

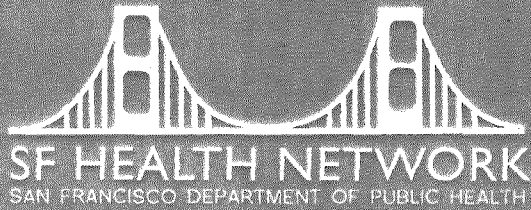
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Unified Electronic Health Record Procurement Ordinance

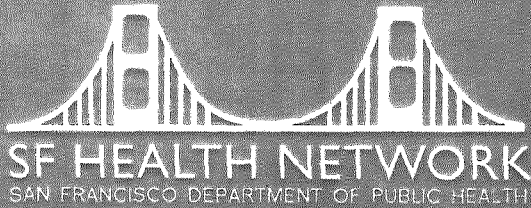
March 7, 2016

City and County of San Francisco
Board of Supervisors



EHR Procurement Ordinance

- Electronic Health Records (EHR) systems are now at the center of nearly every aspect of delivering healthcare
- DPH operates on a patchwork of outdated, inadequate systems
- Acquiring a unified EHR system is the top priority for DPH and Health Commission to
 - Improve patient care and safety
 - Improve access to data and research for better health outcomes
 - Improve revenues and reduce compliance risk
- This is a very large and costly undertaking, but affects nearly every patient that uses DPH services



EHR Procurement Ordinance

- **Two options for approach to unified EHR:**
 - Public sector partnership to share use of the existing system at University of California San Francisco (UCSF); or
 - Select a private for-profit vendor to directly build a new system for DPH
- DPH has determined that UCSF option has significant advantages for patient care and safety, and financial viability



What is the ordinance asking of the Board?

- **Permission of the Board of Supervisors for DPH to negotiate directly with UCSF to contract for shared use of its unified electronic health record (EHR)**

