



CALIFORNIA DEPARTMENT
OF VETERANS AFFAIRS

**CALVET ELECTRONIC HEALTH RECORD
(CEHR) PROJECT
#8950-059**

SPECIAL PROJECT REPORT #1

April 2021

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1.0 Executive Approval Transmittal

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2.0 Information Technology: Project Summary Package

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3.0 Proposed Project Change

This Special Project Report (SPR) #1 is being submitted to the California Department of Technology (CDT) as a result of proposed changes to the CalVet Electronic Health Record (CEHR) Project's Schedule and Budget as compared to the Project Approval Lifecycle (PAL) Stage 4 approval.

3.1 Project Background/Summary

3.1.1 Business Program Background

The mission of the California Department of Veterans Affairs (CalVet) is "to provide the state's aged or disabled veterans with rehabilitative, residential, and medical care and services in a home-like environment." This mission acknowledges the tremendous sacrifice California veterans have made and recognizes them for their noble service to our nation.

The first Veterans Home in California was established in 1884 for Civil War veterans. Today, the Veterans Homes (Home or Homes) provide medical care to resident veterans in several

levels of care. Ambulatory Care Clinics (ACC) provide primary medical care services to resident veterans in Domiciliary and Residential Care Facility for the Elderly (RCFE) level of care settings. Intermediate Care Facility (ICF) and Skilled Nursing Facilities (SNF) provide long-term medical and nursing care to resident veterans. The eight current Homes are a system of different levels of care with live-in, residential care facilities offering a comprehensive plan of medical, dental, pharmacy, rehabilitation services and social activities within a home like, small community environment. Residents engage in a wide range of activities including social events, dances, patriotic programs, volunteer activities, arts and crafts, computer access, shopping trips and other off-site activities. Residents live in an atmosphere of dignity and respect—a true home for each resident veteran.

The Homes range in capacity from sixty (60) residents on a ten (10) acre site to over nine hundred (900) residents on six hundred fifteen (615) acres. In all, eight (8) Homes house and care for approximately twenty-four hundred (2,400) veterans.

Impacted Business Programs:

At the highest level, business programs impacted by this proposal begin at the Homes Division level and can be further broken down as the Homes (8) and Headquarters (HQ). Below is a description of each Home, including the levels of care provided and the budgeted bed capacity.

- **Barstow:** A 220-bed facility, providing options for Domiciliary (Independent Living), and ICF or SNF levels of care.
- **Chula Vista:** A 305-bed facility, providing options for Domiciliary (Independent Living), assisted living in a RCFE, or SNF levels of care.
- **Fresno:** A 300-bed facility, providing options for RCFE or SNF levels of care, and Memory Care.
- **Lancaster:** A 60-bed facility, providing options for RCFE only.
- **Redding:** A 150-bed facility, providing options for RCFE or SNF levels of care, and Memory Care.
- **Ventura:** A 60-bed facility, providing options for RCFE living only.
- **West Los Angeles:** A 396-bed facility, providing options for RCFE or SNF levels of care, and Memory Care.
- **Yountville:** As the largest Veterans Home in the United States, Yountville is a 906-bed facility, providing options for Domiciliary (Independent Living), RCFE, ICF or SNF levels of care, and Memory Care.

Below are descriptions for each type of care mentioned above:

- **Domiciliary (Independent Living):** Independent living settings are for residents able to perform activities of daily living with minimal to no assistance. Non-clinical staff provides limited supervision. Residents have access to all of the Home's services, activities, and medical care. Individuals can transfer to higher levels of care as needed.

CalVet and the United States Department of Veterans Affairs (USDVA) use Domiciliary for Independent Living.

- **Residential Care Facilities for the Elderly (RCFE):** Also known as Assisted Living, RCFE level of care is available for residents who require minimal assistance and supervision with some activities of daily living. RCFE services may include care by licensed nurses.
- **Intermediate Care Facilities (ICF):** Residents in this care level often require licensed nursing assistance with medications and treatments, and generally require unlicensed nursing assistance with several activities of daily living.
- **Skilled Nursing Facility (SNF):** Skilled nursing care provides twenty-four (24) hour services of licensed nurses and certified nursing assistants. Skilled nursing residents have greater access to rehabilitation therapies, nursing care, pharmacy management, structured activities and clinical dietary services. A memory care program within this level of care provides a supervised environment for residents with symptoms of confusion, memory loss, difficulty making decisions, solving problems or participating in conversations.

