



REQUEST FOR INFORMATION

Requested From:
Ambulatory EHR Vendors
Interested in Achieving WHITEC “Preferred”
Vendor Designation

Requested By:
Wisconsin Health Information Technology
Extension Center (WHITEC)

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Appendix 1: Sample Ambulatory EHR RFP

1. Introduction

1.01 Background

The 2009 American Recovery and Reinvestment Act (ARRA) included provisions to provide physicians and hospitals with incentives to promote the meaningful use of electronic health records (EHRs). Additionally, ARRA established a national HIT Research Center (HITRC) and a Regional Extension Center (REC) program to assist providers with their EHR adoption efforts. The purpose of Regional Extension Centers is to “furnish assistance, defined as education, outreach, and technical assistance, to help providers in their geographic service areas select, successfully implement, and meaningfully use certified EHR technology to improve the quality and value of healthcare.”

The Wisconsin Health Information Technology Extension Center (WHITEC) was awarded REC status by the Office of the National Coordinator of Health Information Technology (ONC) in February 2010. WHITEC is being operated as a division of Metastar, which is Wisconsin’s quality improvement organization (QIO). Metastar leads a consortium of Wisconsin organizations that broadly represent all physicians and hospitals in the State. It is WHITEC’s responsibility to assist over 1500 physicians in the selection, implementation, and meaningful use of EHR systems over the next 4 years and beyond.

According to the REC Program Funding Opportunity Announcement (FOA), RECs are responsible for engaging in vendor selection and group purchasing. As indicated in the FOA, “This includes assistance in assessing the health IT needs of priority primary care providers, and selecting and negotiating contracts with vendors or resellers (of EHR systems, hardware and network infrastructure, and IT services). Regional Centers should assist providers in holding vendors accountable for adhering to service level agreements.

“Regional Centers are expected to design group purchasing plans to leverage volume discounts and assure a high level of service for their providers. Support should specifically focus on helping providers select the highest-value option, *defined as that which offers the greatest opportunity to achieve and maintain meaningful use of EHRs and improved quality of care at the most favorable cost of ownership and operation, including both the initial acquisition of the technology, cost of implementation, and ongoing maintenance and predictable needed upgrades over time.*”

1.02 Purpose of RFI

WHITEC is issuing this RFI as part of a process that is intended to effectively meet the above-described REC requirements, and to help fulfill our common mission to assist providers in their efforts to achieve meaningful EHR use in pursuit of healthcare quality and efficiency improvements.

RECs around the country are developing vendor selection strategies that fit into 3 basic categories: (1) facilitate vendor selection and group purchasing events and provide RFP and contracting expertise, but refrain from direct relationships with EHR vendors; (2) develop a

cohort of 5-10 vendors that would be designated as “preferred” in exchange for vendor cooperation on standards and discounts; and (3) select a very small number of vendors (as few as 2) and work closely with them to facilitate the provision of intense REC expertise relating to the selected vendors’ systems.

WHITEC is pursuing the second of these strategies. This RFI is the first step in a process intended to select a group of ambulatory EHR vendors to be designated by WHITEC as “preferred.” Through the establishment of this preferred vendor program, WHITEC intends to maintain ongoing healthy competition between participating vendors, but at the same time establish a number of ground rules and standards that will make the vendor selection process more efficient and effective. The vendors that decide to apply for this “preferred” designation should approach this project with a willingness to be judged based on accurate contract, functionality, and price differentiations, rather than by sales strategies that may not always be in the providers’ (and their patients’) best interests.

WHITEC is designing this “preferred vendor” program to benefit all parties that have the interest of care quality as a primary organization or business motivation. The intent is not simply to negotiate discounts, but to provide value for all the parties (providers, vendors, WHITEC, ONC) that will be working together to maximize the use of sustainable EHRs that effectively improve patient care.

