A. Context for this Document

There are many that would argue that the work to secure a health information technology (HIT) vendor is the first step in the implementation of any kind of HIT in the practice. Fair enough. However, the perspective of this paper is that it is the last preparatory step because one can turn back up to the moment of contract signature with little or no disruption to the practice.

The reader will find a number of points in this document where it refers to the preparatory tasks elaborated in the Getting Ready Part 1 document, “Deciding on What HIT/EHRs Must Do for Your Practice.” It is not essential that that earlier material be understood or completed for this material to be of value. This material will prove to be quite informative and valuable to any practice that feels that (1) it already knows what it is looking for in an EHR, and (2) is ready to go into the market and select a vendor product.

One final point: This material is based on a time-tested procurement process used to secure a variety of HIT technologies and services. It can be used to secure a combined Patient Management (PM) - Electronic Medical Record (EMR) system, a separate EMR system, or a package of linked point solutions.

To simplify references, we will be referring to HIT as the term for the general market of all IT technologies that are available to a physician practice.

It is acknowledged that some practices may start with very modest HIT goals, such as implementing an e-Prescribing product, or using a Patient Registry. Purchasing limited-scope HIT/EHR products such as those will not require the procurement process complexities that are described in this paper. The objective of this paper is to help a practice procure more complex HIT offerings such as an EMR.

Finally, many practices are seeking these HIT solutions in response of the federal EHR Incentives, it is recognized that not all interested practices will be eligible for the federal incentives. These latter practices should find these time-tested procurement processes equally applicable to their HIT initiatives as well.

B. Nature of the Request Document

There are a variety of vendor solicitation documents that exist in the procurement world. The most typical are described in the following table.
The information contained in this publication is furnished for informational purposes and should not be construed or relied upon as legal advice.

<table>
<thead>
<tr>
<th>Procurement Document</th>
<th>Characteristic or Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Request for Proposal RFP</td>
<td>The practice describes its general needs or the problem for which it is asking the vendor to propose a solution. Generally, there is very little functionality requirements elaborated in this. It is common to have significant negotiations with RFPs, resulting in a Best and Final Offer. Winning proposals are usually incorporated into the actual contract with the vendor.</td>
</tr>
<tr>
<td>Request for Information RFI</td>
<td>The practice would use this method to inquire of a wide range of potential vendors and inform them of what is being sought. Requirements are generally more specifically described in this document. The intent is to ascertain which (or if any) vendors would be capable of providing the services or products needed by the practice. This is often used for R&amp;D grade projects. Vendor prices submitted in their responses do not have to be competitive and are often list prices to provide an outside estimate to use for planning by the requestor.</td>
</tr>
<tr>
<td>Request for Quotation RFQ</td>
<td>The practice would use this document to request competitive prices or rates for easily defined or commonly understood products in the market. Usually, the quoted prices are final.</td>
</tr>
<tr>
<td>Request for Bid RFB</td>
<td>This document would be used by a practice that can describe its needs or requirements in considerable detail. This document can also be used, even in the same RFB, to secure products or services for which the practice desires bidder proposals. The prices submitted with these bids are expected to be competitive. Winning bids are usually incorporated into the actual contract with the vendor.</td>
</tr>
</tbody>
</table>

As will be seen later, we are recommending that the RFB process be used. This is because, for some parts of the request, the practice will have considerable detail on what it is seeking and can present it as a requirement. Yet, there are also a number of services that will likely be requested from the bidders that require that the bidder explain HOW those services will be delivered. The provision of that ‘how’ information will provide the practice with very valuable insight on the relative experience and capability of the bidder (and any of the subcontractors that may be part of the bid). As will be shown, that additional information frequently provides the practice with information that facilitates making the final choice from among the bidders.

C. Content of the Request Document (the RFB)

The following list constitutes the typical sections of a RFB.

1. Purpose and Overview of the Bid
2. Administrative Details
3. Statement of Scope and Requirements
4. Bidder Response Additional Expectations
5. Guidelines for Bid Preparation
7. Special Terms & Conditions

RFB Section 1 - Purpose and Overview of the Bid

This section provides the bidders with a high level understanding of what the practice hopes to accomplish with the products and services that are being requested. This section can also be used to describe the business drivers that have led to the creation of the project and the bid. It should also provide an explanation of the larger context for the project,
as well as the changes or longer ranged goals for the practice for which the project is to be an enabling event.

This is also a good place for the practice to describe the nature and philosophy of the practice.

This kind of information will enable the bidder to structure their solution and their implementation strategy in a manner that will best harmonize with both the character and the needs of the practice.

