



Health Services
LOS ANGELES COUNTY

December 16, 2008

Los Angeles County
Board of Supervisors

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

John F. Schunhoff, Ph.D.
Interim Director

Robert G. Splawn, M.D.
Interim Chief Medical Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: 213-240-8101
Fax: 213-481-0503

www.dhs.lacounty.gov

*To improve health
through leadership,
service and education*



www.dhs.lacounty.gov

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE AMENDMENT TO AGREEMENT FOR ON-SITE MEDICAL
RECORD AND ASSOCIATED DOCUMENT IMAGING SERVICES
(FIRST DISTRICT) (3 VOTES)**

CIO RECOMMENDATION: APPROVE (X) APPROVE WITH
MODIFICATION () DISAPPROVE ()

SUBJECT

Request approval to increase the maximum Agreement obligation for additional on-site medical record and associated document imaging services for the Department of Health Services (DHS).

**IT IS JOINTLY RECOMMENDED BY DHS AND THE INFORMATION
SYSTEMS ADVISORY BODY THAT YOUR BOARD:**

Approve and instruct the Chairman of the Board to sign Amendment Number Six (Amendment) to Agreement No. 75245 with Global 360, Inc. (Global 360) to increase the maximum Agreement obligation by \$1,600,000, effective upon the date of Board approval to provide additional on-site medical record and associated document imaging services for DHS, with no increase in the term of the Agreement.

PURPOSE/JUSTIFICATION OF THE RECOMMENDATION ACTION

Approval of the recommended action will amend the current Agreement to enable Global 360 to continue to provide DHS with on-site interim assistance in the document preparation, scanning, quality assurance, image transfer, image storage and hosting into an electronic document management repository to convert paper-based medical record documents into electronically stored medical records.

Pursuant to the current Agreement, Global 360 completed the scanning of all inpatient discharges, emergency room, and outpatient visit medical records for discharged/visit dates starting November 1, 2006 through October 31, 2007 at a cost of \$3,000,000.

The initial scope of work anticipated an estimated volume of 12,000,000 medical records; however, Global 360 was able to complete the scanning of approximately 15,000,000 medical documents/images. Under delegated authority, Global 360 provided further services for an additional estimated volume of 4,000,000 scanned medical documents/images at a cost of \$1,200,000. This amendment will allow DHS to purchase the scanning of an estimated 5,000,000 medical records at a cost of \$1,600,000 through the term of the current contract, which expires March 14, 2009.

Continuation of the interim assistance by Global 360 to provide these services is necessary to support patient care at the LAC+USC Replacement Facility and comply with Title 22, Division 5, Chapter 1, section 70751 (g) for timely availability of medical records to providers.

Implementation of Strategic Plan Goals

The recommended action supports Goal 1, Service Excellence and Goal 3, Organizational Effectiveness of the County Strategic Plan.

FISCAL IMPACT/FINANCING

The additional volume of medical record imaging and associated services in this Amendment will cost \$1,600,000. Funding is included in DHS' FY 2008-09 Final Budget.

The maximum County obligation for this Agreement for various participating County Departments is \$24,530,000, of which DHS' share for this Agreement is \$5,800,000.

<u>County Department</u>	<u>Maximum Contract</u>
Alternate Public Defender	\$ 1,400,000
District Attorney	\$ 3,900,000
Public Defender	\$ 2,800,000
Probation Department	\$ 3,500,000
Department of Public Social Services	\$ 2,130,000
Sheriff Department	\$ 5,000,000
Department of Health Services	<u>\$ 5,800,000</u>
Total Contract	\$24,530,000

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On March 15, 2005, your Board approved the Agreement between the County and Global 360, previously known as ieStream, Inc., for the benefit of its Information Systems Advisory Body (ISAB) to provide off-site document imaging and electronic document management hosting services for the Probation Department, District Attorney, and Sheriff's Department.

On November 9, 2005, your Board approved Amendment Number One to the Agreement to provide similar services off-site and to add microfiche conversion services for the Department of Public Social Services. On June 20, 2006, Amendment Number Two was approved to provide similar services off-site for the Alternate Public Defender and Public Defender.

On November 8, 2006, your Board approved Amendment Number Three to the Agreement to provide similar services on-site for DHS' LAC+USC Healthcare Network. On February 15, 2008, through delegated authority, the Director of ISAB approved Amendment Number Four to exercise the option for a one-year extension of the existing agreement.

On June 26, 2008, through delegated authority, the Director of ISAB approved Amendment Number Five to increase the maximum contract sum by \$1,200,000.

The County is authorized under California Government Code Section 31000 to contract for special services including the services described in the Agreement and this Amendment.

