

Software Licensing for Customer Member Services Processes

Resolution to amend and extend the
agreement between the San Francisco Health
Service System and Hyland Software, Inc.
through March 31, 2030

Board of Supervisors Budget and Finance Committee

March 5, 2025

Resolution

HSS requests the Board of Supervisors approve the third amendment to the agreement between the City, by and through the San Francisco Health Service System (HSS), and Hyland Software, Inc. for the continued licensing of software and maintenance services that facilitate the capture, organization and storage of SFHSS member documents through March 31, 2030, and for a total not-to-exceed amount of \$574,000 and to authorize the Executive Director of HSS to make necessary, non-material changes to the Amendment before its execution.

Resolution and Amendment Summary

Resolution to approve the third amendment to the agreement between the **San Francisco Health Service System** (HSS) and **Hyland Software, Inc.** (Hyland).

- **Scope:** continued licensing of propriety software and maintenance services that facilitate the capture, organization and storage of SFHSS member documents

- **Term:** Extend current agreement up to five (5) years to March 31, 2030

- **Amount:** Increase the not-to-exceed value of the agreement by \$191,936 to \$574,000

Contract Purpose

- The relationship between the San Francisco Health Service System (SFHSS) and Hyland (FKA Lexmark), initiated in 2015, through a Sole Source Software License Agreement.
- Software solution allows SFHSS to move away from tactile files and a full file room to an integrated electronic system, without the need for physical storage.
- Since 2015, software solution indexes and maintains over 313,000 sensitive member records.
- Software solution is a cornerstone to document management, records management, image processing and content workflow business processes, with integration with the City's human resources information system (PeopleSoft).

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Questions

Appendix

Appendix - Contract Amendments and Novations

■ **Amendment 1 – Dated May 30, 2019**

- **Purpose:** Addition of Software Licenses and Extend the Term & NTE:
 - One License added for CaptureNow
 - Business Insight Bundled Licenses added (up to 99)
 - License maintenance extended until March 31, 2025, and License Maintenance costs adjusted for the additional licenses over the remaining term.

■ **Amendment 2- Dated September 1, 2023**

- **Purpose:** Upgrade required as a result of End-of-Life for existing version of Licenses, increase to NTE for upgrade.

Appendix - Contract Amendments and Novations *cont.*

The original Agreement has been novated twice:

- **Assignment and Novation Agreement- Dated May 15, 2018**
 - Change from Lexmark Enterprise Software LLC to Hyland LLC.
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- **Novation Agreement- Dated May 28, 2013**
 - Change from Hyland LLC to Hyland Software Inc.