architecture (VistA), whether or not the selection process was competitive, and if not, why it was not."

VistA was developed by the United States Department of Veterans Affairs (VA) with federal tax dollars and is available at no cost (i.e., for no State expenditures) via the Freedom of Information Act (FOIA); therefore, there is no requirement to perform a competitive bid to select and use this open-source system. However, because VistA is a large complex system designed to run all aspects of a VA Medical Center (e.g., hospital), it requires specific expertise to install and configure in a non-VA setting. A competitive bid process will be used to select a vendor to provide the required implementation expertise.

12F.5.(1)b. "Requirements for vendor services to support system implementation and operation and the costs associated with this support."

The vendor services contract that would result from the competitive bid process would include implementation, training, and operations and maintenance support services needed to support the VistA system. The Division of Mental Health/Division of State Operated Healthcare Facilities (DMH/DSOHF) project team would have to ensure that all business requirements are compiled for this effort.

12F.5.(1)c. "Proposed Governance structure for the system."

DMH/DSOHF proposes that a governance committee be formed and co-chaired by the DSOHF Division Director and Medical Director. Members of this committee will represent the Medical Directors of each facility, for all facility types, as well as the Information Technology (IT) Managers and Nursing Managers from each of the State psychiatric hospitals where the system will reside. The committee will be facilitated by the DMH/DSOHF IT Director. Other key committee members will include representation from other DHHS Divisions or Offices as necessary. It is recommended that the members of the DMH/DSOHF governance committee work together via internal committees formed along regional areas and/or business type/area. This model will allow system design and configuration for the differing regional business services even though implementation will be directed towards the three State psychiatric hospitals. It is also recommended that the committee meet at a minimum of once every two months. Meetings may need to be more frequent during the implementation period to monitor progress. It may also be necessary and desirable for a vendor representative to attend these meetings.

It is recommended that this committee oversee and approve all technical and business changes, upgrades, or recommended improvements suggested by the VA, vendor, or committee members. The main goal will be to ensure that all three instances of the VistA system are maintained at the same version level where possible. Any improvements, upgrades, or modifications must be approved by a majority vote of the committee. This committee will determine the documented process that must be followed to allow any upgrade, change, or modification. This plan also recommends that changes approved and made to one hospital system be made to the systems in the other hospitals to maintain the same version level, even if this change may not be used by

the other facilities. The committee may, at some point, also want to consider medical practice policy and practice changes to be within its scope.

12F.5.(1)d. “Modules to be implemented in each facility and the reason for each.”

The functionality that is required to use the VistA system in all the State psychiatric hospitals should include, but not be limited to, the following modules:

- Electronic Patient Health Record – to eliminate the use of paper patient documentation and multiple patient databases.
- Physician Orders – to automate physician patient orders and treatments from admission to discharge.
- Medication Lists – to implement standardized and automatic medication processes to reduce medication errors.
- Pharmacy and Drug Dispensing – to interface and consolidate Facility Pharmacy and Drug dispensing into a single system.
- Pharmacy Part D Billing – to produce required Federal Part D billing data to ensure maximum reimbursement of drug costs.
- Bar Code Medication Administration – to standardize, automate, and verify patient drug administration at the patient’s bedside.
- Behavioral Health Support – to document seclusion/restraint, Suicide Risk Factor, Nursing Assessments, Client Acuity, mood disorder treatment planning, etc.
- Physician Documentation, including Admission Evaluations and Discharge Summaries – to computerize patient documentation.
- Laboratory Tests and Results – to interface and consolidate the facility’s laboratory systems into a single system.
- Nursing and Health Care Technician Documentation, including Assessments, Daily Progress Notes, and Behavioral Observations – to computerize patient documentation.
- Radiology Exams and Diagnostic Images – to interface and consolidate the facility’s radiology systems into a single system.
- Assessments and Progress Notes from Occupational Therapy, Physical Therapy, Rehabilitation Therapy, Speech Therapy, Psychology, and Social Work – to computerize patient documentation.
- Psychological Test and Evaluation Results – to computerize patient documentation.
- Web-enabled Clinical Portal – to access the VistA-based Electronic Patient Health Record system and Behavioral Health information.

12F.5.(1)e. “Assignment of responsibility for system maintenance, codes fixes, application upgrades, and hardware upgrades.”

The contracted vendor is responsible for system maintenance, code fixes, and application upgrades. The vendor will be responsible for monitoring the information provided by the VA regarding VistA system releases for updates to the base VistA system, and making recommendations to the DMH/DSOHF governance committee regarding implementation of the updates in the VistA systems implemented for the State psychiatric hospitals.

The IT support group at each State psychiatric hospital will be responsible for hardware support and upgrades. The DMH/DSOHF IT Director will develop any required hardware needs documentation, including costs and expected timeframes, as specified by the governance committee.

12F.5.(1)f. "Whether the application and database will be implemented at each facility or centrally managed by the Department and the reasons for the decision."

A single instance of the VistA system will be implemented at each of the three psychiatric hospitals: Central Regional, Cherry and Broughton. Each instance would include the application and database. The system would be configured to operate in the multiple facility mode configuration used by the VA. This would allow each hospital's network infrastructure to host the operation for use by the other facilities in the same region. The selected vendor would be responsible for maintaining these instances in an identical configuration.

12F.5.(1)g. "Identification of additional hardware that will be required to support a statewide rollout and the location at which the Department plans to host it."

