



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: April 11, 2016
Board Meeting Date: June 21, 2016
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Chester J. Kunnappilly, MD, Interim Chief Executive Officer, San Mateo Medical Center

Subject: Agreement with Nuance Communications, Inc. for Support and Maintenance of Transcription Software and Equipment

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Nuance Communications, Inc. for support and maintenance of radiology transcription software and equipment, for the term of June 1, 2016 through May 31, 2021, in an amount not to exceed \$150,000.

BACKGROUND:

Nuance Communications, Inc. (Nuance) has been supporting and maintaining the San Mateo Medical Center's (SMMC) transcribing equipment since 2006. In June 2010, SMMC upgraded its dictation software to include Powerscribe with voice recognition, enabling physicians to audibly transcribe their notes directly into the patient's electronic health record. In August 2015, SMMC upgraded the software to Nuance's Powerscribe 360. Powerscribe 360 includes Quality Guidance software, which provides SMMC radiologists a safety check on dictated reports verifies the dictated information to the actual procedure.

DISCUSSION:

Powerscribe 360 allows SMMC to add Powershare digital software that will replace SMMC's current analog system WINRAD. The current software is no longer supported by the vendor and is not compliant with Health Information Portability Accountability Act laws and regulations. Powershare gives SMMC the ability to store and transfer patient images/results digitally in a matter of seconds from one location to another. In addition, this agreement includes the support and maintenance for the applications and equipment through May 31, 2021.

ISD has reviewed and approved the IT component of this agreement.

SMMC is requesting a waiver of the Request for Proposals process with Nuance because it is the sole provider for the support and maintenance of its software; replacing the current equipment and re-training staff on a new system would be cost prohibitive.

The County's Contract Compliance Committee has approved a waiver of the three-year term limit to five years.

The resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement and resolution have been reviewed and approved by County Counsel as to form.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by maintaining SMMC's digital radiographic equipment in optimal condition and providing telephone and remote support 24 hours a day, 7 days a week. It is anticipated that the vendor will dispatch a field engineer within 4 hours of SMMC's request 90% of the time.

PERFORMANCE MEASURE:

Measure	FY 2015-16 Estimated	FY 2016-17 Projected
Percent of time that the vendor's dispatch of a field engineer will be within 4 hours of SMMC's request.	90%	90%

FISCAL IMPACT:

The term of the revised agreement is June 1, 2016, through May 31, 2021, in an amount not to exceed \$150,000. Funds in the amount of \$2,500 are included in the SMMC FY 2015-16 Adopted Budget.

The terms of this agreement are different from the previous agreement because the previous agreement was for a single year of support and maintenance and included the purchase of Powerscribe 360. The new agreement is for five years and includes the purchase of Powershare software.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC, and are within the existing annual appropriation term.