



AGENDA

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical Center
1700 Mount Vernon Avenue
Bakersfield, California 93306
Room 1058**

Special Meeting
Monday, October 21, 2024

11:30 A.M.

BOARD TO RECONVENE

Board Members: Anderson, Berjis, McLaughlin, Merz, Pelz, Pollard
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" OR "C" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY STAFF. THE "CA" OR "C" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. In addition, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

ITEMS FOR CONSIDERATION

CA

- 3) Proposed Renewal Order CRNR-CON0201699-1 with Oracle America, Inc., an independent contractor, containing nonstandard terms and conditions, extending the term for the Oracle Population Health Management Platform for one year from November 1, 2024 through October 31, 2025, in an amount not to exceed \$618,113 plus applicable tax –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

ADJOURN TO CLOSED SESSION

CLOSED SESSION

- 4) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) –

RECONVENE FROM CLOSED SESSION

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO WEDNESDAY, NOVEMBER 20, 2024, AT 11:30 A.M.

SUPPORTING DOCUMENTATION FOR AGENDA ITEMS

All agenda item supporting documentation is available for public review at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, 93306 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

AMERICANS WITH DISABILITIES ACT (Government Code Section 54953.2)

The Kern Medical Center Conference Room is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Hospital Authority Board of Governors may request assistance at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, California, or by calling (661) 326-2102. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY SPECIAL MEETING**

October 21, 2024

Subject: Proposed Oracle Health Services Renewal Order CRNR-CON0201699-1 with Oracle America, Inc. to the Cerner Business Agreement (2016-36) to extend the purchase term for Oracle's Population Health Management platform

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests that your Board approve the proposed Oracle Health Services Renewal Order CRNR-CON0201699-1, in the amount not to exceed \$618,113 plus applicable tax, for a term beginning on November 1, 2024 through October 31, 2025. Kern Medical is currently contracted for these services; however, the seven-year term expires at the end of October 2024. This contract renews the term and adjusts for changes in covered member volumes.

Oracle will renew the Health Data Intelligence suite and increase the number of contracted covered lives from 30,000 to 60,000 to reflect the current population. This is a 100% increase in patient population management. Oracle will additionally add product enhancements over the next few months that will improve care management workflow and provide QIP standard analytics. In 2025, the platform will be moved to the cloud, which will consolidate reporting and reduce latency. Oracle will increase the monthly spend from \$52,896 to \$62,526 resulting in a 15.4% increase in cost. Our current contracted scope of use for this increase in volume would result in a \$13,310 increase in cost and a one-time fee of \$25,522. The proposed increase of \$9,630 is nearly a 28% discount in monthly fees and a waiver of the one-time fee, as our current contract is written.

Counsel is unable to approve due to nonstandard terms which include third party products and services with pass-through provisions, which are accepted without Counsel approval, and changes to costs with little to no negotiation.

Therefore, it is recommended that your Board approve the proposed Oracle Health Services Renewal Order CRNR-CON0201699-1 with Oracle America, Inc. to extend the purchase term of the Oracle Population Health Management platform, with a maximum payable of \$618,113 plus applicable tax to cover the extended term, November 1, 2024 through October 31, 2025, and authorize the Chairman to sign.



17-Oct-24

Dear Sandra Bakich

Your Oracle Health Services are due for renewal.

Service Number: CRNR-CON0201699-1

Service Start Date: 1-Nov-24

Amount Due: USD 618,112.73 (excluding applicable tax)

To avoid any interruption in Services, please complete your renewal by 24-Oct-24.

Oracle would like to thank you for your business.

Have a question about your renewal? Call or email Oracle Health at carson.weber@oracle.com.



Oracle Health Services Renewal Order

General Information

Customer: Kern County Hospital Authority

Service Number: CRNR-CON0201699-1

Offer Expires: 31-Oct-24

Oracle: Oracle America, Inc.