No additional hardware is expected. Taking advantage of the latest computer network infrastructure that has been or will be implemented in the three replacement psychiatric hospitals, the DMH/DSOHF will implement the VistA system on a regional model. This will eliminate computer and network hardware and software costs required to operate a VistA system as each of these new hospitals have a state-of-the-art data center that has been approved by State ITS and is/will be supported by the hospital's IT group. This will also simplify the VistA multi-unit setup allowing for the other facility types in the same region to use the same instance of the VistA system. Each of the other facilities in the three regions will have to set up secure network communications between themselves and the psychiatric hospital in their region. DMH/DSOHF has experience with these technologies and utilizes similar secure network connectivity between all facilities and ITS in support of encrypted protected patient data between the facilities and Healthcare Enterprise Accounts Receivable and Tracking System (HEARTS) that resides on State data center servers. This secure network communications will be achievable with additional cost.

12F.5.(1)h. "Assignment of responsibility for backup and recovery."

The IT organization in each hospital will be responsible for fulfilling the requirements for hosting, system backup/restore, and disaster recovery for the VistA system instance implemented at that facility.

The current network infrastructure design of the three replacement psychiatric hospitals specifies complete network and phone system backup capabilities between the hospitals in the event of infrastructure failure. The implementation of this design is now currently in process between new Cherry Hospital and the Central Regional Hospital and will be part of the new Broughton Hospital. Network communications links are being put in place that will support 100 megabit data communication speeds over the State network. DMH/DSOHF is installing multiple network communication links using multiple service providers for diversity and redundancy. This effort will ensure that each State psychiatric hospital can maintain 24x7x365 access to the VistA system within in the budget for that facility. The plan is to have a real-time continual backup of one hospital's system to another of the three hospitals. DMH/DSOHF will facilitate discussions between the Division, the contracted vendor, and ITS to determine the practicality and cost of an alternate redundancy option where centralized VistA system backup functionality could be maintained in the one of the two main State ITS data centers.

12F.5.(1)i. "If there will be redundant failover between facilities."

Yes. If failure occurs, the multiple and diverse data links that are provided in the replacement hospitals network infrastructure design will allow for access to any of the VistA system instances from any of the other primary hospitals or from the regional facilities. This, in combination with the three VistA system instances, should ensure that, to extent practicable, the VistA system is available at all times.

12F.5.(1)j. “Plans, time lines, and costs for implementing any other modules currently offered by the United States Department of Veterans Affairs.”

No plans are currently in place to implement any other modules offered by the VA other than those outlined in the response to 12F.5.(1)d. above.

12F.5.(1)k. “A process for ensuring that the system software is upgraded whenever the United States Department of Veterans Affairs upgrades its system.”

DMH/DSOHF currently has membership in the World VistA community and is also in the process of submitting an application to the Open Source Electronic Health Record Agent community. Both of these organizations are the focal point for the open-source VistA community, and are used to provide constant communications to members about all VA code changes, upgrades, modifications, etc. All primary VistA vendors and users participate in these organizations.

The upgrade process will be that the contracted vendor will develop all recommendations for incorporation of changes, upgrades, or modifications to the open-source code implemented in the State psychiatric hospitals. These recommendations will be submitted to the DMH/DSOHF VistA governance committee for approval prior to implementation.

12F.5.(1)l. “Technology constraints for VistA and State-supported facilities and how they will be addressed, by facility.”

With implementation focused on the three State psychiatric hospitals, there are no technology constraints known at this time.

12F.5.(1)m. “Facility on-boarding plan for the State psychiatric hospitals and other State facilities operated by the Division.”

Facility	Start	End	Comments
Cherry Hospital	1/2014	12/2014	RFP posting, vendor selection, and implementation
Broughton Hospital	8/2014	7/2015	Following implementation at Cherry
CRH	09/2014	03/2015	Implementation in parallel with Cherry and Broughton due to reduced training time as CRH already uses VistA

Note: Actual start/end dates are dependent on opening dates of the psychiatric hospital, and may shift based on opening delays.

12F.5.(1)n. "Costs and sources of funding for planning, development, and implementation at each facility and five years of costs and sources of funding for operations and maintenance at each facility."

Facility	One-time Costs - Source	Annual Costs - Source	Comments
Cherry Hospital	\$750,000 Estimated Source – IT State Facility Automation fund/DHHS IT Automation 2-type budget code	\$50,000/year – Facility Operations Budget	Purchase, install, configure, and train hospital staff
Broughton Hospital	\$750,000 Estimated Source – IT State Facility Automation fund/DHHS IT Automation 2-type budget code	\$50,000/year – Facility Operations Budget	Purchase, install, configure, and train hospital staff
CRH	\$750,000 Estimated Source – IT State Facility Automation fund/DHHS IT Automation 2-type budget code	\$50,000/year – Facility Operations Budget	Purchase, install, and configure current system at CRH with expanded functionality, and train hospital staff (i.e., reduced training due to current use of the system)

12F.5.(1)o. "Any other costs associated with system planning, development, implementation, operation, and maintenance."

Other costs associated with planning, development, implementation, operations, and maintenance are facility, DMH/DSOHF, DHHS, and ITS internal staff costs are the only known costs outside of the estimated vendor cost provided in the response to 12F.5.(1)n. above.

12F.5.(1)p. "Any issues associated with the planning, development, and implementation, identified by the Department, the Office of the State Chief Information Officer, the Office of Information Technology Services, or the Office of State Budget and Management, with a solution for each identified issue."

At this time there have been no identified concerns or issues identified by the agencies listed above. DMH/DSOHF has been asked to submit to the State Enterprise Project Management Office (EPMO) a Vista Statewide Implementation Rollout Plan. This plan is currently being finalized for submission. DHHS will work with the EPMO to address any questions or concerns raised as part of their review process.