1.03 Program Goals and Objectives

The WHITEC Preferred Vendor Program is being instituted to meet the following goals and associated objectives:

Goal 1: Maximize the number of Wisconsin ambulatory physicians implementing certified EHRs within the required ARRA timeline by streamlining the vendor selection process and giving physicians confidence that they are making good vendor selection/contracting decisions and getting a fair price.

Objectives in Pursuit of Goal 1:

- Establish standardized starter set of RFP questions and responses, so that the RFP process is streamlined and the accuracy of answers is verified
- Establish standardized contract templates that meet WHITEC minimum standards for approved language
- Facilitate comparative vendor demonstrations/evaluation
- Establish standardized service level agreements (SLAs)
- Negotiate discounts and establish enhanced pricing transparency for providers served by WHITEC

***** Standards for contracts and SLAs are envisioned as being vendor specific (i.e. vendor agrees to standardize for WHITEC-served providers), rather than being universal standards applied to all preferred vendors.**

Goal 2: Position WHITEC to better assist Wisconsin providers with workflow, quality reporting, and other meaningful use challenges through enhanced WHITEC staff expertise of the preferred vendors' functional capabilities and implementation processes.

Objectives in Pursuit of Goal 2:

- Develop WHITEC staff training arrangements through preferred vendor training programs
- Expand WHITEC staff knowledge through access to a software “sandbox” environment
- Collaborate with preferred vendors on specific areas of the planning and implementation process, especially those related to ensuring meaningful use, and facilitating the information exchange and quality reporting objectives
- Develop value-added tools, especially relating to meaningful use metrics, quality reporting, and information exchange
- Define a problem escalation process for WHITEC staff and participants
- Identify vendors who have a commitment to achieving all meaningful use and certification stages

Goal 3: Ensure that the Preferred Vendor Program provides value to the vendors that participate.

Objectives in Pursuit of Goal 3:

- Preferred status should guide providers to participating vendors, which should have positive impact on sales
- Reduce vendors' sales and legal expenses through streamlined RFP and contracting processes
- Provide enhanced customer confidence and satisfaction through the various mechanisms discussed above
- Provide an opportunity for vendor input into WHITEC assistance model through participation in a statewide vendor relations committee

Goal 4: Provide ONC, HITRC, and other RECs with an effective preferred vendor program model.

Objectives in Pursuit of Goal 4:

- Share policies, procedures, vendor material (assuming vendor approval), and staff expertise
- Expand access to WHITEC preferred vendor program benefits to other regions, if invited

Vendors interested in helping us to achieve these goals and objectives should provide the below-requested information to help us determine whether they would be a good fit to receive an eventual Request for Proposal (RFP).

2. Standardized RFP Process

There are many drawbacks to the way ambulatory EHR RFPs are currently handled. Physicians and practice managers often don't have the resources or expertise to develop an RFP that is

comprehensive and appropriate to practice needs. For those that do, RFP development can come at a significant cost and take significant time. Much of the same work is duplicated, with practices continually reinventing the wheel on a variety of RFP topics that should be considered standard requirements of due diligence and so equally applicable to almost every primary care practice.

WHITEC envisions a more effective and efficient RFP methodology. Rather than developing a complete individualized RFP for each practice that WHITEC staff works with, WHITEC intends to implement the following standardized RFP process:

- Starting with a number of sample RFPs, WHITEC will develop a standard RFP to be reviewed by a committee of experts, including representatives from selected practices, for content input and validation
- Once the standardized RFP is developed, preferred vendors will provide their responses
- WHITEC will have the authority to confidentially provide preferred vendor RFP responses to practices engaged in vendor selection
- Vendors will have the ability to revise their answers as updates are implemented, or if they wish to add or delete information for any reason
- WHITEC will add additional standardized questions as meaningful use stages are implemented, or whenever the WHITEC Vendor Relations Committee approves the addition of a new question
- WHITEC will help practices develop shorter RFP supplements that address those topics that are specific to the individual practice and cannot be standardized. These supplements will be handled similarly to current RFP processing
- RFP responses will by default be added to WHITEC-served practice contracts

The results of this methodology should be (1) a reduction in provider resources devoted to RFP development, (2) a reduction in vendor time devoted to RFP processing, (3) a generally more accurate pool of accumulated information upon which WHITEC-served providers can make appropriate vendor selection decisions, and (4) increased provider confidence in the accuracy and relevancy of RFP responses.

