SUMMARY OF CONTRACT REQUEST TO THE HEALTH COMMISSION

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Epic City Government, LLC</th>
<th>Division/Section</th>
<th>SFDPH, Information Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>1979 Milky Way</td>
<td>Deputy Director</td>
<td>Bill Kim</td>
</tr>
<tr>
<td></td>
<td>Verona, WI 53593</td>
<td>DPH Administrator</td>
<td>Winona Mindolovich</td>
</tr>
<tr>
<td>Contact</td>
<td>Mercedes McCoy</td>
<td>Program Administrator</td>
<td>Lori Wallace</td>
</tr>
<tr>
<td></td>
<td>Account Executive</td>
<td>Contract Analyst</td>
<td>Robert Longhitano</td>
</tr>
</tbody>
</table>

Request for approval of a new contract with Epic City Government, LLC (“Epic City Government”), in the amount of $167,384,597 for a software license, support and implementation services, maintenance services, and hosting for a new integrated Electronic Health Record application for the period January 1, 2018 to December 31, 2027 (120 months).

<table>
<thead>
<tr>
<th>Profit</th>
<th>Non-Profit</th>
<th>LBE</th>
<th>RFP- Number:</th>
<th>Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td>3-2017</td>
<td>1/17/2017</td>
</tr>
</tbody>
</table>

Number of years DPH has been doing business with this organization: 0

<table>
<thead>
<tr>
<th>CONTRACT INFORMATION:</th>
<th>Prior Transaction (new)</th>
<th>Proposed Transaction</th>
<th>Annualized Difference*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding Sources:</td>
<td></td>
<td>1/1/2018 – 12/31/2027</td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>-$0-</td>
<td>$149,450,533</td>
<td>-$0-</td>
</tr>
<tr>
<td>TOTAL DPH REVENUES</td>
<td>-$0-</td>
<td>$149,450,533</td>
<td>-$0-</td>
</tr>
<tr>
<td>12% Contingency Amount</td>
<td>-$0-</td>
<td>$17,934,064</td>
<td>-$0-</td>
</tr>
<tr>
<td>CONTRACT TOTAL</td>
<td>-$0-</td>
<td>$167,384,597</td>
<td>-$0-</td>
</tr>
<tr>
<td>ANNUAL AMOUNT OF CONTRACT (estimate)</td>
<td>-$0-</td>
<td>$14,945,053</td>
<td>-$0-</td>
</tr>
<tr>
<td>Agency Funds</td>
<td>-$0-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

No. Of Clients | No. of Units | Unit Cost (Budgeted Amount)
---|---|---
N/A | N/A | $44,323,076
N/A | N/A | $32,001,469
N/A | N/A | $15,591,265
N/A | N/A | $41,456,833

Future Product and Services: Beaker (Laboratory) |
Behavioral Health, Willow |
Ambulatory(Ambulatory Pharmacy), MyChart |
Bedside, Welcome Patient Kiosk, Nephrology, CM/CRM, Nurse Triage, Jail Implementation services, As-needed DPH training and implementation services, Allowance for future volume increases & hosting fees |

$16,077,890
Explanation of Service Change and Variances:
This is a new contract.

Monitoring Report/Program Review & Follow-up:
The contract services will be monitored by the Department as required. The SFDPH Program Administrator will be responsible for assisting and tracking all information related to the accomplishment of the project.

Nondiscrimination and Cultural Competency:
The Department will work closely with the contractor to ensure that their cultural competency plan is current and in compliance with Departmental procedures.

Other Significant Issues:
The San Francisco Department of Public Health Electronic Health Record Project (SFDPH EHR), will provide the Department with an enterprise wide, integrated and modern Electronic Health Record. As an enterprise wide, integrated and hosted Electronic Health Record System (EHR System) is critical to SFDPH’s integrated care delivery network and its ability to drive value for patients, families, and staff from a whole person care and population-based framework. A new, integrated and hosted EHR System is intended to replace many of the current systems, applications and databases used to support the planning, delivery, management, and accounting for care. Further the proposed contract advances the Department in achieving the overall SFDPH EHR Vision of: To procure and deploy an enterprise wide, integrated and hosted EHR System that is effectively used by all care providers and administrators to support safe care delivery and sustainable operations across the entire spectrum of care settings within SFDPH, promoting performance of the integrated delivery network, whole person care and population health.