The city's only complete
health care system

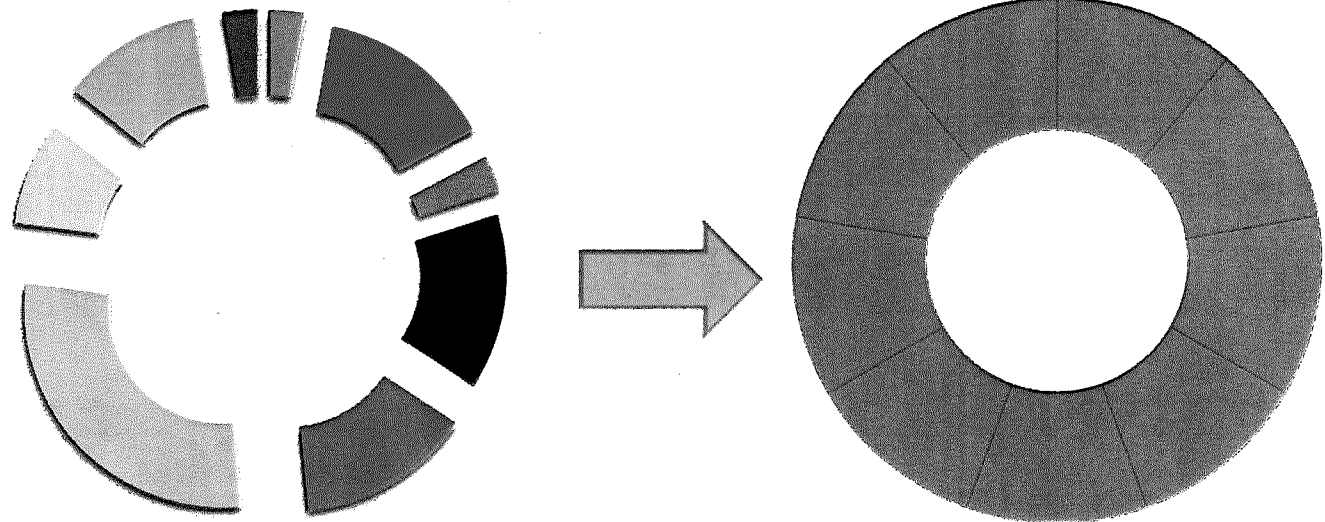


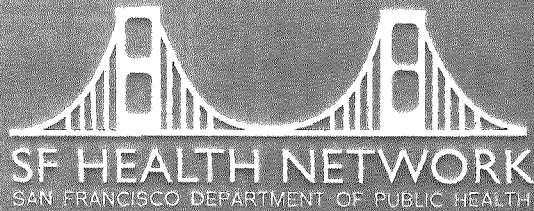
See the whole picture from any access point!

Why does DPH need an unified EHR?

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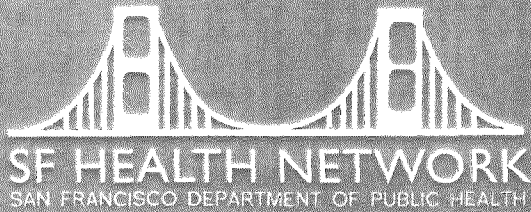
- Jail Health
- SFGH Emergency Dept
- SFGH Intensive Care Unit
- SFGH Med/Surg
- Laguna Honda Hospital
- Primary Care
- Specialty Care
- Behavioral Health
- Home Health





Why does DPH need an Unified EHR now?

- **Patient Care Outcomes**
 - Multiple patient data sources contribute to unsafe, inefficient and poorer quality care
 - Our patients deserve the same modern tool that supports optimal care at Kaiser Permanente, UCSF, and Stanford
- **Financial and Regulatory Risk**
 - Current billing process for ambulatory services requires documentation in two EHRs, involving both automatic and manual processes → revenue loss and compliance risk



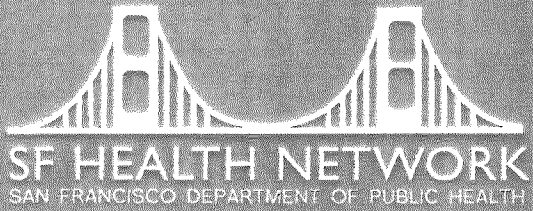
Why is UCSF the Preferred EHR Partner?

- Leverages UCSF Epic experience and system design
- Strengthens a 150-year partnership with a sister public, non-profit educational institution
- Capitalizes on ZSFGH physicians and trainees already proficient with UCSF Epic
- Improves patient care transfers between DPH-SFHN and UCSF Health
- Promotes sharing of patient data with Bay Area delivery systems to optimize health outcomes for San Francisco residents, especially vulnerable populations
- Commitment to local business enterprises and training opportunities to build a diverse workforce

