



Complex initiatives made simple.

## The Product

Effective health care information systems are a critical success factor for sustainable growth and operational performance. Fulcrum Methods **Vendor Selection Methodology** provides a structured approach and tools to analyze, plan, evaluate and select information systems that deliver maximum value with minimum costs and risks. Use **VSM** to:

- Assess current information systems features/functions/capabilities/costs/benefits against other systems in the market
- Select a new or replacement information system:
  - ✓ Enterprise-wide clinical (e.g., EMR, Decision Support)
  - ✓ Financial information system (e.g., General Financials, Revenue Cycle)
  - ✓ Departmentally focused system (e.g., Laboratory, Radiology, Pharmacy)
  - ✓ Service line information system (e.g., Cardiology, Obstetrics, Emergency)
  - ✓ Majority/single vendor, best-of-breed, cluster or discrete system purchase
- Conduct a comprehensive Cost-Benefit Analysis to determine total cost of ownership (TCO) and return on investment (ROI). Analyze benefits for cash savings, efficiency, new revenue and strategic basis
- Negotiate performance and benefits-based contracts with the vendor

## The People

"Fulcrum Methods VSM has helped us navigate through the complexities of our vendor selection and acquisition and guided us toward the product that best met our goals and needs. In the process, it educated our project team members on product capabilities, industry best practices and alternative implementation scenarios to maximize our benefits and limit our costs and risks."

**Katherine Sorenson, Vice President**  
**John Muir Physician Network**

## The Power

- Decreases selection project time
- Faster benefits realization
- Reduces risk of failed implementation through use of proven process
- Scenario-based demonstrations ensure products can perform required tasks
- Proven, pre-defined quality control points
- Harmonizes process design and technology with what the vendor can deliver
- Realistic and balanced implementation planning prior to contract execution

## The Value

- Reduce costs and increase performance
- Accurately forecast requirements for resources/costs/benefits
- Comprehensively align selected vendor/system with organizational needs
- Reduce risk through performance and benefits-based contracting
- Provide continuing education with Fulcrum Methods Certification Program
- Flexible licensing structure scalable to your requirements

### Learn More:

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## The Solution: VSM

### Work Plan

- Select an information system or service provider
- Optimize workflow and process design
- Identify and screen vendors
- Issue Request for Proposal
- Evaluate vendors of proposal responses, demos, references and site visits
- Determine finalist vendor(s)
- Negotiate contract
- Pre-implementation planning

### Guidebook Overview

- Project governance
- "Framework for Success"
- Future state process design
- Vendor/product screening
- RFP preparation and distribution
- Proposal response analysis
- Vendor demo, learning lab, site visit and reference checks
- Cost-benefit analysis
- Vendor contracting

### Standard Deliverables

- Executive Steering Committee Charter
- Design Advisory Committee (DAC) Charters (e.g., Clinical, Financial, Technical)
- Status Report Template
- Risk Management Plan
- Future State Design Templates
- Qualified Vendor Templates
- 50+ Sample RFPs
- RFP Analysis Templates
- Vendor demonstration, site visit, learning lab, reference check templates
- Cost-Benefit analysis templates
- Contracting guidelines
- Pre-implementation planning guidelines





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## Community Medical Centers

Community Medical Centers (CMC) has a rich history of medical excellence and compassionate care. With more than 6,000 employees and 1,100 physicians, it also is the largest and most comprehensive healthcare system in the San Joaquin Valley. The mission of CMC is to improve the health status of the community and to promote medical education

CMC provides a full continuum of care from preventive education and outpatient services to intensive hospital acute and specialty treatment. The system operates three acute-care hospitals, outpatient and ambulatory care facilities, rural clinics as well as long-term care facilities. In addition, CMC shares ownership interests in a 60-bed specialty cardiac facility, Fresno Heart & Surgical Hospital, as well as two high-volume outpatient imaging centers.

## Challenge

Community Medical Centers' IT strategy was based on a desire to evolve from a best-of-breed approach to a primary or majority vendor framework. At the time, more than 250 various applications were supplied from more than 80 unique vendors. CMC management believed there was significant value in consolidating the large number of unique suppliers with a comprehensive and integrated (versus interfaced) information system solution.

CMC was seeking a primary vendor with a broad and deep application portfolio, experienced process optimization talent, and a contracting model that fosters a long-term partnership with aligned economic incentives.

## Solution

- Use Fulcrum Methods **Vendor Selection Methodology** to select replacement clinical, patient access, revenue cycle and corporate financial information systems
- Used Fulcrum Methods **Cost Benefit Analysis** tools to fully assess total cost of ownership for replacement system
- Used Fulcrum Methods **Contracting Guidelines** to assess and negotiate fair and reasonable information system contracts with performance-based compensation

## Results

- CMC selected two software vendors (comprehensive clinical/patient access/revenue cycle and corporate financials) that best fit their unique organizational requirements.
- CMC conducted a comprehensive cost benefit analysis for the new systems that included detailed resource requirements and costs for system implementation, enterprise-wide costs and benefits for the new systems, and savings from terminating old systems.
- CMC executed performance and benefits-based system contracts that minimized CMC's risk and provided incentives for successful and timely implementations.
- CMC prepared an implementation plan during contract negotiations that would best facilitate rapid deployment of critical systems and timely realization of benefits.



### At a Glance

- Three acute care hospitals with 630 beds
- California's largest Emergency Department and Level 1 Trauma Center
- Award winning Heart Hospital
- Comprehensive outpatient and long term care facilities
- Vendor selection methodology used for enterprise-wide clinical information system replacement, 2006-2007
- 30 licensed Fulcrum Methods Users, plus extensive use of Fulcrum Vendor Selection tools by over 100 line staff and physicians
- Deployed Fulcrum Methods via SharePoint

### Additional licensed Fulcrum Methods:

- Long Range Planning
- Services Pricing