Finally, this section should be used to summarize the products and services that are being sought within the bid. This would be a high-level description. For instance, if the practice wishes to outsource coding and claims to a clearing house service, this is the place to point that out.

This is also a good place to clarify what are the acceptable solution architecture(s) that the bidders can propose. By this, we are referring to whether the practice chose during its planning activities (discussed in our companion document, “Getting Ready - Part 1”) to pursue:

- a locally-hosted solution (at the practice), or
- a portal-based package of “point” solutions, or
- an application service provider ASP/SaaS who will provide an integrated solution accessible by the internet.

RFB Section 2 - Administrative Details

This section provides summary information on the practice. For instance, the following information would be provided:

- The name of the practice and the location(s) where its services are provided
- Description of the practice as a legal entity, whether it is owned in part or whole by other entities or parties
- Names of the individual(s) who can legally bind the practice
- The nature of the specialty/services that the practice provides
- Information on the size of the practice
  - Number of medical/clinical staff (including mid levels)
  - Number of clerical/supportive staff
  - Number of patients in active panel
  - Listing of major payers and % of billings
  - Average number of patients seen in a day per practitioner
    - Average high and low daily ranges of volume of patients seen
- External locations where practice care is delivered
  - Patient homes, rehabilitation centers, assisted living centers, nursing homes, etc.
  - Rounds at acute care hospitals
RFB Section 3 - Statement of Scope and Requirements

This is one of the most important sections in the RFB, as this is one of the sections in which the practice informs potential bidders of what it expects to accomplish from the bidder in terms of products and services that it will deliver to satisfy those expectations.

A. Scope Statement

The purpose of the scope statement is to provide a bidder with an understanding of the overall purpose for this procurement. This is also the section in which the practice can lay out its views on the essential components that must be part of a sufficient bid. Similarly, the practice describes its vision and how the winning vendor’s services are expected to further it. If the reader followed the processes in Part 1, the results from the Visioning and the Business Objectives are essentially transferred to this section of the RFB.

One of the values of this kind of broad description is that it will enable the bidder to consider its entire range of capabilities, and be able to describe them in ways that may help the practice envision broader values from this investment than have been considered to date. There should always be an opportunity for a bidder to exceed the expectations of the practice.

The scope statement is also a good place to present the preferred project approach. This is where the practice presents its views on whether it is open to a “big bang” approach to implementation of the overall solution, or whether it prefers an incremental implementation approach.

This is also the area where the practice describes the current goals of the practice and mentions any related initiatives to which the bidder’s solution is expected to positively contribute. This information can be used to explain any preliminary notions that the practice may have regarding desirable implementation sequencing of features within a complex solution such as an EMR. The bidder should be asked to consider this information as part of its implementation strategy recommendations in Section 4J.

B. Requirements

This is the section in the RFB where the practice lays out the things that are mandatory for a bid to be considered. Any failure by the bidder to comply with any item in this section is risking a preemptory rejection of its bid. As a result, it is important that the items that are listed in this section be as specific as possible. This allows the bidder to decide if its products and services align sufficiently to invest the time and money to prepare a bid. If the reader followed the processes in Getting Ready - Part 1, the results from the Functional Analysis would be transferred to this section. The Preferred Technical Architecture analysis results would also presented in this section.

1. General

This section begins with any general expectations that are mandatory. For instance, any practice that expects to be eligible for the federal EHR Incentive, and wishes to achieve the terms of Meaningful Use, should clearly state that it will only consider vendors whose products have been certified as meeting the final published criteria for Stage 1.

2. Functionality & Features

This is the section in which the practice delineates the things that the product is expected to do, in terms of practice administrative, financial, and clinical activities. As this is usually the most extensive part of the bid, it is important to present these
requirements in an organized and easy to comprehend manner. The objective for the practice, with this information, is to help the bidder truly understand what the practice expects from the bidder’s products and services. This is an essential step/tool in avoiding later disappointment by practice staff.

Like the earlier Functional Assessment process, the delineation of the functionality should reflect a logical progression of the process or events that make up patient care. This will assure that the final listing of functionality is complete and covers the entire range of practice objectives. It will also increase the probability that the vendor will readily understand what is being required.

If the purpose of the RFB is to get an integrated practice product that includes Practice Management (PM) functions, the functional requirements need to include all the primary “back office” business and financial functions that the PM product is to handle.

It is also important that the requirements are equally described. Generally, it is a good idea to use multi-variable tables to present this information. This approach generally guarantees that the bidders do not miss some of the requirements.

The second value of multi-variable tables is that they can be used to help the bidders provide clearer response to the requirements. An illustration of this kind of table is presented below.