2.01 Please indicate your willingness to participate in a standardized RFP process.

2.02 Provide comments, concerns, or any suggestions you may have regarding this methodology. The input you provide will be considered and may be incorporated into a revised methodology in an eventual WHITEC Preferred Vendor RFP.

2.03 Please provide responses to the Ambulatory EHR RFP included as Attachment 1. This is not the standardized RFP discussed above, but rather will be used as part of the preferred vendor selection process to assess vendors' baseline capabilities, as well as to assess the thoroughness and quality of the responses.

*****All material submitted in response to this RFI will be treated as confidential information.**

3. Standardized Contracting

Another area that involves overly burdensome and wasteful resource expenditure relates to contracting. Small practices in particular do not necessarily have the legal expertise to ensure they are reasonably protected with appropriate contract language. Rather than negotiating distinctive contracts for each practice that WHITEC works with, WHITEC intends to implement the following standardized contracting process:

- WHITEC preferred-vendor RFP respondents will submit their standard contract language as part of their RFP response
- WHITEC will utilize internal expertise, as well as legal consulting assistance, to negotiate a mutually agreed upon standardized contract template with selected vendors
- Aspects of the contract that require individualized language will be identified and addressed separately as required

The results of this methodology should be (1) a reduction in provider resources devoted to contract negotiations, (2) a reduction in vendor time devoted to contract development, and (3) increased provider confidence that they will be protected by an appropriately negotiated contract.

3.01 Please indicate your willingness to participate in a standardized contracting process

3.02 Provide comments, concerns, or any suggestions you may have regarding this methodology. The input you provide will be considered and may be incorporated into a revised methodology in an eventual WHITEC Preferred Vendor RFP.

3.03 Please attach a copy of your standard contract for our review. All material submitted as part of this RFI process will be treated as confidential information.

4. Standardized SLAs

Service level agreements (SLAs), which ONC has identified as a REC priority, are a part of contracting that WHITEC will be emphasizing. WHITEC SLAs are expected to (1) establish expected thresholds of service for both application and support response times, and (2) establish a penalty structure when expected thresholds of service are not met. Rather than negotiating distinctive SLAs for each practice that WHITEC works with, WHITEC intends to implement standardized SLAs as part of the standardized contracting process described in Section 3.

4.01 Please indicate your willingness to include standardized SLAs as part of the WHITEC preferred vendor standardized contracting process

4.02 Provide comments, concerns, or any suggestions you may have regarding such a standardized process. The input you provide will be considered and may be incorporated into our eventual WHITEC Preferred Vendor RFP.

4.03 Please provide a copy of your standard SLAs for our review. All material submitted as part of this RFI process will be treated as confidential information.

5. Transparency in Pricing

One common barrier to EHR purchase and adoption is provider confidence that they will be paying a reasonable capital and ongoing price for their selected EHR system. There is a perception that the current EHR marketplace operates much like used car dealerships, with soft list prices, confusing pricing methodologies, and shell games being played by vendors to balance getting the sale with maximizing possible revenue. WHITEC believes that this state of affairs, to the extent that it exists, is dysfunctional for both providers and vendors. Providers should not have to hire price negotiating consultants to purchase an EHR, and vendors should not be competing on the manipulative skill of their sales force but rather on the quality and price of their product.

