

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

June 10, 2025

FROM

ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center

SUBJECT

Amendment No. 6 to Agreement with Epic System Corporation for Electronic Health Record System Modules

RECOMMENDATION(S)

1. Approve **Amendment No. 6 to Agreement No. 19-557** with Epic Systems Corporation, for the addition of Care Management and Value Based Care, Gallery Document Management System, Epic Generative AI Suite, Guesthouse Contracted Vendor Portal, SecureChat, Willow Ambulatory Pharmacy and Inventory Supply Tracking, and upgrade to the MyChart Patient Experience Platform, licensing, implementation services, go-live support, and travel expenses related to the Electronic Health record system, increasing the amount by \$3,000,000 from \$41,272,165 to \$44,272,165, with no change to the term of August 6, 2019, until terminated with 90 day notice to the other party.
2. Direct the Clerk of the Board of Supervisors to maintain the confidentiality of the Amendment with Epic Systems Corporation pursuant to the confidentiality provision in Agreement No. 19-557.

(Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The cost of \$3,000,000 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2024-25 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

This amendment with Epic Systems Corporation (Epic) will allow ARMC to purchase and implement the Care Management and Value Based Care, Gallery Document Management System, Epic Generative AI Suite, Guesthouse Contracted Vendor Portal, Willow Ambulatory Pharmacy and Inventory Supply Tracking modules, and the upgrade to the MyChart Patient Experience Platform.

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The Care Management and Value Based Care module is designed to support healthcare organizations in coordinating and managing care across the continuum of care. The Gallery Document Management System is a media manager module. It allows users to attach and manage various file types such as documents, images and videos to patient records within Epic. The Epic AI Suite is a growing set of Generative AI features available in Epic's software which includes personalizing patient responses, streamlining handoff summaries, and provides up-to-date insights for providers. Guesthouse Contracted Vendor Portal (Guesthouse) provides a security framework that helps manage third party access to customers' Epic systems. Guesthouse streamlines setup and maintenance of security templates for external users and enforces appropriate access based on security restrictions defined in the system. SecureChat supports integrated instant text messaging between physicians, nurses, and other staff on workstations, smartphones and tablets. Willow Ambulatory Pharmacy and Inventory Supply Tracking allows for entry and review of outpatient prescriptions. Supports interaction checking, real-time adjudication, local or central fill, and interfacing to Point of Sale (POS), Interactive Voice Response (IVR), and robotics. The upgrade to MyChart Patience Experience Platform will incorporate Welcome Patient Kiosk and MyChart Bedside Portal for Admitted Patients.

On August 6, 2019 (Item No. 9), as the result of formal solicitation No. ARMC117-ARMC-2510, the Board of Supervisors (Board) approved Agreement No. 19-557 with Epic with an estimated five-year cost not to exceed \$29,738,425 beginning August 6, 2019, until terminated with 90 days' notice to the other party, for the purchase, installation and maintenance of a fully integrated EHR system at ARMC.

On March 9, 2021 (Item No. 3), the Board approved Amendment No. 1 to Agreement No. 19-557 with Epic, increasing the estimated five-year not-to-exceed amount by \$448,000, from \$29,738,425 to \$30,186,425, for additional implementation services and travel expenses related to the EHR system, with no change to the term.

On October 5, 2021 (Item No. 15), the Board approved Amendment No. 2 to Agreement No. 19-557 with Epic, including the incorporated additional terms to the agreement, increasing the estimated five-year not-to-exceed amount by \$9,974,190, from \$30,186,425 to \$40,160,615, for additional software modules, licensing, implementation services, go-live support and travel expenses related to the EHR, with no change to the term..

On April 25, 2023, pursuant to authority delegated by the Board, the Hospital Director approved Amendment No. 3 to Agreement No. 19-557 with Epic, to incorporate the Nebula feature and integrate maps and geocoded data into Epic workflows. The non-financial amendment added a program property that is already licensed under Agreement No. 19-577, at no additional cost and with no change to the term.

On June 13, 2023 (Item No. 17), the Board approved Amendment No. 4 to Agreement No. 19-557 with Epic for the addition of Epic Hello World SMS and Cheers Call Center modules, additional software modules, licensing, implementation services, go-live support and travel expenses related to the Electronic Health Record system, increasing the amount by \$1,111,550, from \$40,160,615 to \$41,272,165, with no change to the term.

On November 5, 2024, pursuant to authority delegated by the Board, the ARMC Chief Executive Officer approved Amendment No. 5 to Agreement No. 19-557 with Epic, to incorporate the Base Payer Platform Network for Providers, at no additional cost, that will help Providers facilitate

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certain population health, treatment, healthcare operations and payment activities that will reduce unnecessary services and reduce administrative costs while improving the quality of healthcare with no change to the term.

Pursuant to Agreement No. 19-557, the County is obligated to maintain the confidentiality of information that Epic identifies as confidential and proprietary, including its pricing. The County may incur liability from failing to disclose information pursuant to a California Public Records Act request or open public meeting requirements (Brown Act and County Sunshine Ordinance). This liability may be offset by the indemnification obligations that Epic has agreed to undertake. In addition, the County could be deemed in breach of agreement and incur liability to Epic for disclosure of Epic's information, including non-redacted versions of the agreement, regardless of whether the disclosure is intentional or inadvertent, which could exceed the agreement amount.

ARMC recommends approval of this amendment to provide for the safety, health and social services needs of County residents by continuing to implement a "One Patient - One Record" system for County healthcare needs.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387- 5455) on May 2, 2025; Purchasing (Veronica Pedace, Buyer III, 387-2198) on May 2, 2025; Innovation and Technology Department (Lynn Fyhrlund, Chief Information Officer, 388-5501) on May 28, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on May 16, 2025; Finance (Jenny Yang, Administrative Analyst, 387-4884) on May 21, 2025; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387- 5423) on May 21, 2025.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 10, 2025



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree redacted
File - Confidential file w/agree
MBA 06/17/2025