<table>
<thead>
<tr>
<th>Ref</th>
<th>Requirement</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-1</td>
<td>Provides patient self-service methods to update its demographic and financial data at check-in</td>
<td>☑ Conforms ☐ Scheduled ☐ Does Not</td>
</tr>
<tr>
<td></td>
<td>Vendor feature that is available at no cost.</td>
<td>☑ Conforms ☐ Scheduled ☐ Does Not</td>
</tr>
</tbody>
</table>

Staff can select a print out of the patient information to be corroborated/corrected by the patient while in the waiting room.

Our product Fancy Notes, includes an internet accessible patient portal. Patients can access it from home and can update their records anytime, including before their next office visit.

Patient Encounter Functional Requirements

| E-1 | Can print out the history, with graphics, of lab test result values for any result for use during patient encounter | ☐ Conforms ☑ Scheduled ☐ Does Not |
|     | This feature is now on the prioritized development list for release on 12/2010 |

To make it easier for the bidders to use this format, the detailed requirements table should be provided as an Attachment A to the RFB. This section should simply refer the bidder to it. As we will see later, this table will come in handy in simplifying the task of scoring and comparing vendor bids.
3. Usability Requirements

This section would cite high-level capabilities that would be expected for all areas of the product. The following list touches on some of the more prevalently-desired usability characteristics.

- Universally-available report and letter templates that reflect the mark or graphics of the practice which can be invoked in any area of the product
- Support of various methods of data entry
  - Keyboard
  - Mouse or screen pointer selection of data
  - Speech and pattern recognition
  - Hand writing/character recognition
- Automatic code translation of data for patient-use documents
- Automatic data loading of national standards-based data that is electronically received
- Includes a workflow engine that can route, any communication, document, or transaction generated internally or externally

4. General Process Support Features

- Consolidated work/task lists with aging control
- Work routing engines and workflow controls
- Chart analysis/deficiency management
- Coding/Abstracting
- Release of information controls
- Disclosure management
- Forms management

5. Systems Management Features

- User administration
- Access privilege controls
- Logging capabilities
- Auditing capabilities
- Digital signature capabilities
- Archiving facilities
- Support for back-up/recovery

6. Security & Privacy (HIPAA) standards compliance relative to:

- Roles-based definition of user access
- Encryption or security of such external communications as email with other providers and patients
• Data base encryption
• Data de-identification
• Record access reporting for patients

7. Performance & Availability Requirements
• Maximum acceptable elapsed time between data entry and screen response, or next screen ready
• Reporting or query processing at any time of the day without system degradation
• 24/7 availability for physician anywhere via web access using a PC or PDA

8. Technology Integration Requirements
• Inbound and outbound fax gateway option for all document exchanges and transactions with imbedded directory service
• Practice email ISP system is integrated with workflow control and communications facilities of the vendor product
• Can integrate with and handle existing data exchanges with Disease and Patient Registries, and PQRI reporting hubs (these should be specified)
• E-Prescribing activity with PBM is done within the vendor’s product
• Clinical/computerized decision support tools are fully integrated into the vendor’s products
• Can electronically exchange (2-way) information with major commercial patient portals, such as Microsoft’s HealthVault, and Googlehealth.
• Has the ability to exchange (2-way) data with the Michigan Care Improvement Registry
• Has the ability to exchange (2-way) eligibility and coverage information with such major players as BCBSM (web-Denis), Medicare, Medicaid (CHAMPS), United Health, etc, using CORE or other national standards (these should be specified)
• File electronic claims with such major payers as BCBSM (web-Denis), Medicare (1500), Medicaid (CHAMPS), etc (these should be specified)
• If an existing Patient Management System (locally, or through a remote clearinghouse service) is in place and will stay so, the EMR product must fully integrate with the PMS relative to: (1) patient scheduling, (2) billing and claims, and (3) eligibility determination and care authorization
• Electronic data recording from on-premises patient-testing devices
• Integrates with local or regional HIEs and product exports CCD (or other national standard) encounter summaries, and can retrieve available patient information via record locator services

9. Accountability Requirements
The bidders must be told that they are expected to designate a single individual who will be available to the practice and accountable for all bidder tasks. That accountability must also include overseeing the work of any subcontractors.

The bidders should also be told that all work that must be performed by ANY party,
in the course of installing and implementing the bid products and services, must be planned and scheduled via a published project schedule. Such a schedule will clearly indicate the party responsible for individual activities/tasks on that schedule. Further, that schedule must be updated when project events require schedule adjustments.

10. Sample of Bidders/Vendor’s Warranty(ies) & Terms & Conditions (Ts&Cs)

The bidder should be told to provide a copy of the terms of the warranties that will apply to the bid products and services. In the same fashion, the bidder should be told to provide their Ts&Cs that will apply to their bid products and services.