Oracle Contact Information:

Carson Weber

Call:

Email: carson.weber@oracle.com

Customer Quote To

Sandra Bakich

Kern County Hospital Authority

1830 Flower St

Bakersfield

CA 93305

United States

(661) 326-2000

sandra.bakich@kernmedical.com

Customer Bill To

Sandra Bakich

Kern County Hospital Authority

1830 Flower St

Bakersfield

CA 93305

United States

-661-319-9628

sandra.bakich@kernmedical.com

"You" and "Your" as used in this renewal order, refer to the Customer listed above.

Please ensure the Quote To and Bill To details above are correct, especially the email addresses, as Oracle will usually deliver communications, including Your invoice, to the respective email address.

Service Details

Recurring Services – Cloud Subscriptions

Product Description	Pass Through Code	Reference #	Qty	Subscription ID	Start Date	End Date	Price
75202107 Milliman Advanced Risk Adjusters - Member		1-5MCIXTT	1000 0	30552185	1-Nov-24	31-Oct-25	6,746.20
Recurring Services Fees: USD							6,746.20

Recurring Services – Cloud Subscriptions

Product Description	Reference #	Qty	Subscription ID	Start Date	End Date	Price	
75200155 Oracle Population Health Management - Contracted Member	1-5MCIXTT	3000 0	3020403	1-Nov-24	31-Oct-25	159,660.00	
75200159 Oracle Health Care Management - Member	1-5MCIXTT	1000 0	3020403	1-Nov-24	31-Oct-25	156,060.00	
75200160 Oracle Health Data Warehouse (Up to Quantity) - Service Population	1-5MCIXTT	5000 00	3020403	1-Nov-24	31-Oct-25	246,780.00	
75200164 Oracle Health Data Acquisition - Claims_CCDA - Connection	1-5MCIXTT	1	3020403	1-Nov-24	31-Oct-25	1,128.00	
75202999 MPI Duplicate Reconciliation Ongoing Cleanup Recurring - Service Population	1-6UQOXC N	6500 00	3026514	1-Nov-24	31-Oct-25	47,539.33	
Recurring Services Fees: USD							611,167.33

Recurring Services - License Subscriptions

Product Description	Pass Through Code	Reference #	Qty	Subscription ID	Start Date	End Date	Price
75203681 CPT Codes for HealthIntent - CPT User Per Release		1-5MCIXTT	10	30553404	1-Nov-24	31-Oct-25	199.20
Recurring Services Fees: USD							199.20

Total Price: USD 618,112.73

Excluding applicable tax

Applicable Support Policies

Per Your prior Agreement with Cerner, Oracle may revise Your Support policies with notice. This hereby serves as notice that the Oracle Health Software Support Policies and/or Oracle Health Equipment Support Policies (collectively, the "Support Policies") govern Oracle's provision of Support for Licensed Software and/or Equipment, respectively, under this renewal order. Support is provided under the Support Policies in effect at the time the Support is provided. The Support Policies are subject to change at Oracle's discretion; however, Oracle will not materially reduce the level of Support provided for the Licensed Software and/or Equipment during the period for which fees for Support has been paid. You should review these Support Policies prior to entering into this renewal order. The current version of the Support Policies may be accessed at <http://www.oracle.com/contracts> on the



Oracle Health tab.

For clarity the Support Policies referenced above are not applicable to Oracle's provision of Recurring Services, Application Management Services and/or Managed Services.

Applicable Agreement

The Services renewed under this renewal order are governed by the terms and conditions of the applicable Agreement identified below ("Agreement"):

- Licensed Software and Equipment Support
 - a. The existing agreement that You executed for Support for the Licensed Software and/or Equipment listed in the Service Details section above with Oracle or a vendor acquired by Oracle (**Cerner Business Agreement No. 1-3H7XXBV (Client Reference HA # 2016-36)**). Any use of the Licensed Software and/or Equipment, which includes updates and other materials provided or made available by Oracle as a part of Support, is subject to the rights granted for the Licensed Software and/or Equipment set forth in the order/Ordering Document in which the Licensed Software and/or Equipment were acquired; or
 - b. If You do not have an existing agreement for Support, You agree that the terms of the Oracle Health Business Agreement that is in effect at the time You accept Your renewal order governs the provision of Support ordered under this renewal order, as well as Your rights to use updates and other materials provided or made available by Oracle under Support. If applicable, You should review the Oracle Health Business Agreement prior to entering into this renewal order, the current version of which may be accessed at <http://www.oracle.com/contracts> on the Oracle Health tab.