Each Home, in addition to the levels of care listed above, also provides:

- **ACC:** An onsite ACC serves the residents in each Home in the Domiciliary and RCFE levels of care with the exception of the standalone RCFEs at Lancaster and Ventura. These clinics are staffed with primary care physicians who provide comprehensive primary medical care to residents. The ACC addresses all of the residents' primary care needs and arranges subspecialty consultations when needed.
- **Pharmacy Services:** A centralized pharmacy is located onsite at Chula Vista, Yountville, and West Los Angeles Homes. The Chula Vista pharmacy supplies medications for Chula Vista and also the Barstow Home. The pharmacy at Yountville supplies medications for Yountville, Redding and Fresno Homes, and from West Los Angeles the pharmacy supplies medications for West Los Angeles, Ventura and Lancaster Homes.

In addition to providing governance, policy and guidance to each Home via the Homes Division, HQ provides administrative support to the Homes in areas such as Budgets, Accounting Office, Procurement, Facilities Management and Information Services Division (ISD). Below is a description of administrative support functions impacted by this project.

HQ (Accounting Office): The Accounting services provide Medical Cost Recovery and Revenue Support for the eight Homes. Clinical and financial information is entered and tracked at each individual Veterans Home. Revenue and reimbursements are processed through centralized billing at HQ Accounting Office.

HQ Information Services Division (ISD): Provides technology support services via the CalVet Help Desk. These services include support for the personal computers, mobile devices (phones, tablets, and laptops), intranet, web sites, network, and applications used throughout CalVet.

CalVet functionality performed at the Homes and HQ includes 1) Clinical care provided at the Homes and, 2) Resident Administration and Financial services such as billing third party payers (e.g. Medicare). Clinical care includes Primary Medical care services, Nursing services, Rehabilitation Care, Health Information Management, Order Management, Pharmacy Management, and Scheduling. Resident Administration and Financial services include Admissions, Discharges and Transfers (ADT), Resident Billing and Reimbursement, Resident Finances provided at the Homes and HQ Financial operations delivered at HQ.

CalVet Long Term Care (LTC) facilities, utilize an EHR technology to support their core business processes. All clinical services and billing aspects of the Homes are documented in their EHR through data entry. This documentation is the basis of clinical record for the medical care provided to every resident including, but not limited to, the overall treatment plan of each resident, billing for these services, and all other aspects of the resident's care (e.g. specialty care, diabetic education, screening, immunizations, etc.).

In the late 1990s CalVet implemented MEDITECH software to support their EHR needs in their Yountville and Barstow Homes. In 2009, when additional Veterans Homes were built, CalVet implemented the ADL EHR software in their newly built Veterans Homes and replaced MEDITECH in Barstow and Chula Vista. All Veterans Homes currently utilize ADL for Resident Administration, Financial services, and for Clinical Minimum Data Set (MDS) reporting to Centers for Medicare and Medicaid Services (CMS), and the United States Department of Veterans Affairs (USDVA). However; other business sub-functions at each Home use different variations of ADL in addition to paper charts. Additionally, Yountville is still using MEDITECH EHR for a small number of clinical activities, order entry, and scheduling.

Clinicians, registered nurses, ancillary staff, contracted providers, and support staff also currently use various formats of data entry for clinical documentation including different combinations of ADL, MEDITECH and paper charting based on the functional needs of each facility.

Six of the eight Homes use varying degrees of the ADL EHR for resident charting due to individual interoperability of the EHR with the processes and systems at each facility. The two (2) newer Veterans Homes do not use the ADL EHR and currently use paper charting only. All Veterans Homes have at least one hard copy chart per resident on site.

All Homes are currently using ADL for Resident Administration and Financial functionality, along with a custom Pre-Admission Tracking System (PATS) created in-house. PATS is a CalVet custom application which was created to meet legislative reporting requirements on applicants to the Homes. PATS data includes basic applicant demographic information. PATS maintains waiting and prioritization lists for each Home applicant serving as the tracking and reporting mechanism for Home admissions. In order to maintain an accurate tracking system, PATS also tracks admissions to the Home, deaths, discharges and transfers. Waiting lists are viewable to applicants via MyCalVet website, a separate in-house system.

In addition to the supported clinical and financial EHR functions detailed above, CalVet also uses FrameworkLongTermCare (FrameworkLTC) for pharmacy services, GeriMenu for dietetics services and MS Dynamics for materials management. These systems will remain in

place and continue to be maintained as part of ongoing operations. It is the goal of the CEHR Project to replace only ADL and MEDITECH.

