

Technology Committee Minutes

April 20, 2011 – 4:00 p.m.

Present: Chairman Veitch; Supervisors Raymond, and Southworth; Spencer Hellwig, Administrator; Ryan Moore, Mgmt. Analyst; Jason Kemper, Planning; Bob Kingsbury, Data Processing, Hans Lehr, Mental Health; Sam Pitcheralle, Treasurer; Brian O’Conor, Auditor; Press.

Chairman Veitch called the meeting to order and welcomed all in attendance.

On a motion made by Mrs. Southworth, seconded by Ms. Raymond the minutes of the March 16, 2011 meeting were approved unanimously.

Mr. Lehr said most people are familiar with HIPPA, which controls the privacy of patient records, and the access to patient records. What most people don’t know is that HIPPA has a second part to it that has to do with how electronic transmissions of claims, remittances, etc. For Mental Health there are two primary pares, Medicaid and Medicare that require electronic transmissions, accounting for approximately 90% of the revenue. All of the hardware and software is geared toward the 4010 standard. We have the new and improved 5010 standard, which is a significantly different structure for doing billing and getting remittances. Mr. Lehr said if you were to go with a new company, the costs would be far in excess of upgrading with your current version. That is not accounting for all the person hours involved when going to a new system, and the loss of a lot of data going to a new system. The recommendation is that we go with our current group. We have been a long-standing customer, so they are giving us their own product for no charge. There would be a one time Cache’ charge of \$5,982, he said. Cache’ is not their product, Netsmart licenses that product from another vendor and this is an upgrade of that particular product. We already pay maintenance fees, which are a routine part of the budget on an annual basis; however, because this is a more sophisticated product there will be an additional charge of \$897 for an annual recurring fee. The real expense to the process is the installation fee. Netsmart initially does the installation within the test environment, where it is then tested with Medicare and Medicaid. If the system works it is then moved into the live environment. What you initially see is the number of days attached to installation. The reason it is for so many days is because of the process with the test and then with the live. The total fee for the project would be \$25,082.

Mr. Lehr said with regard to Electronic Prescribing, Medicare is both incentivizing and penalizing providers. They want all providers of medical services to go to Electronic Prescribing. Currently Mental Health does not subscribe to this, as the incentives did not make it worthwhile, he said. Medicare will begin in 2012 to penalize providers who have not moved to Electronic Prescribing beginning with a 1% reduction in Medicare reimbursements in 2012, and a 1.5% reduction in 2013. Based on the 2010 Medicare

reimbursement, the clinic would receive a reduction of \$1,255 in 2012, and a reduction of \$1,899 in 2013, and the payment reductions will increase on an annual basis.

Mr. Lehr said that all the person hours that are attached to doing prescribing are really phenomenal, and it is nurse hours and doctor hours that you lose. The real issue is that they could be generating revenue rather than doing clerical work, which the Electronic Prescribing significantly curtails and simplifies.

Mr. Lehr said if Mental Health does not do the new upgrade they will not be able to bill submit claims or receive any remittances.

Mr. Kingsbury asked for a dollar amount on remittances? Mr. Lehr said it would be approximately \$2 million.

Ms. Raymond said she would like to have information in advance of meetings for review.

Ms. Raymond asked Mr. Lehr where he would be getting the \$25,000? Mr. Hellwig said there is no doubt this was not budgeted for, but we don't have a choice. Timing wise, we can wait until the fall to do this because the drop-dead date is January of 2012.

Mr. Lehr said, if you wait until October, the issue will be that once the test environment is in place, there will be a lot of programming to be done in terms of entering specific information that will then have to be submitted to both the Federal and State Government. If the process goes perfectly that process would be done by January at best, he said

Ms. Raymond said she would like to have some research done to see if there will be an extension of time or waivers before making any decisions.

Ms. Raymond said she would like to see in writing, from Netsmart, their timeline for implementation, and to have another month to get more information relative to the possibility of waivers or extensions from the Federal Government.

Mrs. Southworth said she was disappointed that this was the first time the committee was hearing about this when it has been in place for a while and everyone should have known it was coming and planned for it.

Mr. Hellwig said this happened after the budget was adopted. If this was known, it would have been proposed. Mr. Lehr said it was January when he first heard about the revision.

Mr. Hellwig said prior to the forming of this committee, this is something that would have gone to the Public Health Committee and then onto Law and Finance. Things have changed and the Technology Committee has taken on greater responsibility in the areas that used to be within the realm of the standing committee.

Mrs. Southworth said it seems like we are always looking for a last minute fix to a problem.

Mr. Veitch said we are the Technology Committee and are dealing with technology and that is why this is here. We can recommend that this is a good program and send it on to Public Health, but will the financial decision be made in the Technology Committee?

Mr. Hellwig said there is no question that there are currently savings in Personnel lines, and at this point we still have our general fund contingency account with over \$200,000 in it. There will, however, be other things that will come up.

