



CITY OF HAMILTON
COMMUNITY AND EMERGENCY SERVICES DEPARTMENT
Hamilton Paramedic Service

TO:	Chair and Members Emergency & Community Services Committee
COMMITTEE DATE:	June 9, 2014
SUBJECT/REPORT NO:	Electronic Ambulance Call Reporting System for Emergency Medical Services Standardization/Agreement Approval (CES14016) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Ben Roth 905-546-2424 Ext. 7743
SUBMITTED BY:	Joe-Anne Priel General Manager Community and Emergency Services Department
SIGNATURE:	

RECOMMENDATIONS

- (a) That the Interdev Technologies Inc. (Interdev) “iMEDIC” Electronic Ambulance Call Reporting System program (iMEDIC), be designated a “Standard” system pursuant to Procurement Policy #14 – Standardization, with this designation being subject to review at the end of term of any new agreement; and,
- (b) That the General Manager of Community and Emergency Services be authorized and directed to negotiate a single-source agreement, in a form satisfactory to the City Solicitor, with Interdev Technologies Inc. for continued provision of the iMEDIC program and associated products, support and professional services to meet the needs of the Hamilton Paramedic Service for a three-year term – 2014 to 2016. The cost of the three-year agreement shall not exceed a cumulative total of \$340,000.00 plus HST, to be funded from the Paramedic Service annual operating budget.

EXECUTIVE SUMMARY

Call reporting is a legislated requirement under Ontario Regulation 257/00. Electronic call reporting conforms to legislated requirements while concurrently facilitating data collection to be used in trends analysis and process improvement. iMEDIC, the Interdev trade name for the program, is a proprietary, specialized electronic medical record software application used by the Hamilton Paramedic Service (HPS) and most other Ontario services which use electronic call reporting. iMEDIC was obtained from Interdev in 2009 through a competitive process (RFP C3-02-09), with the resulting contract being in force through December, 2014.

Incremental enhancements to iMEDIC capabilities over time have resulted in known and planned-for increases for software support, data hosting and similar service costs which HPS staff considered to be “Maintenance fees for systems previously acquired”, and exempt transactions in accordance with Schedule B of the Procurement Bylaw. A subsequent review by Procurement staff however determined that as the Interdev contract specifically includes software support and similar services, Schedule B does not apply.

Although all costs through to the end of 2013 have been paid in the appropriate budget year and there are no outstanding payments due from past years, a Policy 19 submission was completed to report these payments as having been made based on an incorrect interpretation of the Procurement Policy. As Interdev support costs have been determined not to be Schedule B exempt, and as the contract in force makes no provision for payment for the scope of services presently being provided, amendment to the contract framework is necessary. It is proposed that the final year of the current contract be replaced by the first year of a new contract arrangement.

The vendor has proposed a new contract framework for consideration, with a pricing structure identical to that included in a four-year contract between Interdev and the Municipality of Chatham-Kent, signed in July 2013 following a competitive procurement process. As Information Technology (IT) systems are complex, it is customary for contracts to extend over several years, and multi-year renewal of this contract is recommended.

iMEDIC, like most IT systems or applications is not a “static” system – its capabilities are constantly being enhanced; but only those capabilities that exist at the time a contract is finalized can be included in a multi-year arrangement. To facilitate product support and the potential integration of future capability enhancements, it is also recommended that iMEDIC be designated a “Standard” system pursuant to Procurement Policy #14 for the duration of the contract term. This designation will enable any required changes, modifications or enhancements to maintenance and support arrangements to be made within the scope of the established contract, subject to established budget allocations. Acquisition of new modules or new or additional licenses will require separate approval pursuant to Procurement Policy.

Alternatives for Consideration – See Page 7

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Direct payments to Interdev to date have been as follows. Minor charges (less than \$3,000 annually) for miscellaneous services not related to the iMEDIC application are excluded:

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Year	Amount	Funding Source	Description	Authority for Payment
2009	\$33,300	Project funds CAP-7640951101	Licence fees	Per contract
2010	\$30,000	Project funds CAP-7640951101	Setup, Software install, Software licensing, misc.	Per contract
	\$40,000	Project funds CAP-7640951101	Initial training	Per contract
2011	\$14,664	Operating budget - Note 1	Software support and upgrades	Per contract
2012	\$8,250	Operating budget	Software support and upgrades	Per contract
	\$21,000	Operating budget	Platinum Support annual fee - Note 2	Schedule B/Policy 19
2013	\$72,000	Operating budget	Platinum support, upgrades, system hosting, web portal, analytics - Note 3	Schedule B/Policy 19
	\$4,000	Project funds CAP-7641251101	QlicView EMS Application – Note 4	Schedule B/Policy 19
	\$36,800	Project funds CAP-7641251101	CADLink software acquisition and installation	Policy 11
	\$42,000	Project funds CAP-7641251101	Software migration/installation on new computers	Policy 11
	\$17,935	Operating budget	Installation/configuration/ licensing of product on 5 new workstations - Note 5	Schedule B/Policy 19