County Counsel has approved Exhibit I as to form and County's Chief Information Office recommends approval of this Amendment (see attached analysis).

CONTRACTING PROCESS

The Agreement originally was based on a competitive solicitation process and is currently being amended to increase the maximum Agreement obligation to allow for the increased volume of services to DHS. The Agreement currently provides imaging and conversion services for the District Attorney, Alternate Public Defender, Public Defender, Public Social Services, Probation, and Sheriff's Departments.

DHS does not advertise Amendments on the Los Angeles County Online Web Site.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

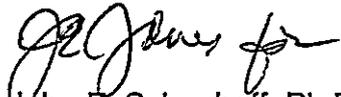
Approval of the recommended action will allow DHS to continue to scan medical record documents to migrate to an electronic medical record environment.

The County and DHS strategic goal to share patient information across county departments for continuity of patient care is contingent on DHS facilities using document imaging services to create Electronic Medical Records.

CONCLUSION

When approved, DHS and ISAB request that the Board provide four signed copies of the Board's action.

Respectfully submitted,



John F. Schunhoff, Ph.D.
Interim Director
Department of Health Services



John Ruegg
Director
Information Systems Advisory Body

Reviewed by:



Richard Sanchez
Interim Chief Information Officer

JFS:JR:at

Attachments (2)

c: Chief Executive Office
County Counsel
Executive Officer, Board of Supervisors

CIO ANALYSIS

AMENDMENT NUMBER 6 TO CONTRACT NO. 75245 WITH GLOBAL 360, INC. FOR ON-SITE MEDICAL RECORD AND ASSOCIATED DOCUMENT IMAGING SERVICES

CIO RECOMMENDATION: **APPROVE** **APPROVE WITH MODIFICATION**
 DISAPPROVE

Contract Type:

New Contract **Contract Amendment** **Contract Extension**
 Sole Source Contract **Hardware Acquisition** **Other**

New/Revised Contract Term: **Base Term:** N/A **# of Option Yrs:** N/A

Contract Components:

Software **Hardware** **Telecommunications**
 Professional Services

Project Executive Sponsor: John F. Schunhoff, Ph.D., DHS, Interim Director

Budget Information :

Y-T-D Contract Expenditures	\$22,930,000
Requested Contract Amount	\$ 1,600,000
Aggregate Contract Amount	\$24,530,000

Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved. Probation, District Attorney, Sheriff, Public Defender, Alternate Public Defender and DPSS.

Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

Approval of this Amendment will allow the Department of Health Services (DHS) to continue utilizing the services provided by Global 360, Inc. (Global 360) under a master agreement administered by the County's Information Systems Advisory Body (ISAB) for imaging and digitizing official County records.

Background:

The current Agreement between the County and Global 360 (formerly known as eiStream) was entered into following a competitive solicitation process conducted by ISAB in March 2005 for the provision of document imaging and electronic document management hosting services for the Probation Department, District Attorney, and Sheriff's Department. Subsequently, the following amendments were approved:

- November 2005 – Amendment Number 1 provided for off-site document imaging services and added DPSS to the contract for the provision of microfiche conversion services.
- June 2006 – Amendment Number 2 added the Alternate Public Defender and Public Defender to the Agreement.
- November 2006 – Amendment Number 3 provided for similar services on-site for DHS LAC+USC HCN.
- February 2008 – Amendment Number 4 was approved (through delegated authority granted to the Director of ISAB in the Agreement) to exercise the option for a one-year extension of the existing Agreement, without an increase in the maximum obligation under the Agreement.
- June 2008 – Amendment Number 5 was approved (through delegated authority granted to the Director of ISAB in the Agreement) increasing the maximum contract sum by \$1,200,000.

Project Justification/Benefits:

The services under this Amendment will provide for the digitizing of an estimated 5,000,000 medical records through the term of the current contract (March 14, 2009). In order to meet requirements specified in Title 22, Division 5, Chapter 1, section 70751 (g) of California Code of Regulations and to support patient care at the LAC+USC Replacement Facility, these interim services are necessary.

Until such time as DHS' EDM solution is fully implemented, this Amendment will ensure LAC+USC HCN has an interim solution for on-site medical record preparation, scanning, quality assurance, image transfer, image storage, and hosting into Global 360's electronic document management system, thereby keeping DHS compliant with state regulations governing timely availability and accessibility of medical records.