RFB Section 4 - Bidder Response to Additional Expectations

This section of the RFB document is used to present additional concerns or expectations of the practice. Generally, these items are less specific, and call for the bidder to elaborate on the approach and methods that will be used to meet these expectations.

A. Vendor Competitive Provisions

The definition of what are needed HIT/EHR features and capabilities for physician practices, and how all of these technologies are going to integrate or exchange information is a very dynamic matter right now. And it will remain that way for the foreseeable future. For that reason, a practice wants to select a vendor that is adaptive and in the market for the long haul. The best evidence of that is the trend and extent of R&D investment by the company. The bidder should be asked to describe their current R&D investment and their strategic partnerships. They should also describe their current product enhancement plans.

B. Status of Federal ONC Certification

Even if the requester does not intend to seek the CMS EHR Incentive, this question has great value. If a vendor’s product has been certified, then a minimum level of functionality has been validated by an external party. The bidder should describe any certification from or certification application before the CCHIT.

C. Product(s) Technology Base & Practice Hardware Platform Required

The vendor should be asked to describe its database, server architecture, operating system, and networking base upon which their products are built. If the intent is to locally host the products at the practice, the bidders should also be asked to specify the level of all processing devices (servers), networking devices (and WAN service providers), user devices, and such output devices as printers and the like. The bidders should be told to assume that the practice has no HIT devices, and to provide a complete hardware listing required to operate their products at the practice site with the staffing levels and patient loads that were described in Section 2 of the RFB.

D. Installation Services

For practices that already have an IT services firm handling the maintenance of their current HIT devices, it is suggested that they ask their bidders to describe the necessary installation tasks to bring the bidder’s products on-line and ready to begin the development and implementation process. The bidder’s description should be expected to clarify which tasks will be handled by the bidder’s staff, and which the bidder will expect the practice’s IT services firm to handle.
E. Build & Training Platform

The bidder should be asked to describe what methods, or alternate platforms will be available to be used during build experiments or user training so that the pre-production system will not be inadvertently compromised with faulty build items or bogus data from training exercises.

F. Data Acquisition & Loading Services & Approach

The bidder should be asked to describe all of the classes of data that will be required to be entered into their product(s) for the solution to operate satisfactorily and fulfill the earlier requirements. The bidder should be asked to address both patient information (demographic, financial, and clinical) and configuration data.

The bidders should also be asked to provide recommendations as to the methods used for the following tasks that have proven to be the most successful and least burdensome for their clients.

- Data capture
  - Patient data from paper charts
  - Extraction and conversion from pre-existing PMs, registries, or other automated practice sources
  - Claims histories from payers
- Data cleansing
- Data Loading and validation

G. User Training

The bidders should be asked to describe the training approaches that they normally use. They should also be asked to describe any departures that they are suggesting to respond to the overall implementation program that was presented in the Scope Section (#3).

The bidders should be encouraged to provide samples of their training related materials (manuals, user aids, etc.) that reflect the training program that they suggested above. Bidders should also be encouraged to provide a URL to their web site that would provide samples of this kind of deliverable.

Bidders should also be asked to estimate the hours of training that a typical user will need to absorb the instruction material. Such estimates should be provided on a training module basis – not the overall program.

H. Interface(s) Implementation Approach

The bidders should be asked to describe the methods that they use to install, implement, and validate external interfaces. The bidders should also clearly describe any tasking that they expect the practice to perform, or tasking for which the bidder expects the practice to arrange external resources.

The RFB should include a listing of the required electronic interfaces in Attachment B. To assist the bidders in costing the configuration or development of these interfaces, the following information should be provided:

- Interface name
- Name of external entity that needs to be linked
• Location of the external entity’s access point
• Technical description of the interface technology used and made available by the external entity, including product vendor name if possible
• Clarification if the interface is uni or bi-directional

I. Configurable Features of the Product(s)

The bidders should be asked to describe those elements or features of the product(s) that most clients choose to configure or customize. Regardless of the number of ready-to-use components that are available, it is important to expect the bidder to address this matter. Many vendors will claim, with accuracy, that nearly every aspect of their product can be customized. What the practice needs to know is which features are usually configured and/or customized by their clients. This information will give the practice an early indication of the level of effort that will be invested to make the vendor product truly useful.

J. Recommended Implementation Strategies

The bidders should be asked to provide initial suggestions on how they foresee the “phasing” of the implementation project. They should be told that the practice is especially interested to understand the bidders views on the optimum approach to achieve the goals and prioritizations described in the Overview Section and Scope Sections of the RFB.