Note 1: It is not clear why, starting in 2011, support costs began to be charged to the Division operating budget rather to the project funding committed to the contract. Of the \$179,015 in project funding committed to the contract, a total of \$103,300 was expended in 2009/2010 as indicated above, with the remaining unexpended \$75,715 having been de-committed and returned to the project budget line as available funds.

Notes 2/3: Starting late in 2012 (exact date is not known) Interdev assumed responsibility from the City for “hosting” the application and data, as well as providing full laptop management (Platinum support) and access to specialized services. This resulted in an increase in support costs which were considered to be “Maintenance fees for systems previously acquired”, and exempt transactions in accordance with Schedule B of the Procurement Bylaw. This misinterpretation has since been reported in a Policy 19 submission.

Notes 4/5: The QlicView application and installation/licensing of the application for five new computers were incorrectly considered to be Schedule B exempt transactions. This misinterpretation has since been reported in Policy 19 submissions.

Only direct costs associated with acquisition of the application and its support are shown. Indirect costs, including ongoing refresher training, troubleshooting monitoring and resolution, report generation etc. have not been captured in this summary.

In the interest of confidentiality, it would be inappropriate to state the detailed costs proposed by the vendor for continuation of the contract arrangement. The services and proposed cost structure are however identical to those included in a recent contract with another Ontario municipality at the conclusion of an open competitive solicitation process.

Staffing: There are no staffing implications associated with Report CES14016.

Legal: Any new agreement with Interdev will be in a form satisfactory to the City Solicitor.

HISTORICAL BACKGROUND

Faced with ever-increasing call volume and a need for automated record keeping and data management support, the Hamilton Paramedic Service (HPS) allocated funding through project CAP-7640951101 for a Request for Proposals (RFP) for an “Electronic Ambulance Call Reporting (eACR) Solution” to be issued in 2009. The successful proponent, Interdev, was awarded Contract C3-02-09 to “supply, install and configure a fully functional solution for eACR mobile and fixed workstation data entry, database design and implementation and reporting, and be able to support future CAD integration and future hospital integration”. Cost of the eACR solution contract was \$145,715 plus \$33,300.00 for licenses and additional charges as applicable for minor ancillary services such as training and data downloads outside the scope of the contract arrangement. The contract is for a five-year period, ending in December 2014.

In 2012, Policy #11 approval was obtained and funding allocated through project CAP-764125110 for supplementary enhanced software and services to be provided on a “Single/Sole Source” basis, as iMEDIC and the associated enhancements are proprietary to Interdev. This included the one-for-one replacement of ruggedized computers, the transfer and installation of licenses and software from old to new computers, and the acquisition and integration of proprietary CadLink mapping software, and some other minor enhancements.

Although the RFP required the iMEDIC application and associated data to reside on (be “hosted” by) City servers, this proved to be unworkable, as routine data transmission errors required complex time-consuming and collaborative trouble-shooting involving both Interdev and City IT staff, with neither being fully accountable for problem resolution. Accordingly, in 2012, HPS staff arranged for Interdev to assume all

responsibility for hosting the application and associated data, while also providing enhanced support including full laptop management (Platinum support) and access to specialized services including Paramedic Web Portal and iMEDIC Analytics. Virtually all services which use iMEDIC employ a fully-hosted solution.

Support costs for this enhanced capability increased proportionately, with the assumption made at the time that these costs could be paid under the overarching contract agreement. As noted, this was incorrect and has been reported in accordance with Policy # 19.

All costs through to the end of 2013 have been paid in the appropriate budget year and there are no outstanding payments due from past years, but as iMEDIC support costs have been determined not to be Schedule B exempt, and as the contract in force makes no provision for payment for the scope of services presently being provided, amendment to the contract framework is necessary to pay costs incurred for the services currently being provided.

iMEDIC was initially obtained through a competitive solicitation process, and significant investment has been made over past years in software, hardware, procedures development and training. While at least two other vendors offer a similar product, most Ontario services have found iMEDIC to be superior both in terms of capability and cost, and it has been selected in preference to other systems. For example, the 2013 Report to Council on the Chatham-Kent Electronic Patient Care Software RFP process undertaken by that municipality stated, *“The final combined results for both the evaluation and pricing scores placed Interdev Technologies Inc. [iMEDIC] first. Interdev Technologies also had the lowest price submission for the proposed software solution. The recommended software is used extensively in southwestern Ontario by the Southwest Ontario Region Base Hospital Program for clinical and quality assurance reviews...”*

Interdev has proposed a new contract framework for consideration, with services to be provided and the associated pricing structure being identical to that included in a four-year contract between Interdev and the Municipality of Chatham-Kent, signed in July 2013 following a competitive procurement process. This contract provides a concrete current example of the superiority of the iMEDIC product compared to the products and prices of other vendors as confirmed by comparison in open competition.

