



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 20-396

Board Meeting Date: 6/23/2020

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Chester J. Kunnappilly, MD, Chief Executive Officer, San Mateo Medical Center
Carlos Morales, Director, Correctional Health Services
Stephen Dean, Chief Information Officer, San Mateo County Health

Subject: Amendment to the Agreement with Cerner Health Services, Inc. to Continue the Utilization of the Electronic Medical Record, Applications, and Services

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Cerner Health Services, Inc. to continue the utilization of the Electronic Medical Record, applications, and services, extending the term of the agreement by three years through December 31, 2023 and increasing the total not to exceed amount by \$12,461,086 to an amount not to exceed \$59,817,900.

BACKGROUND:

In September 2003 the Board approved an agreement with Siemens Health Solutions, Inc. (Siemens) for ongoing information technology support and applications at San Mateo Medical Center (SMMC). On February 1, 2015, Siemens was acquired by Cerner Health Services, Inc. (Cerner) and the agreement was assigned to Cerner. Since then the agreement has been amended multiple times.

DISCUSSION:

A three-year extension of the current agreement term of September 23, 2003 through December 31, 2020 is necessary to continue the utilization of Cerner's Electronic Medical Record (EMR) and other applications and services at SMMC until December 31, 2023.

On December 11, 2018, the parties approved an amendment for the implementation of Cerner's EMR applications for Correctional Health Services (CHS). During implementation, a significant change of scope was identified which will require additional Cerner services. The need for digital records has been further strengthened by the COVID-19 crisis. Specifically, the Emergency Zero-Dollar Bail Release overwhelmed Correctional Health Services (CHS) staff working to do comprehensive releases. Paper charts were the primary record providing current medical and prescription information for this very vulnerable population. Following approval of this amendment, the parties will enter into a mutually agreed change of scope amendment for the additional services and costs not to

exceed \$485,000.

In order to continue services until December 31, 2023, an additional \$17,150,000 is needed. The Not to Exceed amount outlines: base charges totaling \$15,231,293, expected regulatory upgrades totaling \$607,012, approved CHS services and applications totaling \$826,695 and \$485,000 respectively for the completion of CHS' EMR project.

The funds identified in the current contract ending December 31, 2020, cover up to \$4,688,914, and \$12,461,086 is needed to make up for the difference in order to extend the term through December 31, 2023.

County Health is requesting the Board waive the Request for Proposals process to allow Cerner to continue to provide these services and increase the funding through the end of the extended term while County Health evaluates options for a County Health EMR.

The amendment and resolution have been reviewed and approved by County Counsel as to form.

The resolution contains the County's standard provisions allowing amendment of the County fiscal obligations by a maximum of \$25,000 (in aggregate).

The Information Services Department has reviewed and approved the IT component of this agreement.

It is anticipated that 100% of medication management and Intensive Care Unit (ICU) flowsheet documentation will be captured in the EMR.

PERFORMANCE MEASURE:

Measure	FY 2019-20 Estimated	FY 2020-21 Projected
Percentage of medication management and ICU flowsheet documentation that is captured in the EMR	N/A	100%

FISCAL IMPACT:

The term of the amended agreement is July 1, 2012 through December 31, 2023. The amendment increases the contract amount by \$12,461,086 to a new not to exceed amount of \$59,817,900. Funds in the amount of \$4,550,573 are included in the SMMC FY 2019-20 Adopted Budget. Funds in the amount of \$4,314,409 are included in the SMMC FY 2020-21 Recommended Budget. Similar arrangements will be made for future years.

The cost of the amendment for CHS will be covered within its FY 2019-20 Adopted Budget. CHS' share of the amendment will be 100% Net County Cost.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care is covered by the County's General Fund contribution to SMMC and is within the existing annual appropriation.