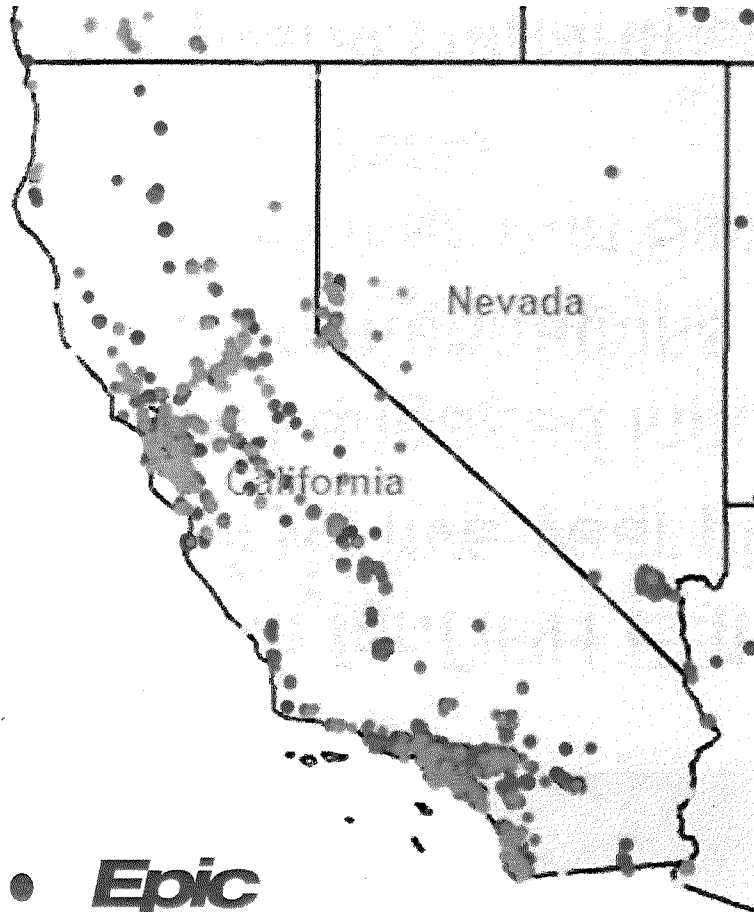


What process has occurred that led to this ordinance?

- Need for DPH EHR replacement is part of COIT's five-year plan
- DPH engaged industry consultants for recommendations
 - Gartner, Kurt Salmon & Associates and Sierra Systems
- Federal Department of Health and Human Services, and industry analysts showed only two leading unified EHR vendors



Epic dominates Northern California EHR market share



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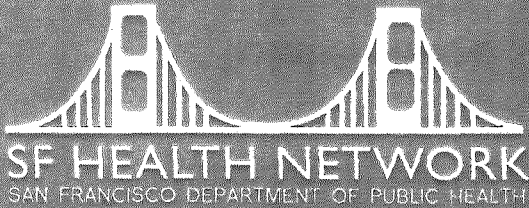
University of California
San Francisco



Stanford University Medical Center



Sutter Health



Anticipated Scale of Unified EHR Project

- Overhaul of EHR clinical and billing systems is a major, multi-year effort
- Top strategic priority for DPH and Health Commission
- Estimated 10-year net cost of \$181 (\$342 million total cost, offset by savings of \$161 million)
 - Costs include physical infrastructure, personnel backfill, system development, implementation, licensing, training, etc.
 - Planned sources include existing and future appropriations, improved revenue generation, private philanthropy (no COIT General Fund request)
 - EHR system currently supports over \$650 million in annual revenue to DPH, translating to \$6.5 billion in 10 years.



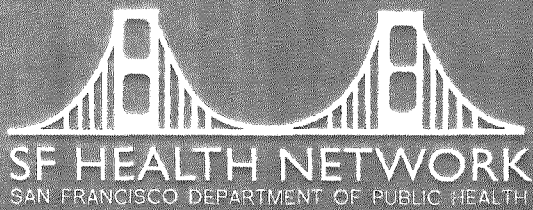
Anticipated Scale of Unified EHR Project

10-Year Projected Costs

Project Implementation	\$ (126,087,938)
Operating, Maintenance and Contingency	\$ (215,830,953)
Subtotal Cost	<u>\$ (341,918,891)</u>
Savings - Existing Contracts and Operating Costs	\$ 160,617,182
Net 10-Year Cost Less Savings	<u>\$ (181,301,709)</u>

Planned Sources

DPH 16-18 Base Budget	\$ 82,322,508
Prior Year Unspent Balance	\$ 9,800,000
Prior Year Revenue Transfers-In	\$ 32,000,000
Project Fund Reappropriations	\$ 11,000,000
DPH Reappropriations, Savings and Philanthropy	\$ 46,179,202
Total Planned Sources	<u>\$ 181,301,710</u>



What is the ordinance asking of the Board?

- Authorizes the Director of DPH to negotiate with UCSF for the shared use of their Epic system
- Authority is for the specific purpose of procuring an electronic health record (EHR)
- Any contract negotiated for an EHR would require future Board of Supervisors approval