In order to benefit over the longer term from the investment in this IT infrastructure, it's recommended that a multi-year term (minimum 3 years: 2014 – 2017) be selected for this contract. This will enable the HPS to leverage its existing investment in the product, engage in ongoing continuous improvement, and benefit from the analysis of multiple years of data collected on a common system using a known process.

The advantages of designating iMEDIC as a “Standard” system include continuity of a proven capability, facilitation of ongoing and future integration with other systems, and the ability to leverage the significant investment already made in software, hardware, procedures development and training. Staff will continue to monitor developments and best-practices in the Electronic Patient Care Record field to ensure that the in-service product provides best overall value. Should a superior product be found, a competitive process to replace the in-service product will be initiated well before the end of the contract term.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Call reporting is a legislated requirement under Ontario Regulation 257/00. The current contract with Interdev does not cover the range and scope of services being provided, as it has been determined that these services cannot be considered to be “Maintenance fees for systems previously acquired” and exempt transactions under Schedule B of the Procurement Bylaw. Negotiation of a single-source agreement with the vendor, in a form satisfactory to the City Solicitor, for continued provision of the iMEDIC program and associated products, support and professional services to meet the needs of the Hamilton Paramedic Service for a multi-year period is required.

This report recommends that the “iMEDIC” Electronic Ambulance Call Reporting System program (iMEDIC), be designated a “Standard” system pursuant to Procurement Policy #14 – Standardization.

RELEVANT CONSULTATION

Corporate Services, Financial Services Division, Procurement Section – Consultation with Procurement staff regarding background, and the interpretation and application of Procurement policy.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

A new contract structure for the provision of iMEDIC services is needed, as the present contract arrangement does not cover the full scope of services required and is due to expire within the current year.

The advantages of designating iMEDIC as a “Standard” system include continuity of a proven capability, facilitation of ongoing and future integration with other systems and the ability to leverage the significant investment already made in software, hardware, procedures development and training. Such a designation would also limit the potential for confusion as to whether system changes are “new modules” or “maintenance fees for software and computer hardware for information systems previously acquired.”

While two other vendors offer electronic medical record systems for ambulance services in Ontario, the Hamilton Paramedic Service and the majority of Ontario services have found iMEDIC to be superior, and selected it through open competition in preference to other systems. The Chatham-Kent example as well as competitive solicitations in Grey County/Bruce County (2012), Guelph-Wellington (2011), Essex-Windsor (2011) et al indicate that costs for the iMEDIC system and ancillary services are competitive. Conversion to an alternative system would forego the investment already made in iMEDIC and incur costs for new training, development of operational procedures and integration with other systems.

ALTERNATIVES FOR CONSIDERATION

The alternative to the recommended approach is to conduct a new competitive process for the Electronic Ambulance Call Reporting System.

Pros:

The advantage to this approach is that it would confirm that the selected vendor is indeed offering an acceptable product at the best price, with no difference in staffing or legal considerations.

Cons:

There are currently only three vendors offering a suitable system within the Ontario market. This is a specialized service with limited competition. The current vendor, Interdev has been selected in preference to other systems in the recent competitions listed above. (Of the 50 ambulance services in Ontario which use an electronic medical care record, 80% (40 services) use the Interdev iMEDIC product.) Further, a shift to a different system will necessitate additional training and process management, and result in the loss of the capability to easily analyse multiple years of data collected on a common system using a known process.

Financial: Selection of a different system would incur additional costs for development and evaluation of an RFP, complete staff retraining as the alternative systems operate differently, system integration, licensing and the preparation of procedural documentation. The training cost alone, based on a minimum of four hours per paramedic, would likely exceed \$60,000.00, or about 35% of the initial acquisition cost of the iMEDIC system.

Staff: There would be no staffing implications associated with this alternative in Report CES14016.

Legal: There are no legal implications associated with this alternative in Report CES14016.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

Strategic Priority #3

Leadership & Governance

WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.

Strategic Objective

3.4 Enhance opportunities for administrative and operational efficiencies.

APPENDICES AND SCHEDULES ATTACHED

None