3.1.2 Project Background

In May 2016, the CDT approved the PAL Stage 1 Business Analysis (S1BA) submitted by the CalVet for the CEHR Project to replace CalVet's current electronic health record (EHR).

During development of the Stage 2 Alternatives Analysis (S2AA), CalVet published a Request For Information (RFI). Knowledge garnered through the RFI process solidified the CEHR project team's understanding of its business needs and the capabilities offered in the marketplace. It also further enlightened the differing vendor EHR offerings: LTC only, Ambulatory Care Clinic (ACC) only, and comprehensive EHR (both ACC and LTC) solutions and the costs associated with each. This understanding of vendor capabilities and costs versus CalVet's business needs and funding tilted the direction to a proposed alternative which addresses the LTC business needs. As a result CalVet's requirements were re-scoped to remove ACC only specific requirements. In May 2018, the CDT approved the S2AA.

The Stage 3 Solution Development (S3SD) focused on solicitation of a software solution that would enable CalVet Homes and HQ to enter and maintain clinical and financial workflow data. This solution would be a Commercial-Off-The-Shelf (COTS) system in a Software-as-a-Service (SaaS) environment. In January 2019, the CDT approved the S3SD.

Solicitation results were reported in the Stage 4 Project Readiness and Approval (S4PRA). The S4PRA concluded with the Intent to Award being identified for Netsmart Technologies, Inc. In March 2020, the CDT approved the S4PRA with the project start date identified as March 9, 2020.

3.2 Project Status

In parallel with the approval of the S4PRA, CalVet executed a contract agreement with Netsmart Technologies, Inc. Also in March 2020, CalVet operations were significantly impacted by Federal and State Government, Health, and Emergency Officials' responses to the COVID-19 Pandemic. During this period, the State implemented a statewide emergency telework order. Much of the CalVet headquarters staff were now teleworking. Additionally, to protect our residents, Homes put strict guidelines in place limiting access to the Homes. The project was now operating completely remotely through conference calls and video conferencing technology. Much of the project activity that was scheduled at this time was intended to take place onsite at the Homes and Headquarters. This impacted the project teams as they now had to manage and schedule with these remote work constraints. These impacts continue today.

In April 2020, Issue #62 was accepted by the risk and issue committee. This issue acknowledged the severe effects of the COVID-19 response on the project's subject matter experts (SMEs), especially the clinical staff. This issue was raised by clinical staff because they could not allocate the time needed to participate on this project while they were in the height of COVID-19 response. The project mitigated this issue by instituting a 45 day moratorium on project activities that included clinical SMEs. This would allow them to focus on the health and safety of the residents. The non-clinical staff continued to work on planning deliverables that did not require clinical input.

These impacts are expected to lessen as the pandemic mitigations take effect in the Veterans Homes throughout 2021.

Since the project start, CalVet and Netsmart the Contractor have been working to complete organization structure builds, configuration discovery information, and planning phase deliverables. The following sections provide details on organization structures and deliverables completed, work in progress, and expenditures to date.

3.2.1 Work Completed

Upon contract execution, CalVet and the Contractor worked collaboratively to complete the integrated master project schedule along with developing a strategy to begin project work while honoring the 45 day moratorium on project activities that included clinical SMEs. Pre-implementation discovery sessions were held to review Organization Structure Builds, clinical and financial core questions, key performance indicators, care settings, and global settings.

The Project made final decisions on Organization Structure Builds for all eight (8) Veterans Homes.

After completion of the pre-discovery overview, multiple discovery sessions were held with financial SMEs, which included completion of questionnaires and assessments to identify financial data collection and business process needs. Clinical discovery sessions were broken down by discipline, to include nursing, nutrition, physician, pharmacy, rehabilitation, social work, and mental health care.

Completion of discovery will be determined through a solution review with key SMEs to confirm decisions made during the discovery sessions with the financial and clinical SMEs.



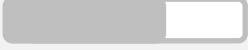

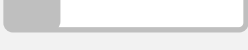
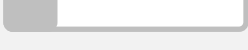

The Project also completed six (6) of the fourteen (14) planning deliverables which includes Project Kickoff, Project Schedule, System Security Plan, Disaster Recovery Plan, Network Readiness Assessment, Data Dictionary and the Role Based Access Control Matrix.