K. Go-Live Support

The bidders should be asked to describe the services they offer to have their experts on site during the go-live to quickly address user problems. They should also be asked for their general guidance for how long to expect this period to last. The bidders should be reminded to consider the phasing strategy that was described in the Overview and Scope Sections.

It is important to inform the bidders that the practice considers it an important factor that the bidder staff, which helped the practice with its build phase, be the individuals who will be on site. Finally, the bidders should be reminded that the practice will make the final selection of the vendor staff who will work on site.

L. Bidder Help Desk/ User Support Service

The bidders should be asked to describe the program they have in place to help their customers to get prompt help with problems that will arise during live system use. There should be a single number to call to reach their help desk, though some vendors require that the request be placed into a web site for scheduling and triage. The help desk should be a 1st level service and should be able to respond to either user confusion or some kind of system failure. The bidders should explain the hours of operation of their help desk, and how off-hour services are handled.

The bidders should be asked to provide information on the service levels that they guarantee with these services. The bidders should describe how they triage defect calls, and how they handle getting back to the caller.

The bidders should also be asked to describe when and how the implementation staff will transition the handling of support calls from them to the Help Desk.

M. User Community Program

The bidders should be asked to describe their ongoing communications and education
program for their customers. What is sought here is to determine if the vendor provides encouragement and/or facilitates communications between their customers on the use of their product. The usual method is the annual users’ conference. But increasingly, the vendors are encouraging list servers and groupware systems that allow users to engage in subject-based discussion groups, etc. It is not uncommon to find such user groups have come to life on their own. In any event, it is important to see if there are such groups or services.

N. Maintenance Services & VARs

Most HIT vendors (especially within the practice EMR segment) are establishing networks of value added re-sellers (VARs) who can be contracted to provide support services. It is important to ask the bidder to list the currently-available VARs who are within a reasonably short drive from the practice location(s). The bidders should be asked to differentiate between the maintenance services provided by their VAR, and the maintenance services that they have reserved for themselves.

If the practice has not needed general information technology (IT) support services up to this time, one of the bidder’s VARs may be a very good source to receive both general IT services and bidder product maintenance and support services.

The bidder should be asked if their product is capable of being remotely system monitored for pro-active maintenance services.

It is also important to ask the bidder to describe the different level of maintenance services (their costs will vary accordingly, and should be clarified in the Cost Model presented in Section 5B of the RFP instructions).

O. Product Upgrade & Fix Program

The bidders should be asked to describe how they handle upgrades to their software products. It is important to ask the bidders to describe how this process has actually been handled over the past 18-24 months. The bidder should be asked to identify the upgrades that have been released in that past window. They should also be asked to list the software fixes (and dates) that were released between the last 2 upgrades. Finally, the bidders should be asked to advise if this past schedule will be repeated going forward, or whether the next several years will likely involve a more or less frequent occurrence of these events.

The bidders should be asked if the maintenance service of their VARs includes the application of these upgrades/fixes.

The bidders should also be asked to describe how a full upgrade effort will affect system availability, and what measures are available to validate the success of the upgrade before it goes into use by the practice staff.

P. Disruption Management Provisions

The bidders should be asked to describe any provisions within their bid products or services that enable a practice to continue to use their solution, in whole or part, or in some form of off-line mode, when a system outage is occurring.

Q. Project Management Services

The bidder should be asked to generally describe the processes it will use to oversee and guide the progress of the implementation of the products and services that are ultimately chosen by the practice.
R. Additional Matters for ASP/SaaS RFBs

If the practice is seeking bids for an ASP/SaaS service, there are a number of additional technical matters/questions that bidders should be required to address in their bid.

- What technologies are used for pro-active systems administration and monitoring?
- What are the provisions for platform automatic loss fail-over that insulates customers from some kinds of outages?
- What are the provisions for customer database back-ups and off-site data storage?
- Are there required periods of maintenance that involve taking the system off-line? If yes, what will be the frequency and size of such outages? What day and time are they usually scheduled?
- Are there disaster recovery services in place for the platform should a physical disaster strike the processing facility?
- What are the provisions for application software upgrade readiness validations by the customers? How long of a customer outage took place with the last upgrade to the software products in this bid?

S. Bidder References

The bidders must be told to provide at least five customer references that can be contacted as part of the bid evaluation process. These references must be active users of the bid product(s). These references should have been using the products for at least nine months. The bidders should describe their references in terms of how they compare to the practice in terms of:

- Practice size
  - Patient volume
  - Numbers of medical and mid level staff
- The nature of the specialty(ties) of the customer

The bidders should be told that it is highly desirable to provide at least one reference that is practicing in the state of Michigan.