Project Metrics:

Success of this project will be measured by Global 360's ongoing performance under the contract to image and digitize all of the medical records DHS requires. To ensure that active medical records will be available and accessible at the LAC+USC Medical Center Replacement Facility, medical records imaging for LAC+USC HCN must continue. DHS will closely monitor the performance and progress being made by Global 360, which to date has satisfactorily met or exceeded all of the Department's desired expectations.

Impact on Service Delivery or Department Operations if Proposal Is Not Approved:

If this proposed Amendment is not approved, DHS will have to independently pursue an alternative solution, which will likely involve considerable time and additional costs over what can be obtained under the current master agreement with Global 360.

Alternatives Considered:

None.

Project Risks:

None.

Risk Mitigation Measures:

None required.

Financial Analysis:

The services to be acquired by DHS from Global 360 as provided for in this Amendment will cost DHS \$1,600,000. Funding to cover this expense is included in the Department's FY 2008-09 Final Budget. The maximum County obligation for this Agreement for all participating departments is \$24,530,000. Approval of this Amendment will increase DHS' share of that total to \$5,800,000.

CIO Concerns:

None.

CIO Recommendations:

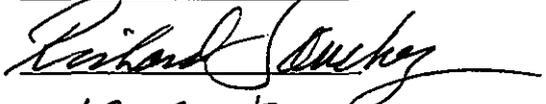
The Chief Information Officer recommends approval of this contract amendment.

CIO APPROVAL

Date Received: September 29, 2008

Prepared by: Earl Bradley

Date: October 6, 2008

Approved: 

Date: 12-2-08

AMENDMENT NUMBER SIX

**DOCUMENT IMAGING AND MICROFILM CONVERSION
SERVICES CONTRACT**



BY AND BETWEEN

THE COUNTY OF LOS ANGELES

AND

GLOBAL 360, INC.

**AMENDMENT NUMBER SIX
TO THE DOCUMENT IMAGING AND MICROFILM CONVERSION SERVICES
CONTRACT NUMBER 75245**

This Amendment Number Six ("Amendment") to that certain Contract Number 75245 for the provision of Document Imaging and Microfilm Conversion Services dated March 16, 2005, as modified by Amendment Number One, dated November 9, 2005, Amendment Number Two, dated June 20, 2006, Amendment Number Three, dated November 8, 2006, Amendment Number Four, dated February 15, 2008, and Amendment Number Five, dated June 26, 2008 (as so amended, and as amended hereby, hereinafter collectively "Contract"), is entered into this _____ day of _____, 2008 by and between the County of Los Angeles (hereinafter "County") and Global 360, Inc. (hereinafter "Contractor").

WHEREAS, County desires to increase the maximum contract sum under the Contract by \$1,600,000.00 in order to allow for Contractor to continue to provide services under and in accordance the Contract in respect of County's Department of Health Services; and

WHEREAS, Sub-paragraph 8.4 (Change Notices and Amendments) of the contract provides that for any revision which affects the scope of work, period of performance, payment, or any term and condition included in the Contract, a negotiated modification to this Contract shall be executed in writing by authorized officials of the County's Board of Supervisors and Contractor; and

NOW THEREFORE, in consideration of the mutual promises and covenants contained in this Amendment, County and Contractor agree as follows:

1. Capitalized terms used in this Amendment without definition have the meanings given to such terms in the Contract.
2. Sub-paragraph 5.1 of the body of the Contract is amended in its entirety to read as follows:

"5.1 For the services performed under this Contract, Contractor shall be paid according to the rates set forth in the Exhibit B (Pricing Schedule).

For the entire term of the Contract, including the option years, the maximum Contract Sum shall not exceed:

\$1,400,000	For Alternate Public Defender
\$3,900,000	For District Attorney
\$2,800,000	For Public Defender
\$3,500,000	For Probation
\$2,130,000	For Department of Public Social Services
\$5,000,000	For Sheriff Department
<u>\$5,800,000</u>	For Department of Health Services

IN WITNESS WHEREOF, Contractor has executed this Amendment, or caused it to be duly executed, and County of Los Angeles, by order of the Board of Supervisors, has caused this Amendment to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the board of Supervisors thereof, the day, month and year first above written.

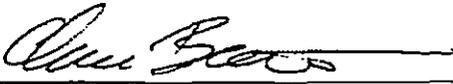
COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

ATTEST:
SACHI A. HAMAI
Executive Officer-Clerk of the Board of
Supervisors

By _____
Deputy

CONTRACTOR – Global 360, Inc.

By 

CHUCK BARNETT

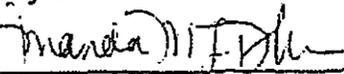
Printed Name

VICE PRESIDENT

Title

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By 
Amanda M.L. Drukker
Deputy County Counsel