

**Alaska Psychiatric Institute Automation****FY2008 Request: \$1,200,000****Reference No: 45673****AP/AL:** Appropriation**Project Type:** Information Systems**Category:** Health/Human Services**Location:** Statewide**Contact:** Laura Baker**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-1629**Estimated Project Dates:** 05/01/2008 - 06/30/2012**Brief Summary and Statement of Need:**

The department is requesting additional expenditure authority for continued efforts at Alaska Psychiatric Institute for their automation project.

| <b>Funding:</b> | FY2008      | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 | Total       |
|-----------------|-------------|--------|--------|--------|--------|--------|-------------|
| Stat Desig      | \$1,200,000 |        |        |        |        |        | \$1,200,000 |
| <b>Total:</b>   | \$1,200,000 | \$0    | \$0    | \$0    | \$0    | \$0    | \$1,200,000 |

|   |   |                                       |   |  |
|---|---|---------------------------------------|---|--|
| <input type="checkbox"/> State Match Required | <input type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new | <input type="checkbox"/> Phased - underway  | <input checked="" type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required           |   | <input type="checkbox"/> Amendment    | <input type="checkbox"/> Mental Health Bill |  |

**Operating & Maintenance Costs:**

|                          | <u>Amount</u> | <u>Staff</u> |
|--------------------------|---------------|--------------|
| Project Development:     | 0             | 0            |
| Ongoing Operating:       | 0             | 0            |
| <u>One-Time Startup:</u> | 0             |              |
| <b>Totals:</b>           | 0             | 0            |

**Additional Information / Prior Funding History:****Project Description/Justification:**

The department is requesting additional expenditure authority of \$1,200,000 Statutory Designated Program Receipt (SDPR) for continued efforts at the Alaska Psychiatric Institute (API) for their automation project. API has established a successful track record over the past 5 years to create efficiencies in operations, privatize laundry and dietary services, and implement 'best business' practices in patient account management, billing and revenue enhancement. The automation project, once completed, will eventually reduce FTE's in the API Medical Records Unit and Business Office.

The Electronic Medical Records (EMR) system is partially funded with an existing Capital project of \$674.0 appropriated in Chapter 5, FSSLA 2005, Section 5, page 13, line 12. This is an off-the-shelf electronic medical record which includes patient clinical information, pharmacy direct order entry system, and patient account ledger and revenue cycle management. As the customization process proceeded, it has become apparent that there is more that can be done to automate cost allocation by treatment unit, develop efficient staffing patterns and manage/reduce nursing department overtime. This is consistent with the 'best business practice' approach developed by the current API CEO.

The TeleBehavioral Health (telemedicine) Project is emerging as a new technique across the United States and has been piloted in Alaska with AMHTA, DHSS and Federal Grant funds. The program provides access to services via technology in remote hub villages so Alaskans with psychiatric issues

do not have to leave their home community to obtain services, or worse yet, deteriorate to an emergency status which necessitates transfer to API. Eventually this innovative program will become a revenue center for the hospital.

SDPR collections have increased at API over the past two fiscal years due to revenue enhancement strategies. This additional funding request allows API to continue automation work for the proposed Electronic Medical Record System and the TeleBehavioral Health (Telemedicine) Project.

SDPR collections have increased due to new Medicare regulations effective 7/2/2006, which allowed reimbursement for DRG's; implementation of Medicare Part B billing; implementation of Medicare Part D billing; scheduled increases in the Medicaid daily hospital rate; an enhanced Medicare Cost Report filed with the Fiscal Intermediary.