

**COUNTY OF SACRAMENTO
CALIFORNIA**

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For the Agenda of:
June 17, 2009

To: Board of Supervisors

From: Department of Health and Human Services

Subject: Report Back On Funding Budgeted For The Electronic Medical Record Project In Fiscal Year 2009-10 And Federal Stimulus Grant Funding Requirements

Contact: Ann Edwards-Buckley, Acting Director, Health and Human Services, 875-2002

BACKGROUND

During the June 15 2009 Budget Hearing, the Department of Health and Human Services, (DHHS) was requested to report back on the \$500,000 currently included in the proposed Fiscal Year 2009-10 budget to fund the County Clinics' Electronic Medical Record (EMR) project. Also requested was the question: Is the \$500,000 needed for matching funds for a Federal Stimulus grant for which the department applied to partially fund the EMR project?

DISCUSSION

The Department's Primary Health Services Division began implementation of an Electronic Medical Record (EMR) system in Fiscal Year 2008-09. To date, the funds budgeted for the EMR project have been County General Funds.

On June 2, 2009, the DHHS applied for a two-year "Capital Improvement Project Grant" for \$854,395 available from July 1, 2009 – June 30, 2011, to be applied towards completion of the EMR project. If approved, the funds will enable the County to accelerate the launching, implementation and completion of the project. The Capital Improvement Project Grant does not require a match for the \$854,395.

The total cost to complete the EMR project is \$1,887,861. The department had originally conceived completing the project over the next four fiscal years – \$500,000 for three years with the remaining balance in the last year. The grant would allow the department to accelerate the process as well as save \$854,395 of costs. Coupled with the \$500,000 budgeted for the next two years, the project could conceivably be completed in the next two fiscal years, which is the timeframe included in the department's grant application. The department would absorb the balance of \$33,466 over the next two fiscal years.

Not completing the project within the grant's timeframe indicated in the Capital Improvement Project grant application, could place the grant proposal in jeopardy.

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Respectfully submitted,

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