In addition, revisions to CEHR Project Management Plans were completed including Quality Management, Risk and Issue Management, Scope Management, Schedule Management, Change Management, and Requirements Management.

3.2.2 Work in progress






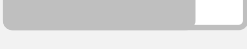
Several project deliverables are in the final stages of development including the Data Conversion and Migration Plan, Configuration Document, Test Plan, and Training Plan. Additionally, the Implementation Plan, Transition Plan, and Operations Plan deliverables have been started and in the early stages of development.

Table 1: Status of Deliverables

PROJECT DELIVERABLES IN PROCESS	STATUS
D.2.6: Data Conversion and Migration Plan	
D.2.7: Configuration Document	
D.2.9: Test Plan	
D.2.10: Training Plan	
D.2.11: Implementation Plan	
D.2.12: Transition Plan	
D.2.13: Operations Plan	

The CEHR Project Management Plans listed below were completed during the Project Approval Lifecycle and are currently in revision to document improved business processes and clarify roles and responsibilities. Revisions in-progress include, Communications Management, Contract Management, Cost Management, Data Management, Document Management, Governance, Security Management, Staff Resources Management, and Test Management.

Table 2: Status of Project Management Plans

PROJECT PLANS	STATUS
Communications Management Plan v3.0	
Contract Management Plan v4.0	
Cost Management Plan v2.0	
Data Management Plan v3.0	
Document Management Plan v3.0	
Governance Plan v4.0	

Security Management Plan v3.0	<input type="checkbox"/>
Staff Resources Management Plan v3.0	<input type="checkbox"/>
Test Management Plan v3.0	<input type="checkbox"/>

3.2.3 Expenditures to Date

Please see the table below for the most recent project expenditure information. This table compares the actual costs to the baselined budget that was approved in S4PRA of the project approval lifecycle. The “LTC EHR” line item refers to our solution vendor. To date, CalVet has not expended any funds towards this contract. This is due to the first set of planning deliverables in the contract are zero cost deliverables.

Figure 1: Project Expenditures

Reporting Period: (March 1, 2021 – March 31, 2021)			
	Last Approved Budget (\$)	Cumulative Actual Cost (\$)*	Comments
IT Project Costs (One-Time)			
Staff (Salaries & Benefits)	\$6,175,218	\$5,039,148	
Staff OE&E Rollup (Gen. Exp.; Printing, Comm.; Postage; Ins.; Travel – In/Out of State; Training; Fac. Ops.; Utilities)			
Consulting & Prof. Services: Interdepartmental	\$452,763	\$342,661	
ITPOD Project Assessment	\$106,095	\$121,824	
ITPOD Project Oversight	\$281,400	\$184,045	
STPD Consulting	\$65,268	\$36,792	
Consulting & Prof. Services: External	\$1,355,274	\$1,087,694	
Business Analyst – 2 Positions	\$731,274	\$731,274	
IV&V Vendor – 1 Position	\$624,000	\$356,420	
Consolidated Data Centers			
Information Technology	\$9,783,789	\$0	
LTC EHR	\$9,783,789	\$0	
Misc. OE&E Rollup (Dept. Services; Central Admin. Services; Office Equip.; Other; Unclassified/Special Adjustment; Local Assistance)			
Total IT Project Costs (One-Time):	\$17,767,044	\$6,469,503	
Future Operations IT Staff and OE&E Costs (Continuing)			
Staff (Salaries & Benefits)	\$766,404	\$0	

Reporting Period: (March 1, 2021 – March 31, 2021)			
	Last Approved Budget (\$)	Cumulative Actual Cost (\$)*	Comments
Staff OE&E Rollup (Gen. Exp.; Printing, Comm.; Postage; Ins.; Travel – In/Out of State; Training; Fac. Ops.; Utilities)			
Consulting & Prof. Services: Interdepartmental			
Consulting & Prof. Services: External			
Consolidated Data Centers			
Information Technology	\$2,302,218	\$0	
LTC EHR	\$2,302,218	\$0	
Misc. OE&E Rollup (Dept. Services; Central Admin. Services; Office Equip.; Other; Unclassified/Special Adjustment; Local Assistance)			
Future Operations IT Staff and OE&E Costs (Continuing):	\$3,068,622	\$0	
TOTAL:	\$20,835,666	\$6,469,503	

3.3 Reason for Proposed Change

As noted in project status reports, CalVet continued to monitor delays related to COVID-19. COVID-19 had a severe operational impact to the Homes. As such, the subject matter experts (SME) were not available for project activities for extended periods of time. This impacted the project's ability to complete planning deliverables. Based on lessons learned, this project required the input from clinical, financial, and administrative SMEs. Due to these SME availability issues, the project requires additional time to adequately ensure that these SMEs are involved in the project.

