

2026 Capital Improvement Budget
Health Department

(in thousands)

Projects	Bonds	State	Federal	Other	Total
Electronic Health Record System	-	-	-	350	350
Total	-	-	-	350	350

**2026 - 2031 Capital Improvement Program
Health Department**

(in thousands)

Projects	Year	Bonds	State	Federal	Other	Total
Management Information Systems						
Electronic Health Record System	2026	-	-	-	350	350
	Total	-	-	-	350	350

Electronic Health Record System

Project ID	HD2026001	Department	Health
Project Type	IT	Start Date	January 2026
District	Assembly: Areawide, HD 50: Anchorage Areawide, Tax: 1 - City/Anchorage	End Date	December 2026
Community Council	Areawide		

Description

The Clinical Services Division at AHD currently uses Netsmart Insight, an on-premises Electronic Health Record (EHR) system that has been in place for over 15 years. Vendor support and system updates for Insight were discontinued in 2022. As a result, the system no longer aligns with current clinical workflows, regulatory requirements, or reporting standards. To address this, Anchorage Health Department (AHD) initiated a request for proposals (RFP) in 2022 to identify a replacement EHR. However, due to the technical complexity of such systems, a vendor contract was not finalized at that time. To ensure success moving forward, AHD engaged BerryDunn, a nationally recognized consulting firm, to evaluate the current EHR and guide the selection and implementation of a modern solution.

This engagement includes three phases: assessment of current EHR system, strategic planning and alternatives analysis, and RFP development and vendor selection support. To date, AHD has paid \$90,490 to BerryDunn and has an additional \$50,915 encumbered in operating funds for Phase 3.

Based on market analysis and responses to a Request for Information (RFI) coordinated by BerryDunn, AHD anticipates the following costs:

- Year 1 total cost: \$350,000
- Ongoing annual cost (starting Year 2): \$75,000

Comments

If this request is not approved, the financial and operational risks are significant. HIPAA compliance risks will increase substantially, exposing AHD to potential penalties totaling hundreds of thousands to millions of dollars. The inability to generate accurate clinical and programmatic reports may jeopardize critical funding streams, including the Public Health Nursing grant (\$2,769,210 annually). Continued use of the outdated Insight system is contributing to staff turnover and negatively affecting the patient experience due to inefficiencies and system limitations.

Approval of this request will generate strong returns across multiple dimensions. Increased revenue from billable services due to improved documentation and billing workflows. Improved staff efficiency and retention by streamlining clinical processes and reducing administrative burden. Enhanced patient experience and access to care, particularly for underserved populations. Expanded funding opportunities through improved reporting and performance metrics, allowing AHD to apply for additional state and federal grants without requiring further support from the Municipality.

Version 2026 Approved

	2026	2027	2028	2029	2030	2031	Total
Revenue Sources	Fund						
Transfer from Other Funds	401800 - Areawide General CIP Transfers	350	-	-	-	-	350
Total (in thousands)	350	-	-	-	-	-	350
O & M Costs							
Computer SW Maint(MOA/AWWU)	-	75	75	75	75	75	375
Total (in thousands)	-	75	75	75	75	75	375