



Glossary, Red Flags, and Frequently Asked Questions (FAQ's)

Vendor Software Licenses

License cost of various modules. Typically, modules will be licensed on concurrent or named user basis.

For example, with a concurrent license, if there were 4 providers and 8 employees, a minimum of 12 concurrent licenses would be needed. However, if the providers were halftime [meaning, they only used the system half time] (and all 4 never used the system at any one time, only 10 licenses would be needed).

If using a named user license under the same circumstances, 12 licenses would always be needed—as licenses are not shared among different people. There can be a provision though for “active” and “inactive” providers (which means they could look at information, but not enter it in the system).

Under an ASP (monthly rental agreement), software licenses are not being purchased, but rented. However, the same issues exist for determining the number of ASP licenses as with a license purchase.

Red Flags or Things to Look Out For:

1. Vendor doesn't specify type of license in quote.
2. Functionality is not specified.
3. Not specified for what period of time license is in force.

FAQ's

What is the best type of license?

Perpetual concurrent

What is the definition of provider for the license?

Depends on quote—can be physician, NP, PA or others

What is the difference between perpetual and term license?

Perpetual is a one-time license fee. Term is a renewable license fee.

Interfaces

Software programs that allow data from the EHR system to flow back and forth between external applications. These applications can either reside outside the practice, such as lab applications or can be another system within the practice, such as a billing system.

Red Flags or Things to Look Out For:

1. One-way or two-way interface is not specified.
2. Data format not specified (structured or non-structured).
3. Additional license costs, if any, not specified
4. Interface promised, but not available.

FAQ's

Does cost cover third party updates?

Typically, you would pay for third party updates, but depends on the vendor.

Does every interface need some customization?

Not necessarily, but make sure the vendor demonstrates the functionality.

What if the vendor says they will have the interface soon?

Ask for a development plan and timeline to verify claims.

Third Party: EHR Specific

These are applications that are essential to the basic infrastructure of the system. They are the building blocks, such as the technical platform upon which the EHR system is built (e.g., Windows, Linux, or MacIntosh, etc.) Also, what kind of database structure controls the system (e.g., SQL, Oracle, etc.)?

When Comparing license costs, note if there are separate general system license costs or if these are rolled into the main cost. Also, ask whether there will be additional costs when the vendor upgrades their software and it becomes necessary to install a new version of the database or operating system. Make sure your infrastructure software will support any features you wish to add later on.

Red Flags or Things to Look Out For:

1. Extra cost is not specified in quote.
2. Customer is responsible for learning about updates.
3. The database is proprietary; not standard.

FAQ's

How often should a third party database be updated?

Depends on the content (e.g., Drug interactions should have more frequency than patient education)

Should updates cost extra?

Should be part of support and maintenance.

Third Party: General System

These are applications that are essential to the basic infrastructure of the system. They are the building blocks such as the technical platform the EHR system is built on such as, Windows, Linux, or MacIntosh, etc. Also what kind of database structure controls the system—SQL, Oracle, etc.

When comparing license costs note if there are separate general system license costs or if these are rolled into the main cost. Also, will there be additional costs when the vendor upgrades their software and it is necessary to install a new version of the database or operating system. Make sure your infrastructure software will support any features you wish to add later on.

Red Flags or Things to Look Out For:

1. Extra cost is not specified in quote.
2. Customer is responsible to be aware of updates.
3. The database is not standard, but proprietary.

FAQ's

What is the best technology to use as a platform?

There are various operating systems and databases. However, make sure that the technology is not proprietary.

Should you always update to the latest database and operating system?

Not necessarily right away. Find out if this will impact your EHR system.

Who should be responsible for updating the general system software?

Typically the customer is responsible for installing general system updates.

Conversion Services

These are consulting services offered by the vendor. These services will take your original data, either in paper or electronic form, and transfer the data into the HER system database.

Red Flags or Things to Look Out For:

1. No time estimates given.
2. Costs don't include any guarantees.

FAQ'S

How long does a conversion typically take?

Depends upon complexity. Make sure that a detailed plan is presented with timelines.

How do I know everything was converted correctly?

Develop a robust test plan with the vendor.

Is there a chance that my information can't be converted?

If it is in electronic format, as long as you have the underlying database structure, there shouldn't be a problem.

Implementation Services

These are consulting services offered by the vendor. These services will provide planning and actual implementation of an EHR system.

It is important when comparing quoted implementation costs that physicians understand which detailed cost line items a particular vendor will be supply. Also, make sure and take a look at their project plans.

Red Flags or Things to Look Out For:

1. Vendor can't commit to a project plan with milestones.
2. Only vendor can customize templates.
3. Implementation is not broken into small enough tasks.

FAQ's

Do I need to be involved?

Absolutely. Designate a point person who is responsible to interface with the vendor on a regular bases.

How do I know the vendor is completing all the tasks?

Review the vendor's detailed project plan and have regular status meetings.

Why do implementations fail?

Not enough involvement, communication, and regular status review.

Who should be involved in a needs assessment?

Both the vendor and members of your staff who will use the system.

Training Services

These are consulting services offered by the vendor. They provide hands on training for all aspects of the system.

Red Flags or Things to Look Out For:

1. There is no cost listed for future training.
2. There is no formal training plan.
3. There is no definition of what expenses will be reimbursed along with limits.

FAQ's

Is it better to ask the vendor to train the whole staff or "train the trainer"?

Depends on the size of the staff

How do I know if my staff has been trained adequately?

You should develop real life scenarios and test them.

How much time will training take?

It depends on many factors, but make sure the vendor gives you a training plan outlining this.

