

MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Human Services Division

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
Cheryl S. Davis, Director of Human Services

DATE: March 16, 2010

SUBJECT: Purchase of Document Management System

ACTION REQUESTED:

The Board is requested to take the following actions:

- a. Approve a contract with LR Hines Consulting, Inc. for document management software and consulting in an amount not to exceed \$248,215, and authorize the Purchasing Manager to sign the resulting contract and subsequent change orders up to 10 percent of the total amount, and
- b. Authorize up to 10 document scanners to be added to the Master Fixed Asset List at a price not to exceed \$6,000 each for a total not to exceed \$60,000, and
- c. Approve the attached Budget Revision in the amount of \$60,000 to provide the necessary funding for the fixed assets.

This project is funded 100 percent with Federal and State funds. No County General Fund match is required. These expenditures are included in the Department's FY 2009-10 Final Budget.

BACKGROUND:

The California Department of Health Care Services (DHCS) and Social Security Administration (SSA) are requiring counties to implement computer security procedures related to protecting the privacy of Medi-Cal and SSA Personally Identifiable Information (PII). In order to meet Federal and State privacy and security requirements, the County must comply with the general computer security safeguards, system security controls, audit controls, and business continuity/disaster recovery controls specified by DHCS and SSA. These requirements include the ability to store and encrypt data and portable computer devices, such as laptops and notebook computers, and audit access to files that contain Medi-Cal PII when the file is stored on any removable media device such as USB flash drives or floppy disks.

The document management software, scanners and components to be purchased and installed were determined as a result of Placer County Request for Proposals number 9613, which established a countywide standard for these systems. The implementation of document imaging will facilitate the protection of personally identifiable information by providing an electronic alternative with auditing capabilities. On any given day, HHS is required by law to maintain over 16,000 client files that contain personally identifiable information. Converting these paper documents to imaged records will result in reducing future storage facility costs.

The number of scanners and the budgeted amounts requested herein represent the original system configuration. As this project moves forward, less expensive solutions may emerge allowing HHS to purchase fewer scanners, or less expensive scanners, than originally projected.

FISCAL IMPACT:

The total project cost including the document scanners is \$308,215, and is funded 100 percent with Federal and State funds. No County General Fund match is required. These expenditures are included in the Department's FY 2009-10 Final Budget.

This contract is on file with the Clerk of the Board for your review.

cc: Procurement Services Division

ADDITIONS TO THE MASTER FIXED ASSET LIST

Health and Human Services Department

Appropriation 53070

<u>Qty.</u>	<u>Description</u>	<u>Cost</u>
10	Document Scanners	\$ <u>6,000</u> ea
	Total Fixed Asset Additions for APPN 53070	\$ 60,000

BUDGET REVISION

POST DATE:

DEPT NO.	DOC TYPE	Total \$ Amount	TOTAL LINES
14	BR	\$ 120,000	2

Cash Transfer Required

Reserve Cancellation Required

Establish Reserve Required

Auditor-Controller

County Executive

Board of Supervisors

ESTIMATED REVENUE ADJUSTMENT

DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
14	006				530730	60700	7182			\$ 60,000
TOTAL										\$ 60,000

APPROPRIATION ADJUSTMENT

DEPT NO.	T/C	Rev	Fund	Sub Fund	OCA	PCA	OBJ 3	PROJ.	PROJ. DTL	AMOUNT
14	014				530730	60700	4451			\$ 60,000
TOTAL										\$ 60,000

REASON FOR REVISION: 10 DOCUMENT SCANNERS TO BE ADDED TO THE MASTER FIXED ASSET LIST AT PRICE NOT TO EXCEED \$6,000 EACH FOR A TOTAL NOT TO EXCEED \$60,000.

Prepared by Brian Rupprecht Ext 7693

Department Head _____

Board of Supervisors _____

Date: 2/24/10

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Budget Revision # _____ FOR INDIVIDUAL DEPT USE

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