Additionally, the project experienced delays due to deliverable quality and additional time needed to review deliverables. Multiple project risks and issues were introduced to address these concerns and their impact to the schedule. The project determined the schedule related risks and issues would be best addressed through rebaselining the schedule. If the project continued on the previous path, the target dates would continue to spread further from the current baseline which fails to follow scheduling best practices.

3.4 Proposed Project Changes

3.4.1 Add Time for Project Activities

- Discovery – additional sessions are needed to understand interfaces between CalVet and its third party partners. This includes understanding data sent and received and needs for data archive. The baselined schedule does adequately account for this need.
- Business Process Alignment review and clarification is needed for the project's business process experts to ensure the decisions throughout discovery align with the to-be business processes. Several areas require further explanation from the Contractor.
- Testing activities between the Contractor and CalVet requires additional time to ensure thorough testing of the system. After further analysis with the Contractor it was determined the baselined schedule did not include 1) enough time for System Integration Testing (SIT); 2) did not include dedicated time to test system interfaces with CalVet's third party partners; and 3) did not include dedicated time for reporting SIT results along with CalVet's validation of those results. Additionally, while the time allowed for User Acceptance Testing (UAT) was identified as adequate, the activity was scheduled as a start to start relationship with SIT, which did not allow the same resources to participate in both activities and would not allow thorough SIT to occur. SIT and UAT are more accurately identified as having a finish to start relationship. The total time for testing activities would increase from 6 weeks to 16 weeks.
- Adequate training time is needed for end users responsible for backfiling and backloading data prior to each Home implementation. While training was included in the baselined schedule, it was determined that additional time is needed to ensure the

end users are comfortable with the system and are able to enter the data needed for implementation.

The additional EHR vendor cost associated with changes described in this section is \$1,456,137. The table below lists which deliverables have additional cost due to this change.

Table 3: Deliverables with Additional Cost

Del. #	Deliverable Name	Additional
D.3.2.1	Initial Configuration	\$563,519
D.3.1.1	System Integration Testing (SIT)	\$321,750
D.6.5	User Acceptance Testing (Ventura)	\$278,102
D.11.5	User Acceptance Testing (West Los Angeles)	\$292,766
Total		\$1,456,137

3.4.2 Changing order of Homes' implementation

Decisions made for the original order of implementation were determined during contract negotiations based on several factors such as 1) Home readiness; 2) levels of care and 3) costs associated with the complexity of each Home. The COVID-19 pandemic impacted Home readiness to varying degrees, which prompted consideration of the Homes' implementation. The new order of implementation still includes implementation of a Home with varied levels of care and of medium complexity. The new order also accounts for relationships between the Homes' pharmacy services and those Homes that are serviced.

Additionally, the contract stipulates that, "...changes in the order of implementation, the number of Homes to be implemented during a given Phase, and/or the functionality to be completed during a given Phase may occur at any time during the Contract, with mutual agreement by CalVet and the Contractor."

Table 4: Order of Implementation

Order of Implementation	Original Order	New Order
Location 1	Chula Vista/HQ	West Los Angeles/HQ
Location 2	Barstow	Ventura
Location 3	Ventura	Lancaster
Location 4	Lancaster	Chula Vista
Location 5	Yountville	Barstow
Location 6	Redding	Yountville

Location 7	Fresno	Redding
Location 8	West Los Angeles	Fresno

3.4.3 Moving Phase 2 functionality to Phase 1

Decisions made for the phased approach to providing system functionality were determined during contract negotiations based on implementing the foundational functionality in Phase 1 that would provide CalVet a functioning EHR in timing with CalVet’s funding request. That functionality includes the base software such as myUnity Enterprise, iCare, Pharmacy and Therapy Integration, and Hyland Onbase. In addition, Phase 1 included data conversion, paper back-file scanning, and Phase 1 testing. Phase 2 functionality included interfacing with CalVet’s third party partners and other healthcare entities, resident log-in portal, e-learning, speech dictation, and reporting performance. (See table 4 below). During configuration discovery, clinical subject matter experts identified the criticality of including CalVet’s interfaces to third party partners and other healthcare entities in the initial implementation of the EHR functionality (this includes interfaces to lab and radiology partners). The project identified these two modules as well as two others to move to Phase 1 implementation.