Data Recovery Services

A mechanism and process to safely store duplicate databases and recreate the data should a disaster occur.

Red Flags or Things to Look Out For:

1. Back ups not made on regular schedule.
2. Off site storage not as secure as it should be.
3. No process documented for recovery.

FAQ's

What do you look for in off site storage?

Scrutinize the security and environment of the location in which the backups are being held. Ask about the regularity of the backup process. Find out about accessibility to your data.

Should I just backup on my own?

As long as you have a safe and secure location to store backups and you will backup regularly.

Annual Support & Maintenance

Support and maintenance costs are typically 15-20% of the software license costs. Where the actual license is normally a one-time fee, the support and maintenance costs are renewed on a yearly basis. This yearly fee basically covers two areas: 1)any upgrades or new releases; and 2)customer service and support.

It should be noted that both vendor EHR software and third party software will need support, so it is important to determine which components the support costs cover.

Also, some vendors might have more than one service level agreement representing different support options at different costs.

Red Flags or Things to Look Out For:

1. No support agreement.
2. No guarantees of service.
3. No cap on renewal percentage increases.
4. No software escrow costs offered.
5. Extra costs for database schema.
6. Added maintenance costs for third party products.
7. No support for third party products.
8. No support for previous version or release.
9. Cut off of support services if payment is in dispute.

FAQ's

What type of guarantees of service should I expect?

Depending on your service agreement there should be guaranteed response times and escalation processes

What recourse do I have if I do not receive adequate support?

This is negotiable. You can ask for a discount or partial refund of support fees

Can I change service level agreements?

Yes, service level agreements should follow your needs.

Financing Alternatives

A vendor should offer you the option of either leasing or financing your system.

Red Flags or Things to Look Out For:

Vendor just passes you on and is not involved in this process.

FAQ's

What happens if I lease or finance and the system is not acceptable?

You are dealing with the finance company, so you still need to honor your contract.

What are the benefits of leasing or financing?

Lower start up costs

Terms

EHR implementation typically involves a number of phases and takes time. And, things can go wrong. Therefore, the payment terms should reflect milestone-based payments. This means should pay the vendor percentages of the total as major parts of the project plan are successfully completed.

Red Flags or Things to Look Out For:

1. Vendor wants most of the payment up front.
2. Vendor is not willing to agree to final payment when system is accepted.
3. There is not policy or process for payment refund or reduction.

FAQ's

How should I break up payments?

Best done by specifying major milestones in an implementation plan.

Who determines when a payment milestone has been successfully reached?

Criteria should be determined and agreed to ahead of time by the vendor and yourself.

Service Level Agreement: Hours of Support

The methods that will be used for communicating and resolving issues. Typical methods are email, phone, and online chat. Ask whether remote diagnostics and/or on site visits by support analysts are available.

Red Flags or Things to Look Out For:

1. "Normal business hours" are specified instead of detailed days and hours.
2. No after hours support available.

FAQ's

What is the standard for hours of support?

No set standard, but expect something like 8-6, Monday through Friday

How do I know if I will need after hours support?

Experience using the system will dictate this.

Service Level Agreement: Methods of Support

The methods that will be used for communicating and resolving issues. Typical methods are email, phone, and online chat. Remote diagnostics can be available and, in some instances, it might be necessary to have a support analyst come on site.

Red Flags or Things to Look Out For:

1. Customer needs to use email or other indirect methods before getting phone or live support.
2. Only email or online chat available.

FAQ's

How do remote diagnostics work?

The vendor can take control of your system and look at problems remotely.

What is the best method to use for problem resolution?

Email, phone and in-person can all help resolve problems depending on complexity and vendor responsiveness. All should be offered.

Service Level Agreement: Severity/Priority Classification

Different types of problems have different levels of urgency and importance. The severity level of a problem is usually noted when a support ticket is opened up. Resolution guarantees are based on severity levels. For example, CPOE down would be a high severity level while a patient education database not working might be a lower level of severity.

Red Flags or Things to Look Out For:

1. There is no severity level classification.
2. Severity level is not tied into resolution.

FAQ's

How do I determine severity levels?

Discuss this with your vendor.

Can you change the level of severity?

Yes.

Why do you need different severity levels?

It is not reasonable to expect that every problem will be taken care of immediately.

Service Level Agreement: Response Times

Different functions of the system might warrant different response times based on severity level. There should be a schedule of response times for different types of problems, and the service level agreement should define this accountability.

Red Flags or Things to Look Out For:

1. Vendor not willing to make a commitment to a resolution schedule.
2. Response is dependent on how busy the vendor is.

FAQ's

What kicks off an escalation?

If a problem can be resolved by present means within a specified period of time.

What levels of escalation should there be?

Will depend on the size of the vendor's support organization.

Service Level Agreement: Customer Responsibilities and Duties

These are the steps that the customer needs to take in order to ensure that the vendor has all the information they need to resolve an issue.

Red Flags or Things to Look Out For:

1. Customer doesn't document and can't recreate the problem.
2. Customer waits too long to report and issue.

FAQ's

How do you know if it's really an issue or a glitch?

Try to recreate it a few times.

How should you report the problem?

This depends on the vendor's escalation process.

What should I do if I can't recreate the problem?

Make sure the initial occurrence is reported and keep track of it. Make sure the vendor is aware.

Service Level Agreement: Compliance

A documented track record of how well the vendor is meeting its customer support commitments.

Red Flags or Things to Look Out For:

1. A vendor is not required to track its compliance.
2. There is no mechanism in place for a vendor to use its compliance program to improve support.

FAQ's

What happens if statistics show that a vendor is not meeting its obligations?

You can use this track record as criteria to kick in penalties should be necessary.