- Recurring Services, Application Management Services and/or Managed Services
 - a. The existing agreement that You executed for the Recurring Services, Application Management Services and/or Managed Services listed in the Service Details section above with Oracle or a vendor acquired by Oracle; or
 - b. If You do not have an existing agreement for Recurring Services, Application Management Services and/or Managed Services, You agree that the terms of the Oracle Health Business Agreement that is in effect at the time You accept Your renewal order governs the provision of Recurring Services, Application Management Services and/or Managed Services ordered under this renewal order. If applicable, You should review the Oracle Health Business Agreement prior to entering into this renewal order, the current version of which may be accessed at <http://www.oracle.com/contracts> on the Oracle Health tab.

This renewal order incorporates the Agreement by reference. In the event of inconsistencies between the terms contained in this renewal order and the Agreement, this renewal order shall take precedence.

Renewal Processing Details

Your renewal order is subject to Oracle's acceptance. Your renewal is considered complete when You provide Oracle with payment details for the renewal as detailed below or an executed Oracle Financing contract. Once completed, Your renewal cannot be cancelled and Your payment is non-refundable, except as provided in the agreement. Oracle will issue an invoice to You upon receipt of a purchase order or a form of payment acceptable to Oracle.

Services fees are invoiced Quarterly in Arrears. All fees payable to Oracle are due within 30 NET from date of invoice.

You agree to pay any sales, value-added or other similar taxes imposed by applicable law, except for taxes based on Oracle's income. If Kern County Hospital Authority is a tax exempt organization, a copy of Kern County Hospital Authority's tax exemption certificate must be submitted with Kern County Hospital Authority's purchase order, check, credit card or other acceptable form of payment.

Payment Details

Purchase Order

If You are submitting a purchase order for the payment of the renewal of the Services on this renewal order, the purchase order must be in a non-editable format (e.g., PDF) and include the following information:

- Service Number: CRNR-CON0201699-1
- Total Price: USD 618,112.73 (excluding applicable tax)
- Local Tax, if applicable

In issuing a purchase order, Kern County Hospital Authority agrees that the terms of this renewal order and the agreement supersede the terms in the purchase order or any other non-Oracle document, and no terms included in any such purchase order or other non-Oracle document shall apply to the technical support services ordered under this renewal order.

Please contact Oracle per the General Information section above to issue Your purchase order.

Payment Confirmation

If You cannot pay using any of the payment methods described above, please complete this payment confirmation and submit it to Oracle. Please initial the following statement that best applies to You.

___ Kern County Hospital Authority does not issue purchase orders.

___ Kern County Hospital Authority does not require a purchase order for the services ordered hereto.

Kern County Hospital Authority certifies that the information provided above is accurate and complies with Kern County Hospital Authority's business practices in entering into this renewal order, including obtaining all necessary approvals to release the funds for this renewal. In issuing this payment confirmation, Kern County Hospital Authority agrees that the terms of this renewal order and the agreement shall apply to the Services ordered under this renewal order. No terms attached or submitted with the payment confirmation shall apply.

The signature below affirms Kern County Hospital Authority's commitment to pay for the Services ordered in accordance with the terms of this renewal order.

Kern County Hospital Authority

Authorized Signature

Phil McLaughlin

Name

Chairman, Board of Governors

Title

October 21, 2024

Signature Date

Please contact Oracle per the General Information section above to issue Your Payment Confirmation.

REVIEWED ONLY
NOT APPROVED AS TO FORM

By *Shannon Hochstein*
Kern County Hospital Authority

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Health and Safety Code Section 101855(e)(1)

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on October 21, 2024, the premature disclosure of which would create a substantial probability of depriving the authority of a substantial economic benefit or opportunity. The closed session involves:

 X Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) –