

**IT INVESTMENT CAPITAL FUND
PROJECT STATUS REPORT**

To: Information Technology Strategy and Investment Committee
John Vittner, Office of Policy & Management

FROM: Department of Veterans' Affairs, Michael Clark,

AGENCY/PROJECT NAME:

PROJECT MANAGER: Dr. Babatunde O. Green

REPORTING PERIOD: 10/01/2013 – 3/31/2014

Total Funds Requested: \$396,749

Bond Commission Approval(s): Date: 09/2013 Amount: \$ 396,749

Accumulative Total Capital Fund Expenditures to Date: \$17,042.62

Brief Project Description/Summary:

To replace the current paper-based documentation of patient care and the antiquated legacy patient care system in the agency with an electronic health record system (EHR) in compliance with the HITECH Act. The DVA's EHR system will offer an enterprise-wide approach to meet the needs of different aspects of patient care -- medical, nursing, clinical ancillary, medications, billing, accounts receivables, etc. Implementation of this new system will also ensure compliance with the HIPAA regulations.

Progress Achieved to Date:

(1)Through collaboration with DAS/BEST, the DVA has hired a Consultant/Project Manager to oversee, coordinate, implement, and provide quality control of the EHR project on 1/2/2014. (2)In depth software functionality demonstrations were conducted by the vendor to different business groups. (3)Hardware and software needs identified and specifications mapped out to be used with the new system. (4) Working with vendor on the scope of work and software quotes and setting project and business goals for the Optimum software setup and use. (5)DAS / BEST is fully engaged with the project assigning a project liaison who is providing technical support/direction for a "State of the Art" environment to support the EHR system.

Issues and Risks:

(1) At the time the project was presented to Capital Investment Committee, DVA didn't anticipate the need for a professional consultant/project manager to coordinate, implement and perform quality control on the project. The annual projected cost for the Project Manager of \$141,504 was not captured in the original budget. (2) DVA underestimated the hardware needs at the time of project submission. With the collaboration between DVA's project manager and DAS/BEST Liaison, there is additional hardware required/identified which is estimated at \$187,717.35. Please see the attached list for detailed breakdown. (3) Additional Modules -- Pharmacy, Lab, and Food Services were identified as essential components to make the EHR system a complete resolution along with the speech recognition software. Therefore, there is \$76,373.92 software and interface cost that was not budgeted. Total hardware, software, and consultant cost increase of \$405,595.27 identified that were not in the original budget.

Next Steps & Project Milestones:

Enter contract negotiation with the vendor and to issue purchase order.