Phases 1 and 2 only apply to the first three home implementations. After the first three homes go live, the remaining homes will go live with all the modules for their respective implementations.

Table 5: Modules by Phase

Module	Stage 4	SPR 1
myUnity Enterprise	Phase 1	Phase 1
iCare	Phase 1	Phase 1
Pharmacy and Therapy Integration	Phase 1	Phase 1
Document Management	Phase 1	Phase 1
Data Conversion	Phase 1	Phase 1
Paper Back-File Scanning	Phase 1	Phase 1
Testing	Phase 1	Phase 1
CareConnect Inbox	Phase 2	Phase 1
CareQuality	Phase 2	Phase 1

Module	Stage 4	SPR 1
KPI	Phase 2	Phase 1
Lab and Radiology	Phase 2	Phase 1
MModal	Phase 2	Phase 2
eLearning	Phase 2	Phase 2
myHealthPoint	Phase 2	Phase 2

The additional EHR vendor cost associated with this change is \$318,020. The table below lists new deliverables as well as a cost reduction in appropriate phase II deliverables.

Table 6: Cost Reduction

Del. #	Deliverable Name	Cost
D.3.1.1.a	System Integration Testing (SIT-a) Early Phase 2 Modules (New)	\$531,698.35
D.3.1.2	Phase 2 System Integration Testing (SIT-2)	-\$388,778.35
D.3.2.1.a	Initial Configuration Early Phase 2 Modules (New)	\$561,546.61
D.3.2.2	Initial Configuration Phase 2	-\$386,446.61
Total		\$318,020

3.4.4 ePrescribe Approach

Within the current project scope, CalVet planned to meet the California mandate for electronic prescribing (AB 2789) by January 1, 2022 through the full EHR implementation at each home. With the proposed schedule revisions within this SPR, seven of the eight home go-live dates will shift beyond the January 1, 2022 deadline. To account for this shift, the project will move the implementation of Netsmart’s e-prescribing solution to earlier in the schedule. Netsmart’s e-prescribing solution is called OrderConnect. OrderConnect has the ability to be used independently from the full EHR.

OrderConnect is an outpatient, web-based electronic prescribing (e-prescribing) solution for medications. It allows providers to prescribe medications electronically. In order to accomplish this temporary use of OrderConnect as a standalone solution, the project will need to build an interim interface and database from CalVet’s current EHR to support this

model. As each home implements, the temporary solution will be retired for that home. That home will then conduct e-prescribing through the fully integrated Netsmart solution.

An additional benefit to this approach is that the OrderConnect user interface is similar to the interface that providers will use in the fully integrated EHR. This eliminates the need for users to learn a completely new user interface for a standalone option prior to full EHR implementation.

In parallel with implementing OrderConnect, CalVet will purchase and implement FrameworkERX which is a module available for FrameworkLTC (CalVet’s solution for pharmacy services). FrameworkERX is required to accept electronic prescriptions and direct the requests to the content management system (Framework Electronic Content Management).

Project costs for the change are broken down by 1) EHR Contractor costs for impact analysis and planning services (see table below); 2) FrameworkERX one-time costs for three (3) licenses to cover CalVet’s centralized pharmacies (\$3000); 3) Annual license maintenance fee (\$600), 4) One-time load costs (\$11,900), and 5) Estimated annual transactional fees (\$38,600). The transactional costs are estimated based on the current rate of active prescriptions per Home.

The additional EHR vendor cost associated with this change is \$973,517. See the table below for the deliverables that will be added to the EHR vendor contract.

Table 7: New Deliverables

Del. #	Deliverable Name	New Cost
D.3.1.3	Phase e-Prescribing System Integration Testing (SIT)	\$274,080
D.3.2.3	Initial e-Prescribing Configuration	\$289,880
D.14.1	Training CalVet End Users	\$231,880
D.14.2	Data Conversion and Migration Report	\$177,678
Total		\$973,518

3.4.5 Project Budget Change

To account for the changes described in this SPR, the financial analysis worksheets were completed to accommodate the changes described in section 3.4.1. These changes include an increase in contract cost for these changes. There is no additional contract cost for the increased duration of implementation.

The ongoing maintenance and operation costs that were originally scheduled to begin in January 2022 will not start until September 2023.

The table below displays the key project budget changes and the reason for variance.

