



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 35
AGENDA DATE: Thu 01/13/2005
PAGE: 1 of 2

SUBJECT: Authorize execution of Amendment No. 5 to the contract with NEXTGEN HEALTHCARE INFORMATION SYSTEMS, INC., Horsham, PA, for fifteen additional licenses of the practice management software for the Community Care Services Department in an amount not to exceed \$126,000; and to increase the extension options for maintenance in an amount not to exceed \$22,860 per extension option, for a revised total contract amount not to exceed \$1,109,768.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$126,000 is available in the Fiscal Year 2004-2005 Capital Budget of the Community Care Services Department. Funding for the maintenance options is contingent upon available funding in future budgets.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Purchasing
DEPARTMENT: for Community Care
Services;

DIRECTOR'S
AUTHORIZATION: Vickie Schubert

FOR MORE INFORMATION CONTACT: Vic Chanmugam C.P.M., Specialist Senior Buyer/974-2030

PRIOR COUNCIL ACTION: 8/14/03 - Approved original contract with Nextgen Healthcare Information Systems, Inc.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program.) No subcontracting opportunities were identified; therefore no goals were established for this solicitation.

This contract amendment is for the purchase of 15 additional licenses of NextGen's practice management software at \$12,000 each, for clinics operated by the Department of Community Care Services. The vendor has offered a discount of \$54,000, which makes the total (discounted) dollar value of this amendment \$126,000. The cost of maintenance has increased from \$63,960 per year to \$86,820 per year due to increased number of licenses.

The NextGen software for the clinics will allow staff to manage the following aspects:

- Scheduling patients,
- Recording comments regarding patient health assessment and monitoring statistics regarding the same,
- Generating bills for services; monitoring the collection of balances for which the patient is responsible; filing claims with the "payers", and
- Setting up an Electronic Medical Record (EMR).

These additional costs have been triggered by the effort to expand services at the Community Health



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 35
AGENDA DATE: Thu 01/13/2005
PAGE: 2 of 2**

Centers. The expansion is partly funded by grants through the Health Resources and Services Administration Bureau of Primary Healthcare.

The fifteen licenses will be distributed as follows:

ARCH (Homeless Clinic)	4 licenses
Montopolis Health Care Clinic	4 licenses
Behavioral Health Providers	5 licenses
Diabetes Collaborative Providers	1 license
Future Pediatric Providers	1 license

Contract Summary

<u>Action</u>	<u>Description</u>	<u>Amount</u>
Original Contract	Council approved a 12-month service agreement for software licenses for NextGen's practice management data medical management system in an amount not to exceed \$626,278 (price negotiated down as shown in Amendment No. 1)	[\$626,278]
	with four 12-month extension options for maintenance in an amount not to exceed \$63,960 per extension option.	\$255,840
Amendment #1	Appendix One – negotiated pricing for total system	\$607,688
Amendment #2	Administrative changes made to the agreement include: Notices, Customer Address, List of City Facilities and Export/Foreign Government restrictions.	No cost
Amendment #3	Increase of the number of licenses from 35 to 73	\$28,800
Amendment #4	Administrative change to amend timing of payments made under the implementation plan.	No cost
Proposed Amendment No. 5	Increase of the number of licenses from 73 to 88	\$126,000
	and to increase each of the four maintenance options by \$22,860	\$91,440