



## Legislation Text

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**File #:** 24-0952, **Version:** 1

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Health and Human Services Agency (HHS) recommending the Board:

- 1) Approve and authorize the Purchasing Agent to sign Purchase Contract 8789 for the provision of Java platform subscriptions provided by Oracle America, Inc. in the amount of \$15,000 and for the term of five years from July 1, 2024, through June 30, 2029;
- 2) Authorize the Purchasing Agent to execute amendments relating to Purchase Contract 8789, contingent upon approval by County Counsel, which do not increase compensation or extend the term of the Purchase Contract; and
- 3) Authorize the HHS Director, or the Chief Assistant Director, to execute programmatic, administrative, and fiscal documents relating to Purchase Contract 8789.

**FUNDING:** 100% State funds: Behavioral Health Mental Health Services Act Capital Facilities and Technological Needs.

**DISCUSSION / BACKGROUND:**

In accordance with the California Welfare and Institutions Code (WIC) § 14680 through §14726, HHS's Behavioral Health Division (BHD) serves as the Mental Health Plan (MHP) in El Dorado County. As the County MHP, HHS BHD is required to provide Specialty Mental Health Services (SMHS) and Substance Use Disorder (SUD) services to qualifying clients with Medi-Cal (referred to as beneficiaries). As the MHP, HHS BHD contracts with the California Department of Health Care Services (DHCS) to provide these mandated services.

In order to bill DHCS for these mandated services, the County contracts with Netsmart Technologies for usage of its Avatar electronic health record (EHR) and billing system (referred to as the "Avatar"), which is supported through the Oracle-owned Java platform, defined as "a multiplatform, object-oriented programming language that powers applications, multiple operating systems, and enterprise software." Java is the technology platform that supports the County's Avatar system. Avatar is primarily used by BHD staff for electronic billing and provides an efficient system for HHS to track client documentation and billing for mandated SMHS and SUD services.

Since 2007, Avatar has been supported through the Java platform and California counties have historically used a free version of Java. In 2010, Oracle acquired Sun Microsystems resulting in the transfer of the ownership of Java. In a recent audit completed in 2024, County's Information Technology (IT) Department identified that the Java platform was acquired by Oracle and discovered that Oracle stopped providing counties with a free license to utilize the platform. Consequently, IT negotiated a five-year contract with Oracle to continue using the Java platform for the Avatar system beginning July 1, 2024, at the subscription fee of \$3,000 per year over the next five years, which negated any retroactive reimbursement request by Oracle for HHS to pay for the use of the licenses dating back to its 2010 acquisition.

HHS BHD clinical and billing staff use the Java-supported Avatar to support Medi-Cal billing and records for Medi-Cal beneficiaries. To ensure continuity of the Java-supported Avatar system and avoid any retroactive payment recoupment by Oracle for prior usage, HHS recommends this draft

Purchase Contract be authorized for Purchasing Agent execution, pending final County Counsel approval.

**ALTERNATIVES:**

Should the Board decline to approve this recommendation, HHSA BHD would need to transition to another EHR or platform. In the interim, the client service documentation and fiscal billing processes would resort to a manual billing process, which may require additional staffing requests.

**PRIOR BOARD ACTION:**

05/21/24, 24-0784, HHSA Netsmart Agreement 8522

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

County Counsel, Risk Management, and Information Technologies.

**CAO RECOMMENDATION:**

Approve as recommended.

**FINANCIAL IMPACT:**

There is no Net County Cost associated with this agenda item. Sufficient appropriations are included in the Fiscal Year (FY) 2024-25 Budget and will be included in subsequent fiscal year budget requests for this contract.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

N/A

**STRATEGIC PLAN COMPONENT:**

N/A

**CONTACT**

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