CONFIDENTIAL

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY

SAN BERNARDINO COUNTY

Contract Number 25-550

SAP Number

Arrowhead Regional Medical Center

Department Contract Representative	Andrew Goldfrach
Telephone Number	(909) 580-6150
Contractor	California Department of Health Care Services
Contractor Representative	Vivian Beeck
Telephone Number	916-345-8271
Contract Term	January 1, 2024 – June 30, 2027
Original Contract Amount	Revenue
Amendment Amount	
Total Contract Amount	Revenue
Cost Center	
Grant Number (if applicable)	N/A

Briefly describe the general nature of the contract: Agreement (State Contract No. 24-0091) with the California Department of Health Care Services to allow Arrowhead Regional Medical Center to receive supplemental payments for Medi-Cal managed care capitation rate increases, and for the provision of an intergovernmental transfer assessment fee for administration of the intergovernmental transfer program during the term of the State-established claim period of January 1, 2024 through December 31, 2024 with a contract term of January 1, 2024 through June 30, 2027.

FOR COUNTY USE ONLY

Approved as to Legal Form	Reviewed for Contract Compliance	Reviewed/Approved by Department
►	►	►
Charlee Phan, Supervising Deputy County Counsel		Andrew Goldfrach, ARMC Chief Executive Officer
Date 7/28/2025	Date	Date 7/28/2025

INTERGOVERNMENTAL AGREEMENT REGARDING TRANSFER OF PUBLIC FUNDS

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ("DHCS") and SAN BERNARDINO COUNTY ON BEHALF OF ARROWHEAD REGIONAL MEDICAL CENTER ("GOVERNMENTAL FUNDING ENTITY") with respect to the matters set forth below.

The parties agree as follows:

AGREEMENT

1. Transfer of Public Funds

1.1 The GOVERNMENTAL FUNDING ENTITY agrees to make a transfer of funds to DHCS pursuant to sections 14164 and 14301.4 of the Welfare and Institutions Code. The amount transferred shall be based on the sum of the applicable rate category per member per month ("PMPM") contribution increments multiplied by member months, as reflected in Exhibit 1. The GOVERNMENTAL FUNDING ENTITY agrees to initially transfer amounts that are calculated using the Estimated Member Months in Exhibit 1, which will be reconciled to actual enrollment for the service period of January 1, 2024 through December 31, 2024 in accordance with Sub-Section 1.3 of this Agreement. The funds transferred shall be used as described in Sub-Section 2.2 of this Agreement. The funds shall be transferred in accordance with the terms and conditions, including schedule and amount, established by DHCS.

1.2 The GOVERNMENTAL FUNDING ENTITY shall certify that the funds transferred qualify for Federal Financial Participation pursuant to 42 C.F.R. part 433, subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, Federal

money excluded from use as State match, impermissible taxes, and non-bona fide provider-related donations. Impermissible sources do not include patient care or other revenue received from programs such as Medicare or Medicaid to the extent that the program revenue is not obligated to the State as the source of funding.

1.3 DHCS shall reconcile the "Estimated Member Months," in Exhibit 1, to actual enrollment in HEALTH PLAN(S) for the service period of January 1, 2024 through December 31, 2024 using actual enrollment figures taken from DHCS records. Enrollment reconciliation will occur on an ongoing basis as updated enrollment figures become available. Actual enrollment figures will be considered final two years after December 31, 2024. If reconciliation results in an increase to the total amount necessary to fund the nonfederal share of the payments described in Sub-Section 2.2, the GOVERNMENTAL FUNDING ENTITY agrees to transfer any additional funds necessary to cover the difference. If reconciliation results in a decrease to the total amount necessary to fund the nonfederal share of the payments described in Sub-Section 2.2, DHCS agrees to return the unexpended funds to the GOVERNMENTAL FUNDING ENTITY. If DHCS and the GOVERNMENTAL FUNDING ENTITY mutually agree, amounts due to or owed by the GOVERNMENTAL FUNDING ENTITY may be offset against future transfers.

2. Acceptance and Use of Transferred Funds

2.1 DHCS shall exercise its authority under section 14164 of the Welfare and Institutions Code to accept funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to this Agreement as Intergovernmental Transfer (IGTs), to use for the purpose set forth in Sub-Section 2.2.

2.2 The funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to Section 1 and Exhibit 1 of this Agreement shall be used to fund the non-federal share of Medi-Cal Managed Care actuarially sound capitation rates described in section 14301.4(b)(4) of the Welfare and Institutions Code as reflected in the contribution PMPM and rate categories reflected in Exhibit 1. The funds transferred shall be paid, together with the related Federal Financial Participation, by DHCS to HEALTH PLAN(S) as part of HEALTH PLAN(S)' capitation rates for the service period of January 1, 2024 through December 31, 2024, in accordance with section 14301.4 of the Welfare and Institutions Code.

2.3 DHCS shall seek Federal Financial Participation for the capitation rates specified in Sub-Section 2.2 to the full extent permitted by federal law.

