

## **RIVERSIDE HEALTH CARE FACILITIES INC.**

### **BACKGROUND ON IT**

The Riverside Health Care Facilities Inc. (RHCFI) is a corporate entity formed in 1993, bringing together the three health care facilities located in the cities of Emo, Rainy River, and Fort Frances in Northwestern Ontario. At the time of formation, this new corporate entity represented a combined total of 131 beds with an annual operating budget of some \$21 Million. They now have, in three locations, 100 beds and a \$15 Million budget.

The Fort Frances facility, namely the La Verendrye Health Centre, had implemented the financial and patient administration systems from Encom Information Systems (EIS) in the late 1980's, on an IBM RISC 6000 CPU, supported by the AIX operating system. The facilities in Emo and Rainy River were not computerized extensively on-site and had their payrolls processed at a remote service bureau.

As the La Verendrye Hospital continued its computerization, certain stand-alone systems were acquired from specialized software suppliers since EIS could not provide the software products required by the hospital at the time. This led to the common problem faced by most hospitals where their main information system was not communicating with the various ancillary systems acquired for specific departments, resulting in the duplication of effort and untimely, or non-existent, corporate reporting because of the fragmented systems in place.

Recognizing the need for a fully integrated system, the Information Systems Advisory Committee (ISAC) prepared a Request for Proposal (RFP) and issued it to the supplier marketplace in the fall of 1993.

As a result of this RFP the ISAC narrowed their selection to two potential single source-vendors, namely Meditech and HealthVision. Each appeared to be able to offer all of the required modules, although at a cost much higher than was then being experienced and considered.

However, the higher expenditure was approved by the Board in anticipation of proceeding with the three-site new corporate facility which would require a much higher degree of computerization than the single Fort Frances site.

The final decision between the two short-listed vendors was made in 1994, with HealthVision being selected as the preferred vendor, following which contract negotiations got underway.

This process was halted in June of 1995 with the election of a new government in Ontario and a reduced budget for the new CHIN (Community Hospital Information Network). The Board instructed the ISAC to go back to the marketplace to find a less expensive solution to reflect the overall reduced operating budget.

This time the Hospital Information Systems Advisory Committee (ISAC) selected a multi-vendor [eight (8)] approach proposed by Heron Technology Corp (HTC) of Markham, Ontario, which included an integration engine or 'middleware' software product. The middleware software product was from Stratsys Corporation, a Canadian software developer which has developed the middleware product, FITS (Flexible Information Transport System).

The flexibility of this approach was exemplified by the fact that the ISAC selected two (2) software vendors directly who were not included in the HTC submission. This flexibility is the foundation of the multi-vendor solution, with each software module connected to the integration engine, FITS, and all software modules are integrated and Year 2000 compliant.

The Hospital has now implemented a system that costs approximately 50% of what the previously selected single-vendor approach would have cost in hardware, software, licensing and ongoing support costs. In addition, and a very important aspect of the multi-vendor solution, the individual department managers had total flexibility in selecting software modules for their departments and their unique requirements did not have to fit into a single vendor's solution for that department. In the end, the hospital initially selected software modules from eight (8) different vendors, and added three (3) more vendors after the initial selection in 1996. The hospital deals directly with each vendor. This is the Best-of-Budget approach.

Another major consideration of the ISAC was the future and the need for flexibility to deal with changes in the corporate structure, shared services with other healthcare organizations, vendors offering up-to-date solutions, pricing of the vendors' solution, budgets and future software requirements such as the Smart Card.

Since information systems in healthcare facilities are becoming ever more complex to meet the increasing demands of Governments, suppliers, and the population, overall flexibility must be built into the system at the outset to address these complex issues that will be arising in the next decade.

What happens when one of the software modules does not handle the requirements of the Department? With the flexibility of the multi-vendor system, RHCFI had this situation. Their solution – replace the software module that they knew was not what they wanted in the first 30 days and replace it with another vendor's solution. If the software module is not the right fit, you are not required to live with it, you can replace it. In the case of RHCFI, one of the initial eight selected vendors was changed as the system was being installed.

An important benefit for the Canadian economy occurs in a multi-vendor solution. Do you realize that there is over 90% US content in most Canadian hospitals' single-vendor installations. With the ability to select software from specialized vendors, RHCFI's Canadian content is 83% of the software/training revenue, and this money stays in Canada. These vendors' head offices span the country from Nova Scotia to British Columbia. Once the decision was made, the Hospital drew up an implementation plan that would leave most hospital executives breathless. All systems were to be replaced, all data converted to the new software modules, and everything, including hardware and software, was to be up and operational, and integrated within nine (9) months.

All the implementation goals were achieved. The total hospital resources required to implement this system consisted of the Director of Finance and Systems, Terrie Tucker, and the MIS Department, which consisted of one person, George Bruyere. The new system was installed on time, and under budget. The Hospital is now in a position to implement additional software modules from any vendor they care to deal with, and they can implement these new software products without external assistance.