### SUMMARY OF CONTRACT REQUEST TO THE HEALTH COMMISSION

**Contractor**: American Medical Association  
**Address**: AMA Plaza, 330 N. Wabash Ave., Suite 39300  
**Contact**: Chicago, Illinois 60611-5885  
Stuart Rozzi, Key Account Manager

**Division/Section**: SFDPH, Patient Finance  
**Deputy Director**: Greg Wagner  
**DPH Administrator**: Diana Guevara  
**Program Administrator**: Timothy Arnold  
**Contract Analyst**: Joanna Li

Request for approval of a new contract with the American Medical Association to provide annual access to Current Procedural Terminology (CPT®) codes produced by the American Medical Association for use in the new Electronic Health Record in the amount of $598,315, which includes a 12% contingency. The term of the contract is for the period March 31, 2018 to February 28, 2023. (60 months).

- **Profit**:  
- **Non-Profit**: X  
- **LBE**:  
- **RFQ Number**:  
- **New**: X  
- **Renewal**:  
- **Mod**:  
- **Sole Source**: X  
- **Date**: 3/2018

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

### CONTRACT INFORMATION:

<table>
<thead>
<tr>
<th>Funding Sources:</th>
<th>Prior Transaction (new)</th>
<th>Proposed Transaction 3/31/2018 – 2/28/2022</th>
<th>Annualized Difference*</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td></td>
<td>$534,210</td>
<td>$534,210</td>
</tr>
<tr>
<td>TOTAL DPH REVENUES</td>
<td></td>
<td>$534,210</td>
<td>$534,210</td>
</tr>
<tr>
<td>12% Contingency Amount</td>
<td></td>
<td>$64,105</td>
<td>$64,105</td>
</tr>
<tr>
<td>CONTRACT TOTAL</td>
<td></td>
<td>$598,315</td>
<td>$598,315</td>
</tr>
<tr>
<td>ANNUAL AMOUNT OF CONTRACT (estimate)</td>
<td></td>
<td>$106,842</td>
<td>$106,842</td>
</tr>
<tr>
<td>AGENCY FUNDS</td>
<td></td>
<td>-$0-</td>
<td>-$0-</td>
</tr>
<tr>
<td>Contract FTE</td>
<td></td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

### PROPOSED:

<table>
<thead>
<tr>
<th>Mode(s) of Service &amp; Unit of Service Definition</th>
<th>No. Of Clients</th>
<th>No. of Units</th>
<th>Unit Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018 Current Procedural Terminology (CPT®)</td>
<td>N/A Duplicated</td>
<td>1</td>
<td>$100,592</td>
</tr>
</tbody>
</table>
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, as applicable, their cultural competency plan is current and in compliance with Departmental procedures.

Sole Source:

This Agreement and Sole Source exception is justifiable according to Section 21.30 of the City's Administrative Code for Software Licenses, Support, Escrow, and Finance and Equipment Maintenance agreements. The American Medical Association (AMA) creates and owns the Current Procedural Terminology (CPT) code set used for billing throughout the Department of Public Health, and in particular required to be used in -- and required for the implementation of -- the new Epic Electronic Health Record (EHR) system. In addition, a direct contract with AMA presents the least amount of risk for the EHR project and is also the best price for the products.

Other Significant Issues:

With this transaction the Department will be procuring annual access to CPT codes created by the American Medical Association for use in the new Electronic Health Record.

The American Medical Association, founded in 1847 and incorporated in 1897, as a national professional medical organization, the first of its kind in the world, going on to establish uniform standards for medical education, training, and practice, the world's first national code for ethical medical practice. The AMA is the largest association of physicians—both MDs and DOs—and medical students in the United States. The AMA's stated mission is "to bring together physicians and communities to improve the nation's health." The Association also publishes the Journal of the American Medical Association (JAMA), which has the largest circulation of any weekly medical journal in the world. The AMA also publishes a list of Physician Specialty Codes which are the standard method in the U.S. for identifying physician and practice specialties.

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- There are 21 board members.
- Board members serve a term of 4 years, for a maximum of 2 terms/8 years.
- There are no vacancies and as noted above there are term limits for members.

**Recommendations:**

The Department recommends approval of this contract.