Table 8: Budget Changes

Description	2020/21	2021/22	2022/23	2023/24	2024/25	Total	Reason for Variance
Project Costs One-Time							
Total Personal Services Expenditures							
Approved Stage 4	\$ 1,287,117	\$ 814,293				\$ 2,101,410	Additional time added to schedule
SPR#1	\$ 1,287,117	\$ 1,287,117	\$ 1,287,117	\$ 254,239		\$ 4,115,590	
Variance	\$ -	\$ 472,824	\$ 1,287,117	\$ 254,239		\$ 2,014,180	
Consulting and Professional Services - Interdepartmental							
ITPOD Project Oversight							
Approved Stage 4	\$ 112,560	\$ 112,560				\$ 225,120	CDT IPO services estimated in PAL did not take into consideration CDT's new hourly cost structure in 20/21-21/22. Plus additional project duration.
SPR#1	\$ 175,944	\$ 184,867	\$ 186,749	\$ 23,167		\$ 570,727	
Variance	\$ 63,384	\$ 72,307	\$ 186,749	\$ 23,167		\$ 345,607	
Consulting and Professional Services - External							
IV&V Vendor							
Approved Stage 4	\$ 208,000	\$ 208,000	\$ -	\$ -		\$ 416,000	Additional funding for IV&V services due to additional time added to schedule. IV&V required for duration of project.
SPR#1	\$ 208,000	\$ 208,000	\$ 208,000	\$ 35,000		\$ 659,000	
Variance	\$ -	\$ -	\$ 208,000	\$ 35,000		\$ 243,000	
Information Technology							
LTC EHR Vendor							
Approved Stage 4	\$ 874,689	\$ 8,909,100				\$ 9,783,789	Additional funding for moving ePrescribe up in schedule to meet AB2789 January 1, 2022 mandate, moving modules from phase II to I, additional testing activities, additional planning and discovery.
SPR#1	\$ 620,272	\$ 7,584,565	\$ 1,982,358	\$ 2,344,269		\$ 12,531,464	
Variance	\$ (254,417)	\$ (1,324,535)	\$ 1,982,358	\$ 2,344,269		\$ 2,747,675	
Information Technology							
Pharmacy Management - Frameworks Erx							
Approved Stage 4						\$ -	Additional funding for Frameworks Erx module needed to deploy ePrescribe
SPR#1	\$ 15,500	\$ 39,200	\$ 39,200	\$ 6,534		\$ 100,434	
Variance	\$ 15,500	\$ 39,200	\$ 39,200	\$ 6,534		\$ 100,434	
Future Operations							
Total Personal Services Expenditures							
Approved Stage 4		\$ 207,666	\$ 558,738			\$ 766,404	Variance due to the project end date change within the final fiscal year. S4 included 18 months M&O. SPR1 includes 22 months M&O
SPR#1				\$ 422,428	\$ 557,615	\$ 980,043	
Variance		\$ (207,666)	\$ (558,738)	\$ 422,428	\$ 557,615	\$ 213,639	
Information Technology							
LTC EHR Vendor							
Approved Stage 4		\$ 767,406	\$ 1,534,812			\$ 2,302,218	Variance due to the project end date change within the final fiscal year. S4 included 18 months M&O. SPR1 includes 22 months M&O
SPR#1				\$ 1,279,010	\$ 1,534,812	\$ 2,813,822	
Variance		\$ (767,406)	\$ (1,534,812)	\$ 1,279,010	\$ 1,534,812	\$ 511,604	
Information Technology							
Pharmacy Management - Frameworks Erx							
Approved Stage 4						\$ -	Additional funding for Frameworks Erx module needed to maintain ePrescribe
SPR#1				\$ 32,667	\$ 39,200	\$ 71,867	
Variance				\$ 32,667	\$ 39,200	\$ 71,867	
Total Budget Changes							
Project Costs One-Time	\$ (175,533)	\$ (740,204)	\$ 3,703,424	\$ 2,663,209	\$ -	\$ 5,450,896	Total Budget Change from Stage 4 to SPR #1
Future Operations	\$ -	\$ (975,072)	\$ (2,093,550)	\$ 1,734,105	\$ 2,131,627	\$ 797,110	
Total	\$ (175,533)	\$ (1,715,276)	\$ 1,609,874	\$ 4,397,314	\$ 2,131,627	\$ 6,248,006	

4.0 Updated Project Management Plan

In lieu of a Project Management Plan, all project management processes are covered in their own respective project plans.