The bidders should also be asked to provide a current customer count for the products and services they are bidding. They should also provide the date when their bid product was originally released for general commercial availability.

T. Optional Services

Bidder information on optional services is a way to get estimates along the lines of an RFI. In most cases, this kind of request is included to get a sense of the bidder’s capabilities that would go beyond those of a typical vendor in the market. It makes it clear to bidders that their inability to provide these services will not significantly impair their ability to compete and win the overall bid. The Cost Model provides a separate pricing area for these items that shows that they are not factored into the evaluation points.

1. Process Adaptation Engineer – It should be pointed out that, from the Overview Section of the RFB, all bidders should be aware of the current goals of the practice and some of the changes it hopes to achieve with this project. Further, it is the understanding of the practice that the inherent design of the bidder’s products will
place demands on the practice to change some of its current processes. For these reasons, the bidders should be told that the practice desires that bidders propose resources that can help with this process adaptation activity.

[Please note that this is an illustration. Another practice might see these process consulting services as mandatory. In that event, these services would be mentioned in Section 3 of the RFB.]

RFB Section 5 - Instructions for Bidders

A. Overview of the Bid Process

This section should describe how the bid process will proceed, itemize the steps, and set the final dates for each (i.e.; final date for bids to be received, etc). The following table includes the typical bid processing steps, for which target dates should be shared with the bidders:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. RFB is distributed to selected bidders</td>
<td></td>
</tr>
<tr>
<td>2. Written Confirmation by selected bidders of intent to respond with a bid</td>
<td></td>
</tr>
<tr>
<td>3. Questions from bidders about scope, approach, and requirements are due</td>
<td></td>
</tr>
<tr>
<td>4. Responses to bidder questions are distributed to all vendors who have indicated an intent to file a bid</td>
<td></td>
</tr>
<tr>
<td>5. Bids from interested vendors are due</td>
<td></td>
</tr>
<tr>
<td>6. Finalist bidder selection is due</td>
<td></td>
</tr>
<tr>
<td>7. Clarification discussions with finalist bidders are concluded</td>
<td></td>
</tr>
<tr>
<td>8. Validations with customers and site visits are completed.</td>
<td></td>
</tr>
<tr>
<td>9. Selection of and notification to the winning bidder is completed</td>
<td></td>
</tr>
<tr>
<td>10. Conclusion of contract negotiations with selected vendor</td>
<td></td>
</tr>
<tr>
<td>11. Non-winning finalist bidders are notified</td>
<td></td>
</tr>
<tr>
<td>12. Anticipated date for the commencement of work</td>
<td></td>
</tr>
</tbody>
</table>
As a general rule of thumb, vendors are provided at least 30 days to prepare their bids, and not less than two weeks time after answers to questions have been distributed. Bidders should be informed that requests for reasonable extensions, made in advance, will be entertained. But such date changes will be granted to ALL bidders intending to file a bid, and will be made at the sole discretion of the practice. This is a valuable provision, as it gives the practice the ability to consider a bid from a highly desired vendor that needs some additional time to complete its bid.

This section should also identify who will be the single contact point at the practice for the bidders throughout the bidding process. It is quite acceptable to designate a contractor as the contact point if the practice is using an advisor to help perform the vendor selection process. The following table presents the information that should be provided to the bidders:

<table>
<thead>
<tr>
<th>Contact for Bidders on this RFB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td>Address</td>
</tr>
<tr>
<td>Phone Number</td>
</tr>
<tr>
<td>Fax Number</td>
</tr>
<tr>
<td>Email Address</td>
</tr>
</tbody>
</table>

B. Guidelines for Bid Preparation

It is important to give prospective bidders instructions on how to complete their bid, or the evaluation task will be much more burdensome and meaningful comparisons between bidders will be nearly impossible to accomplish. The bidders should be told that failure to adhere to these guidelines will likely result in their bid being summarily rejected. The practice may choose to keep a non-conforming bidder in the running. Also, a bidder’s willingness to substantially conform to these guidelines is a very good indicator of its maturity and reliability.

The bidders should be told to break their bid document down into the following sections:

**Section A – Proposal Summary & Description of Solution**

Bidders should be told that this section must be used to provide an overall description of the products and services that will comprise the solution that they will be providing. This material will be used to judge the extent to which the bidder understands the needs and directions of the practice.

**Section B – Responses to Practice Requirements & Additional Expectations**

The bidders should be told that the purpose of this material is to determine the extent to which the bidder’s products will provide the functionality and capabilities that were articulated in the RFB solicitation. The bidders should also be told that they are expected to use the functionality requirements table (provided in Attachment A in the RFB) to explain the functionality of the bid products. Space is provided at the bottom of each table segment to allow the bidder to describe additional features.
of their product that it feels provide additional, relevant, capabilities and value to the practice.