WHITEC preferred vendors will be required to establish a consistent and transparent pricing methodology for WHITEC-served practices. This means that preferred vendors will provide WHITEC with a clear pricing methodology that will enable WHITEC staff to generate reasonably accurate estimates of a practice's total cost of ownership for any given preferred vendor implementation. Additionally, WHITEC will select preferred vendors partly based on the level of verifiable discounts (i.e. discounts from average actual contract prices rather than list or inflated prices) vendors are willing to provide to WHITEC-served practices.

In pursuit of a transparent pricing model and verifiable discounts, WHITEC intends to implement the following process:

- WHITEC preferred vendor RFI respondents will provide pricing information that is consistent with their actual average contract prices as part of the response to this RFI (related questions below).
- WHITEC staff will use a variety of sources to determine whether the RFI responses accurately reflect actual average contract prices. If prices identified are determined to be higher than actual average contract prices, the vendor in question may not be invited to participate in the RFP process
- As part of the RFP process, WHITEC will challenge vendors to provide discounts so that all WHITEC-served practices can count on better than average pricing. The level of discounts offered will be considered as part of WHITEC preferred vendor selection.
- As part of the RFP process, WHITEC will require vendors to establish a pricing matrix (valid for a two year period) that will allow WHITEC staff to accurately estimate the total cost of ownership for a given preferred vendor implementation
- WHITEC will have the authority to confidentially provide preferred vendor estimated pricing information to practices engaged in vendor selection.

The results of this process should be (1) improved WHITEC and provider ability to quickly understand whether a given preferred vendor’s total cost of ownership is affordable for a given practice, (2) improved provider confidence that they are getting a good price for the product, which is likely to steer providers to WHITEC preferred vendors, and (3) vendor selections based more on cost and quality considerations and less on the skill of the vendors’ sales force.

5.01 Please indicate your willingness to participate in such a pricing transparency program

5.02 Provide comments, concerns, or any suggestions you may have regarding such a pricing transparency program. The input you provide will be considered and may be incorporated into our eventual WHITEC Preferred Vendor RFP.

Sample Practice Scenarios:

	Large Practice	Medium Practice	Small Practice
Physician Users	10	5	1
Non-Physician Users	15	10	2
Exam Rooms	20	10	2
Patients	20,000	10,000	2,000
Practice Management Resources	Full-time	Part-time	None
IT Resources	Full-time	Part-time	None
Registration Interface Required?	Yes	Yes	Yes
Appointment Interface Required?	Yes	Yes	Yes
Lab Result Interface Required?	Yes	Yes	Yes
Workstations	45 (or 25, plus 10 mobile devices)	25 (or 15, plus 5 mobile devices)	5 (or 3, plus 1 mobile device)
Remote Connectivity	Home access	Home access	Home access

5.03 Software licensing

A. Please identify all software components that are separately priced (i.e. Core EHR, practice management, e-prescribing, patient portal, etc.)

B. Explain how each component is licensed? (Is there a base license fee? Are there concurrent-use license options? Are there distinctive license types for distinctive roles: physicians, mid-levels, RNs, schedulers, etc.? Is there an unlimited license pricing option? Are there price breaks at different user # levels? Are there price breaks for low volume practices?) Please articulate a complete list of all your licensing options/methodologies.

C. How do you handle licensing for a single organization that has multiple clinic locations?

D. What are the actual average contract prices associated with the options identified above? Please illustrate how the pricing works utilizing the sample practice information provided on page 9.

*****WHITEC understands that vendors may require confidential agreements to be signed in order to release pricing information. Please forward such agreements to the contact identified at the end of this RFI.**

5.04 Maintenance/Support

A. Please identify the ongoing monthly maintenance/support costs related to the software purchase. If you have more than one support option, please identify each such option and related costs. If support/maintenance costs can be defined in terms of a percentage of the software purchase price, then a percentage will be adequate. If the defined ongoing costs do not include costs for all ongoing software updates, please indicate and identify such costs.

B. Identify any ongoing transaction based costs, such as e-prescribing per transaction or ongoing patient portal access costs.