4.1 Project Manager Qualifications

The CEHR Project Manager Qualifications have not changed since the approval of the PAL Stage 4 submission.

4.2 Project Management Methodology

The CEHR Project Management Methodology has not changed since the approval of the PAL Stage 4 submission.

4.3 Project Organization

The project identified additional sponsorship since the PAL Stage 4 approval. The project added an Executive Sponsor role. The Project Sponsor role remains in place.

Refer to Appendix H for the updated CEHR Project Organizational Chart.

4.4 Project Priorities

The CEHR Project Priorities have not changed since the approval of the PAL Stage 4 submission.

4.5 Project Plan

4.5.1 Project Scope

The CEHR Project Scope has not changed since the approval of the PAL Stage 4 submission.

4.5.2 Project Assumptions

The CEHR Project Assumptions have not changed since the approval of the PAL Stage 4 submission.

4.5.3 Project Phasing

The CEHR Project phasing changed to move four (4) system modules from Phase 2 to Phase 1. Refer to section 3.4.3 for details.

4.5.4 Project Roles and Responsibilities

The CEHR Project Roles and Responsibilities were updated to include an Executive Sponsor. The addition of an Executive Sponsor shifted some responsibilities from the Project Sponsor to the Executive Sponsor, such as holding the highest level of project review and approval within the CalVet organization, breaking a tie vote for the Executive Steering Committee (ESC), and having final decision making authority. The Project Sponsor retained remaining responsibilities with the addition of identification as a voting member for the ESC. Refer to Appendix H for the updated CEHR Project Organizational Chart.

4.5.5 Project Schedule

Refer to Appendix I for the updated high-level schedule.

4.6 Project Monitoring and Oversight

The CEHR Project approach to tracking and reporting on the status of project deliverables, project schedule, and project budget have not changed from the PAL process.

The CEHR Project continues to utilize Independent Project Oversight (IPO) services from CDT. The IPO prepares a monthly Independent Project Oversight Report (IPOR) that is used to measure project progress against the baseline.

The CEHR Project has a contract agreement for Independent Verification and Validation (IV&V) services. The IV&V consultant prepares a monthly activity report containing observations, findings, recommendations and a determination of how well the project is positioned to support its goals and objectives.

The CalVet Project Management Office (PMO) prepares monthly status reports for external reporting to CDT through monthly Project Status Reports. The PMO works in collaboration with IPO, to provide status on project milestones and scheduled activities.

4.7 Project Quality

The CEHR Project Quality Management Plan (v4.0) was updated based largely on the recommendations from an IV&V assessment of the plan, however the quality management strategy has not changed since the approval of the PAL Stage 4 submission.

4.8 Change Management

The CEHR Project Change Management Plan (v4.0) was updated to detail the change process, however the change management strategy has not changed since the approval of the PAL Stage 4 submission.

4.9 Authorization Required

No special authorization is required for the proposed changes.

5.0 Risk Management Plan

The CEHR Project Risk Management Plan (v5.0) was updated September 2020, however the risk management strategy has not changed since the approval of the PAL Stage 4 submission. The Risk Manager holds weekly Risk and Issue Management Team meetings.

5.1 Risk Register

See Appendix J for risks and issues identified for the CEHR Project.

6.0 Financial Analysis Worksheets (FAWs)

The worksheets included identify a detailed and updated project cost.

6.1 FAWs from the Original S4 Approval

See Appendix K

6.1.1 Existing System Cost Worksheet

See Appendix K

6.1.2 Proposed Alternative Worksheet

See Appendix K

6.1.3 Alternative System Worksheet

See Appendix K

6.1.4 Executive Cost Summary

See Appendix K

6.1.5 Project Funding Plan

See Appendix K

6.2 FAWs for the Proposed Change

See Appendix K

6.2.1 Existing System Cost Worksheet

See Appendix K

6.2.2 Proposed Alternative Worksheet

See Appendix K

6.2.3 Executive Cost Summary

See Appendix K

6.2.4 Project Funding Plan

See Appendix K

Appendix A: Executive Approval Transmittal

Appendix B: Executive Summary

Appendix C: Project Contacts

Appendix D: Project Relevance to State and/or Agency Plans

Appendix E: Budget Information

Appendix F: Vendor Project Budget

Appendix G: Risk Assessment Information

Appendix H: Project Organizational Chart

Appendix I: High Level Project Schedule

Appendix J: Risk and Issue Register

Appendix K: Financial Analysis Worksheets