Ms. Raymond said maybe there is one system that would meet all the needs that may come up.

Mr. Veitch said there are several departments in the county that do Medicaid billing, and in the past it has been handled where each department has their own software. This should be a task of this committee to get all departments together and figure out a system countywide that could be used, which could end up saving the county money.

Ms. Raymond suggested that some research through NYSAC be done to see what other counties are doing.

Mrs. Southworth said this might be a time where NACO could be of some help as this is a Federal regulation. They were probably in on all the discussions from start to finish, and may be able to give direction on where it looks like it is as far time lines and extensions, and how they foresee it being implemented. With what they have learned along the way, they may be able to help us do this better, more effective and maybe less expensive.

Mr. Kemper asked Mr. Lehr how many machines does this program run on? Mr. Lehr said there is one server. After speaking to Mr. Kingsbury it was estimate that the cost for a new service would be between \$5,000 and \$6,000. This would be in addition to the \$25,000.

Mr. Lehr said he would contact Maplewood Manor and see if there was a link. Ms. Raymond suggested contacting other counties such as Orange, Nassau, Onondaga, Moreau and Thompsons, to see what they are doing. Mr. Veitch requested that Mr. Lehr forward any information onto he and the County Administrator.

Mr. Veitch said the final draft for the Computer and IT Policy has been sent out, and is ready to be forwarded to the Law and Finance committee as an amendment to the Policy and Procedures Manual for the county.

A motion was made by Ms. Raymond, seconded by Mrs. Southworth to amend the Policy and Procedures Manual and forward it onto the Law and Finance Committee for their approval. Unanimous.

Mr. Veitch thanked all the members of the sub-committee, Mr. Hellwig and Mr. Kingsbury for their help.

Ms. Raymond thanked Mr. Veitch for all his hard work as chairman of the committee.

Mr. Veitch said he has met with Mr. Kingsbury, Mr. O'Connor and Mr. Kemper to talk about how to do the PC Inventory in order to capture everything we have. A spreadsheet has been established and the inventory process will begin next week.

A copy of the web monitoring report using the BLOXX software was distributed to all committee members for their review.

Mr. Hellwig said this is not necessarily the equipment we want because deficiencies have been identified. By having it for a trial period, information was collected but it didn't have the level of detail that we would need.

Mr. Kalinkewicz said the time card system is a big issue for the county and has a lot of history to it. A power point presentation was given with the following highlights.

In a survey that was sent to county departments it was reported that there are 370 hrs. spent on time card applications involving approximately 58 employees every pay period. The following are various problems that might be encountered when processing payroll:

- Lack of understanding of the complex pay rules
- Different Interpretations
- Sporadic Enforcement
- Communication Breakdown
- Intentional errors

The following are the goals in changing the time reporting:

- Decrease Labor costs
- Shrink the gap between payroll policy and actual practice
- Comply with government and union regulation
- Reduce administrative overhead
- Interface with payroll program as well as other county systems
- Produce timely and accurate management reports for employee and department
- Improve data security

Savings:

- Reduce payroll errors
- Reduce payroll processing
- Reduce unauthorized leave time

- Eliminating unauthorized overtime and non productive hours
- Reducing payroll inflation
- Improve labor reporting
- Savings related to these areas can be as much as a 1.7% of payroll

Mr. Kalinkewicz said the end result with a system like this would be a very reduced manual type system with a more efficient result.

Ms. Raymond asked what the cost would be to go to a totally automated time system? Mr. Kalinkewicz said, he didn't have any figures at this time, but it is comprehensive. He said you should be looking at it from the prospective of capturing positions that were held by people where that was all they did. You will efficiently get paid back in the long run by taking some of those labors costs out of the equation. It is hopeful that it would pay for itself and, in fact, save money. Mr. Kemper asked how many people are there that just do payroll? Mr. Kalinkewicz estimated six people.

Mr. Veitch said time and attendance was the item of first choice for the Technology Committee. He said this is something that the committee needs to go forward with, as the savings value is significant.

Ms. Raymond suggested having some of the businesses in the field present to the committee before an RFP goes out.

Mrs. Southworth suggested having Department Heads that have 24-hour staffing needs attend the meeting to see how their scheduling needs could be coordinated with the system.

Mr. Veitch said he has met with some people who are experts in the Technology field, including the CIO of Schenectady County. They were in the same situation a number of years ago and have done a lot of things to change their process and upgrades. Mr. Veitch said he is going to have representatives from Schenectady County come to the next Technology meeting to give the committee their expertise.

Mrs. Southworth said she has spoken with officials from the Ballston Spa School District who would be interested in meeting with the committee along with representatives from CISCO who they partner with to see if there is any way that the county could partner with them and get some benefit from the fiberoptic systems that they already have in place.

On a motion made by Ms. Raymond, seconded by Mr. Kemper the meeting was adjourned.

Respectfully submitted,
Chris Sansom