Section C – Proposed Personnel

The bidders should be told that they are expected to describe the nature of the staff that they will provide to perform the work specified in Section B. The bidder can describe individual roles and the anticipated duties of individuals serving in those roles. A staffing table should be provided by the bidders.

The bidders should be told that certain individuals/roles are to be considered as Key Staff. Roles that are designated as Key Staff are done so by the practice. For any role designated as Key Staff, the bidder is required to submit a resume of the proposed staffer for such a role. For this example, there are two bidder roles that the practice considers as Key Staff:

- Overall engagement leader
  The resume on this individual should demonstrate experience in implementing one or more of the bid products.

- Process Adaptation Engineer
  The resume on this individual, in some manner, must detail the physician practice process development experience that focused on practice adaptation to the specific products contained in the bid.

Section D – Cost Model

Bidders should be told that they must use the Cost Model that should be provided as Attachment C of the RFB. If a bidder feels that there are costs that are not easily accommodated in the various elements on the Cost Model, they are to use the undesignated parts of the Cost model to present and describe such costs.

Because there are some very creative pricing and payment plans in the EHR market right now, we strongly recommend that the RFB document encourage bidders to describe any payment plans that help practices deal any the lengthy delays that they might have with the federal Medicare EHR incentive program.

Section E – Bidder’s Authorized Expediter

The bidders must provide the name of, and contact information on, an employee who is authorized to make binding verbal or written commitments for the bidder regarding any aspect of a resulting engagement with the practice.

RFB Section 6 - Bid Evaluation Process and Factors for Selection

This part of the RFB is meant to inform the bidders how the evaluation process will unfold and what are the weighting factors that will be used.

It is fairly common to have bidders make an oral presentation on their bid to the practice leadership. This provides a limited opportunity to meet some of the bidder staff. Orals also provide an excellent opportunity to get questions answered on the bid document. This opportunity need only be provided for bids that otherwise appear to be very responsive to the RFB and are tentatively designated as finalists.

In evaluating a bid, generally, each section of the bid response is assigned points. The total maximum score that a bidder can get from all of the sections normally adds up to 100 points, but other quantities can be used. It is also possible to assign scores
to the subsections of the RFB to make it more objective. Scoring methods used for subsections are often looked upon as work simplification devices for the evaluators. As such, they do not have to be explained to the bidders.

Sharing your intended bid scoring methods also helps the bidder understand where to place their energies in developing their bid.

Here is an example of scoring that might be proposed for a bid that was responding to the materials in this paper. The practice should feel free to pursue different points.

<table>
<thead>
<tr>
<th>Section</th>
<th>Name</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Proposal Summary &amp; Description of Solution</td>
<td>10</td>
</tr>
<tr>
<td>B</td>
<td>Responses to Practice Requirements &amp; Additional Expectations</td>
<td>60</td>
</tr>
<tr>
<td>C</td>
<td>Proposed Personnel</td>
<td>15</td>
</tr>
<tr>
<td>D</td>
<td>Cost</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td><strong>Total Possible Points</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**RFB Section 7 - Terms & Conditions (Ts&Cs)**

In HIT market, clients usually discover that the vendors have a rather lengthy list of Ts&Cs, and they must spend some time reviewing them to avoid potentially unacceptable constraints. This is why this guideline recommends that bidders submit them as a requirement stated in Section 3B8.

The larger physician practice organizations usually have developed their Ts&Cs over the years. For the smaller practices, it is worth considering creating and presenting items that represent important matters to the practice. Ts&Cs are generally settled in the signed contract with the bidder. But the RFB provides the practice with the opportunity to let the bidders know of Ts&Cs that are important to the practice. Some typical ones include:

- Prohibition on any cross-recruitment of staff
- Practice prior approval of proposed bidder staff changes
- Approval on any vendor publicity relative to the engagement
- Formalized practice acceptance of vendor deliverables
- Confidentiality of all practice information provided in the RFB
- All bidder supplied information will be considered confidential
- Bonding of all bidder project personnel
- Bidder accountability for work performed by subcontractors or any other non-employee party completing bidder work
- Change request process
- Limitations on assignment of the contract
- Expectation of warranty
• Invoicing for work completed
• Right to request replacement of bidder personnel
• Expectation of cooperation with 3rd parties
• Compliance with Business Associate stipulations of HIPAA
• Expectation of disclosure of any litigation
• Freedom to report to any party on any product defect that had a patient impact

D. Techniques for Targeting Vendors among the Hundreds in the Market

It is generally understood that there are literally hundreds of vendors of Practice Management and Electronic Medical Record systems. When one considers some of the other point solutions such as e-Prescribing and Registry systems, the number goes even higher. So how can one whittle this target audience down to size?