5.05 Implementation and Education

A. Define your recommended implementation and education program (including whether implementation and education activities are onsite, remote, or require travel to another location), and identify the costs of this program. If you need to use any hypothetical scenarios to indicate how the pricing works, please develop them utilizing the sample practice information provided on page 9.

B. Identify costs associated with implementation and education activities over and above your recommended program. Please indicate type of activity and cost per day.

C. Please estimate travel and out-of pocket expenses related to each of the sample practices identified on page 9.

5.06 Interfaces and Custom Programming

A. Please identify interface costs for each interface type. By interface type we mean ADT, orders, results, etc. ingoing, and ADT, charges, orders, etc. outgoing. If interface costs are consistent between interface types, please simply indicate cost of unidirectional and bidirectional interfaces.

B. Please identify likely-to-be-incurred costs associated with custom report development, conversion, programming and related work.

5.07 Hardware

A. Please indicate whether you provide a server solution for the EHR implementation. If you provide such a solution, please indicate both the capital and ongoing support costs of the solution. Please include any database or operating

system costs that are required for the solution. Please scope hardware capacity for each of the sample practices identified on page 9.

B. If you provide a hardware solution, please indicate whether you provide any high availability options for the configuration (such as a redundant server data replication solution, or a remote archive disaster recovery service). If you provide such a solution/service, please identify all associated costs.

C. Whether or not you provide a hardware solution, please indicate the server and storage specifications for your software solution. Please provide enough information so that we can work with hardware vendors to develop estimated costs of the hardware configuration, including any associated database or OS related costs. Please develop storage capacity and hardware requirement specifications for each of the sample practices identified on page 9.

5.08 Test and Training Environment

A. Please provide all additional costs associated with implementing a testing and training hardware/software environment.

5.09 Other costs

A. Please identify any other capital or ongoing costs that may be incurred by providers implementing your EHR and (if applicable) practice management solution.

6. WHITEC/Vendor Collaboration

As indicated in the goals and objectives section, WHITEC anticipates that the preferred vendor program will allow us to develop robust value-added services to supplement what is offered by the vendor. Services may eventually include facilitation of connectivity to Wisconsin's information exchange, facilitation of meaningful use and quality metric submission, supplemental training, and others. In order for us to establish such services there needs to be a strong collaborative relationship between WHITEC and the preferred vendors.

6.01 Please indicate your willingness to engage in such a collaborative relationship

6.02 Provide comments, concerns, or suggestions you may have regarding engaging in this type of collaboration. The input you provide will be considered and may be incorporated into an eventual WHITEC Preferred Vendor RFP.

6.03 Indicate whether you have any intensive training programs that could be attended by WHITEC staff who may be assigned to develop expertise with your system. Please identify the cost of such training programs.

6.04 Please indicate whether you are willing to assign an individual to the WHITEC project that would serve as our primary contact.

6.05 Please indicate whether WHITEC staff could gain access to your support system/helpdesk on behalf of the providers we will be serving.

6.06 Please indicate whether WHITEC staff could gain access to a software “sandbox” environment.

7. Responding to the RFI

Responses are to be inputted into provided template and sent or e-mailed to:

WHITEC
c/o Jesi Wang
2909 Landmark Place
Madison, WI 53713
Fax: 608-274-5008
E-mail: vendors@whitec.org

The response to this RFI is required by July 9th. All questions should be directed to Jesi Wang (Project Director of WHITEC) by e-mail at least two weeks prior to the RFI response due date.

All Vendor responses will be compared. The overall criteria for the RFP will be developed based on that comparison. Vendors fulfilling the majority of the criteria will be sent an RFP in July. After reviewing the RFP responses, WHITEC will select the vendors for the WHITEC Preferred Vendor Program. We anticipate the final selection will occur in August.

WHITEC, operated as a division of MetaStar, is funded through a cooperative agreement award from the Office of the National Coordinator, Department of Health and Human Services Award No.90RC0011/01.