Under the requirements of RFP 3-2017, The contract has a mandatory 2% Local Business Enterprise (LBE) subcontracting requirement. For this contract, the contractor has committed to a 3.5% goal. The LBE that will be used is: AJW Inc. The sub contractor will be assist in the implementation and training in the new system.

Epic consists of a parent company (Epic Systems Corporation) and various wholly owned subsidiaries, including Epic Hosting and Epic City Government, LLC. Epic was the successful proposer under RFP 3-2017. Epic proposed two contracts: A license, support, and maintenance contract with Epic Systems Corporation and a separate hosting agreement with Epic Hosting. The parties subsequently negotiated a single license, support and implementation, maintenance, and hosting agreement with Epic City Government. Epic Systems Corporation has provided a parent guarantee for the contract. Epic City Government will subcontract hosting to Epic Hosting. The parent guarantee will also extend to the hosting sub contract.

About Epic Systems Corporation (“Epic”)
Epic Systems Corporation (“Epic”) is a privately-owned corporation organized under the laws of the State of Wisconsin. Established in 1979, Epic is the developer of a sophisticated suite of healthcare information software systems that it licenses to healthcare organizations in the United Stated and internationally. Epic is a leader in its industry; its complete suite of proprietary software products includes dozens of applications and specialty modules covering all aspects of healthcare operations, both administrative and clinical. Epic is headquartered in Verona, Wisconsin, where it employs more than 9500 people at its corporate campus.

About Epic Hosting, LLC (“Epic Hosting”)
Epic Hosting, LLC (“Epic Hosting”) is a domestic limited liability company organized under the laws of the State of Wisconsin. Epic Hosting’s sole member is -- i.e., its sole owner -- Epic Systems Corporation (“Epic”). Epic, a developer and licensor of healthcare information software systems established Epic Hosting, LLC in September 2014 to offer and provide database hosting services for licensees of Epic Software. Epic Hosting offers a full panoply of hosting services, maintaining Epic customers’ production and non-production systems (such as disaster recovery), handling all of the customers’ core computer infrastructure needs such as servers, network, storage and backups. Epic Hosting technical staff manages that infrastructure, administers the customer databases and handles for customers the technical complexity of upgrades and updates. Epic Hosting LLC operates three data centers: one at its principal place of business in Verona, Wisconsin; one in Eau Claire, Wisconsin; and one in Rochester, Minnesota.
Listing of Board of Directors, Owners of 10% or More of the Firm, and Executive Director

**Epic City Government, LLC (“Epic City Government”)**

Epic City Government, LLC (“Epic City Government”) is a domestic limited liability company organized under the laws of the State of Wisconsin. Epic City Government’s sole member -- i.e., its sole owner -- is Epic Systems Corporation (“Epic”). Epic, a developer and licensor of healthcare information software systems, established Epic City Government in 2017 to provide healthcare information software systems and database hosting services to city government customers.

As an LLC, Epic City Government does not have a Board of Directors. As noted, Epic City Government’s sole member – i.e., its sole owner -- is Epic Systems Corporation, a privately owned corporation organized under the laws of the State of Wisconsin. Judith R. Faulkner is CEO.

**Epic Systems Corporation (“Epic”)**

Epic Systems Corporation has nine (9) board members. Board members serve a term of one (1) year. There are no vacancies and there are no term limits for board members.

Board of Directors:
1. Judith R. Faulkner
2. Carl Dvorak
3. John Toussaint, MD
4. Len Mattioli
5. Nicholas Seay
6. Paul Kundert
7. Roger Hauck
8. Sumit Rana
9. Jeff Thompson

Owners of 10% or more of the corporation: Judith R. Faulkner

Chief Executive Officer: Judith R. Faulkner

**Epic Hosting, LLC (“Epic Hosting”)**

As an LLC, Epic Hosting does not have a Board of Directors. As already noted, Epic Hosting’s sole member – i.e., its sole owner -- is Epic Systems Corporation, a privately owned corporation organized under the laws of the State of Wisconsin. Judith R. Faulkner is CEO

**Recommendations:**
The Department recommends approval of this contract.