Regrettably, there are no easy answers. Going back to our opening material, one could choose to send out an RFI document. That document would not need to be as extensive as the RFB we have been discussing in this paper. One the other hand, the logistics of preparing this material, mailing it, and evaluating it is still significant.

There are commercial lists of vendors of these products available on the internet for purchase. The charges for these lists are significant for a small practice. There were some listings that were made available through public sources, but most have been pulled due to the expense and challenge of keeping up with the pace of change in this market.

Probably the most reliable source is the listing of CCHIT-Certified products. CCHIT has built a query service to provide this information, and it is located at: http://www.cchit.org/products

The CCHIT information also provides an indication if the vendor provides an ASP/SaaS version of its product.

The following CCHIT URL provides an explanation of how CCHIT is approaching certifying EMR products during the current period of draft federal regulations on the new certification process: http://www.cchit.org/media/news/2010/03/cchit-reopens-certification-applications-and-testing-april-7

A couple of physician groups have been conducting surveys of their members to obtain user assessments on vendor products. Generally, these have been limited studies, but this is changing.

American Academy of Family Practice study in 2008:

American College of Physicians
http://www.acponline.org/running_practice/technology/ehr/partner_program/

E. Request Distribution & Tracking

Managing the mailing of the RFB document and the receipt and processing of bids can get a bit overwhelming. There is great value in a straight-forward bidder event tracking table that records the following events with the corresponding dates for each potential bidder that gets sent a RFB:
• Date sent
• Distribution method used
• Date notice of intent to bid arrived
• Date of questions received, if any
• Date of final bid
• Conforming bid? - y/n
• Bid evaluation result (the average scores of all the reviewers)
  • Bid document scores
  • Reference scores
  • Site Visit Scores

F. Scoring Responses

Essentially, the bid documents are evaluated using the processing and scoring that was outlined in Section 6 of the RFB sent to the potential bidders.

If there are sufficient practice resources, it is generally useful to have more than one party review and evaluate the proposals. After each person has completed their scoring, they should meet and share their scores and observations. After that meeting, it would be quite appropriate if any of the participants wish to change some of their earlier scores.

Generally, the top three scoring bidders would be designated as finalists.

G. Validating Bidders Products, Services, and Claims

Given the complexity of the EHR product market, the importance of the character and sophistication of the bidding firm, and the complexity of the customer needs in this market, it is very important that existing customers be interviewed. The interviews should focus on the reliability and suitability of the product(s). The interviews should also focus on the services of the bidder and the reliability of its commitments.

We would suggest that the validation process be conducted in a two step process, and it would be limited to the designated finalist bidders. Step one would be to conduct a structured phone interview. If the phone interviews reveal an apparent leading choice, then that bidder’s reference is selected for the 2nd step - the site visit. If this site visit goes well, then you have an apparent winner. At this point, the apparent winning bidder is notified.

H. Contract Negotiations

Negotiating a contract for any kind of healthcare information technology is not too much different than any other contract. Generally, both parties strive to

• Remember that a contract is the documentation of a partnership.
• Document as much of the particulars as possible; put commitments in writing to make sure they are not overlooked.
• There is some level of risk in any venture. Risk must be acknowledged. Managing and mitigating risk frequently requires shared effort.
The first order of business in preparing the contract is to make sure that the bid Scope and Requirements material in Sections 2 and 3 is explicitly included.

The focus of the second stage of negotiations should be the creation of narrative in the contract to cover any commitment or needed clarification to meet the Additional Expectations laid out in Section 4 of the RFB.

The third stage is to compile TS&Cs essential to the needs of both parties.

Fourth, it may be necessary to consider bidder staff substitutions. There is enough time required to complete these procurement processes, that originally assigned staff may have been already assigned to an earlier client.

With all of the above worked out, it is time to turn to the prices or rates that were bid in the Cost Model and explore if there are any final opportunities for the practice to avoid or reduce some costs. These would be savings beyond any that might have emerged from the discussions during Stage 1 and 2 of the negotiations as described above.

The final stage is to secure legal and technical reviews of the final draft of the contract, and make such changes as are need and agreed.

I. Signature & Launch of Work

At this point, the contact should be duly signed by both parties, and this should be an event of some occasion for the practice staff. It is reasonable for the practice to expect the bidder to provide a staff start date for the very near future.