

**Health Commission  
City and County of San Francisco  
Resolution No. 16-3**

**RESOLUTION IN SUPPORT OF THE DIRECTOR OF HEALTH'S (DIRECTOR) DECISION TO SEEK APPROVAL FROM THE BOARD OF SUPERVISORS THAT THE COMPETITIVE SOLICITATION PROCESS WILL NOT APPLY TO THE PROCUREMENT OF A MODERN, SECURE AND FULLY INTEGRATED ELECTRONIC HEALTH RECORD SYSTEM (EHR) TO REPLACE THE DEPARTMENT'S CURRENT SYSTEM AND TO ALLOW THE DIRECTOR TO ENTER INTO NEGOTIATIONS FOR THE EHR SYSTEM.**

WHEREAS, The San Francisco Department of Public Health's (Department or DPH) San Francisco Health Network (SFHN) needs a modern and fully-integrated electronic health record (EHR) system to improve patient safety and care coordination to better protect and promote the health of all San Franciscans, fulfill the federal requirements of EHR "meaningful use," and help achieve the triple aim of Health Care Reform: better care for individuals, better health for the population, and lower cost through improvement; and

WHEREAS, This enterprise EHR will replace an aging patchwork of multiple vendor-supported and internally created electronic health record systems, with components dating back to 1996 which developed over several decades, including an outmoded clinical medical record system that does not fully comply with federal care delivery requirements and is ineligible for federal Eligible Professional and Hospital incentive payments; and

WHEREAS, The SFHN, San Francisco's only complete care system, provides direct health services to over 120,000 insured and uninsured residents of San Francisco, per year including those most socially and medically vulnerable, making it an essential component of the San Francisco safety net; and

WHEREAS, Congress mandated that financial penalties be applied to Medicare eligible professionals, eligible hospitals, and critical access hospitals (CAH) that are not "meaningful users" of Certified EHR Technology under the Medicare EHR Incentive Program; and

WHEREAS, SFHN's current EHR system does not comply with meaningful use requirements, SFHN estimates that its Medicare reductions will be approximately \$876,000 annually starting in 2017, assuming that Stage 3 meaningful use penalties are enforced per current legislation, although the estimated reduction amount may be mitigated if the City applies for and the U.S. Department of Health and Human Services (DHHS) grants the City a hardship; and

WHEREAS, In 2012, the Department embarked on an extensive research process to determine the best option for a modern, secure, and fully-integrated EHR system, contracting with Sierra Systems (Sierra) to assess the Department's information technology (IT) system and develop a plan that would support the expanding role of technology in the Department's delivery of health care to SFHN patients; and

WHEREAS, Statistics by DHHS and additional independent research by healthcare IT consulting and research firms Gartner Inc. and KLAS, clearly show the market leaders for EHR systems in ambulatory and hospital settings are Epic and Cerner, respectively; and

WHEREAS, , Tthe Department concluded, after extensive analysis, that there are only two EHR systems, Epic and Cerner, that can provide DPH a single vendor EHR system solution with the breadth of modules needed to provide effective records and information management for the many ways that DPH delivers health care, and contracting with UCSF to implement Epic as a Community Connect Partner is the Department's most viable option for several key reasons: clinical coordination/patient safety, clinical implementation support, population health research, and training and implementation costs; and

WHEREAS, The Department evaluated the benefits of linking into the UCSF Epic EHR system through the Department's over one hundred year affiliation with the University of California San Francisco (UCSF) via a process called Community Connect, where Community Connect hub organizations, like UCSF, are allowed a "shared use" of the Epic EHR system if they meet Epic's rigorous set of accreditation criteria to ensure the product is kept updated and properly utilized; and

WHEREAS, DPH leadership recognized the advantages of a Community Connect partnership with UCSF include the ability of UCSF to host the substantial infrastructure and hardware necessary to run their Epic system sized to meet DPH's needs, the option to expand UCSF's existing EHR design, to the extent that it aligns with DPH's own needs, which has been systematically configured and refined over several years by UCSF and Epic analysts, the considerable training and experience that UCSF physicians and residents have already received with the Epic EHR system, which should significantly reduce the training effort required to learn a DPH Epic system and enable providers to focus on optimizing the care they provide to patients, and that DPH would receive substantially greater support from its provider community because physician adoption and acceptance of an EHR is critical to the success of any EHR implementation; and

WHEREAS, The San Francisco Administrative Code requires a formal competitive solicitation process to procure commodities or services; however, there are several reasons to not require a competitive solicitation in this instance, and to authorize DPH to enter into exclusive negotiations with the Regents of the University of California (UC) for an agreement for shared use of its preconfigured and fully integrated Epic EHR system; now, therefore, be it

RESOLVED, That the Health Commission supports the Director's decision to seek approval from the Board of Supervisors that the competitive solicitation process will not apply to the procurement of a modern, secure, uniform and fully integrated EHR system to replace the Department's current patchwork electronic record system that will allow the Department to comply with federal regulation requirements and meet the health care needs of San Francisco residents; and be it

FURTHER RESOLVED, That the Health Commission concurs with the Director's decision to seek Board of Supervisors approval to authorize the Director to enter into negotiations exclusively with UC, through and by UCSF, for an agreement to allow the Department's shared use of UCSF's EHR system, under UCSF's accreditation as an Epic Community Connect Partner, and if the Director is unable to obtain sufficient assurances that UC will be able to substantially meet the criteria developed by the Director to reach a fair and reasonable agreement within six months of negotiations with UC, the Director may also enter into direct negotiations with Cerner Corporation and/or with Epic Systems.

I hereby certify that the San Francisco Health Commission at its meeting of January 19, 2016 adopted the foregoing resolution.

  
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Mark Morewitz, MSW  
Health Commission Executive Secretary