

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

December 19, 2023

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Amendment to Physician Services Agreement for Medical Oncology Services

RECOMMENDATION(S)

Approve **Amendment No. 2** to Physician Services **Agreement No. 20-477** with City of Hope Medical Foundation, Inc. for medical oncology services, to increase the total contract amount by \$668,900 from \$4,682,300 to \$5,351,200, and to extend the term by six months, for a total contract term of July 1, 2020 through June 30, 2024.

(Presenter: William L. Gilbert, Director, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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 \$668,900 will be 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 Arrowhead Regional Medical Center's (ARMC) 2023-24 budget.

BACKGROUND INFORMATION

Amendment No. 2 to Physician Services Agreement No. 20-447 (Agreement) will allow the City of Hope Medical Foundation, Inc. (COH) to continue to provide inpatient and outpatient medical oncology services at ARMC for an additional six months. This will allow COH additional time for their internal review of a proposed service contract to provide continuity of care for patients, without disrupting the services provided to oncology patients at ARMC. Negotiations with COH began in February 2023 and have been ongoing. Unfortunately, COH has experienced a recent administrative change and due to the legal and other necessary reviews needed are unable to meet the required deadline for the new contract and additional requirements.

ARMC partners with various medical corporations to provide medical care and education programs for the hospital and their Family Health Centers (FHCs). COH provides highly skilled licensed oncologists to provide medical and clinical oncology services to ARMC patients.

COH physicians associated with this contract are granted clinical privileges, which allow the physician to practice medicine at ARMC and are approved to serve in administrative roles in the same manner.

**Amendment to Physician Services Agreement for Medical Oncology
Services
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On June 23, 2020 (Item No. 13), the Board of Supervisors (Board) approved Agreement No. 20-477 with COH to provide medical oncology services in the amount of \$4,013,400 for the period of July 1, 2020 through June 30, 2023.

On June 27, 2023 (Item No. 27), the Board approved Amendment No. 1 to Agreement No. 20-477 with COH to update contract language, increase the total contract amount by \$668,900 from \$4,013,400 to \$4,682,300, and to extend the contract term by six months, for a total contract term of July 1, 2020 through December 31, 2023.

ARMC and COH are currently in negotiations to bring a new contract to the Board prior to the new termination date of June 30, 2024.

ARMC recommends approval of this amendment to continue to provide the continuity of care necessary for the safety, health and social service needs of county residents with cancer.

PROCUREMENT

The amendment and underlying agreement with COH was the result of a non-competitive procurement due to the specialized credentials of the physicians and practitioners. Government Code Section 31000 provides the public entities the authority to contract for “special services,” which explicitly include medical services. Courts have interpreted GC 31000 as providing a public entity with the authority to contract with and employ individuals who are highly technically skilled in the sciences without competitive bidding.

The Purchasing Department recognizes the specialized credentials and continues to support the non-competitive procurement for these services.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on November 22, 2023; Purchasing (Ariel Gill, Supervising Buyer 387-2070) on November 28, 2023; ARMC Finance (Chen Wu, Budget and Finance Officer, 580-3165) on November 28, 2023; Finance (Jenny Yang, Administrative Analyst) on November 30, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on November 30, 2023.

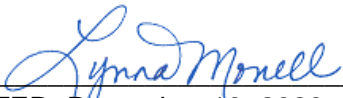
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: December 19, 2023



cc: ARMC Gilbert w/agree
Contractor c/o ARMC w/agree
File w/agree
MA 12/20/2023