2.4 The parties acknowledge that DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services.

2.5 DHCS shall not direct HEALTH PLAN(S)' expenditure of the payments received pursuant to Sub-Section 2.2.

3. Assessment Fee

3.1 DHCS shall exercise its authority under section 14301.4 of the Welfare and Institutions Code to assess a 20 percent fee related to the amounts transferred pursuant to Section 1 of this Agreement, except as provided in Sub-Section 3.2. GOVERNMENTAL FUNDING ENTITY agrees to pay the full amount of that assessment in addition to the funds transferred pursuant to Section 1 of this Agreement.

3.2 The 20-percent assessment fee shall not be applied to any portion of funds transferred pursuant to Section 1 that are exempt in accordance with sections 14301.4(d) or 14301.5(b)(4) of the Welfare and Institutions Code. DHCS shall have sole discretion to

determine the amount of the funds transferred pursuant to Section 1 that will not be subject to a 20 percent fee. DHCS has determined that $ 4,744,975 of the transfer amounts, as shown in the table below, will not be assessed a 20 percent fee, subject to Sub-Section 3.3.

Health Plan	Rating Region	Waived Amt	Funding Entity
Inland Empire Health Plan	Inland Empire	$ 4,323,986	San Bernardino County on behalf of Arrowhead Regional Medical Center
Molina Healthcare	Inland Empire	$ 420,989	San Bernardino County on behalf of Arrowhead Regional Medical Center
Kaiser Foundation Health Plan	Inland Empire	$ -	San Bernardino County on behalf of Arrowhead Regional Medical Center
Total		**$ 4,744,975**	

3.3 The 20-percent assessment fee pursuant to this Agreement is non-refundable and shall be wired to DHCS simultaneously with the transfer amounts made under Section 1 of this Agreement. If at the time of the reconciliation performed pursuant to Sub-Section 1.3 of this Agreement, there is a change in the amount transferred that is subject to the 20-percent assessment in accordance with Sub-Section 3.1, then a proportional adjustment to the assessment fee will be made.

4. Amendments

4.1 No amendment or modification to this Agreement shall be binding on either party unless made in writing and executed by both parties.

4.2 The parties shall negotiate in good faith to amend this Agreement as necessary and appropriate to implement the requirements set forth in Section 2 of this Agreement.

5. Notices. Any and all notices required, permitted, or desired to be given hereunder by one party to the other shall either be sent via secure email or submitted in writing to the other party personally or by United States First Class, Certified or Registered mail with postage prepaid, addressed to the other party at the address as set forth below:

To the GOVERNMENTAL FUNDING ENTITY:

Jeff Emery, Associate CFO
400 N. Pepper Ave.
Colton, CA 92324
(909) 777-0708
emeryj@armc.sbcounty.gov

With copies to:

Arvind Oswal, CFO
400 N. Pepper Ave.
Colton, CA 92324
(909) 580-6175
oswala@armc.sbcounty.gov

To DHCS:

Vivian Beeck
California Department of Health Care Services
Capitated Rates Development Division
1501 Capitol Ave., MS 4413
Sacramento, CA 95814
Vivian.Beeck@dhcs.ca.gov

6. Other Provisions

6.1 This Agreement contains the entire Agreement between the parties with respect to the Medi-Cal payments described in Sub-Section 2.2 of this Agreement that are funded by the GOVERNMENTAL FUNDING ENTITY, and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements between the GOVERNMENTAL FUNDING ENTITY and DHCS relating to the subject matter of this Agreement. This Agreement is not, however, intended to be the sole

agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. This Agreement shall not modify the terms of any other agreement, existing or entered into in the future, between the parties.

6.2 The non-enforcement or other waiver of any provision of this Agreement shall not be construed as a continuing waiver or as a waiver of any other provision of this Agreement.

6.3 Sections 2 and 3 of this Agreement shall survive the expiration or termination of this Agreement.

6.4 Nothing in this Agreement is intended to confer any rights or remedies on any third party, including, without limitation, any provider(s) or groups of providers, or any right to medical services for any individual(s) or groups of individuals. Accordingly, there shall be no third party beneficiary of this Agreement.

6.5 Time is of the essence in this Agreement.

6.6 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so. Any required signature(s) on any documents must be in compliance with California Government Code section 16.5 and any other applicable state or federal regulations.

7. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify the DHCS' powers, authorities, and duties under Federal and State law and regulations.

8. Approval. This Agreement is of no force and effect until signed by the parties.

9. Term. This Agreement shall be effective as of January 1, 2024 and shall expire as of June 30, 2027 unless terminated earlier by mutual agreement of the parties.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date of the last signature below.

SAN BERNARDINO COUNTY ON BEHALF OF ARROWHEAD REGIONAL MEDICAL CENTER:

By: Dawn Rowe Date: AUG 05 2025

Dawn Rowe, Chair, Board of Supervisors

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: _____ Date: _____

Authorized Representative, Department of Health Care Services

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD.
LYNNA MONELL
Clerk of the Board of Supervisors
of San Bernardino County
By _____ Deputy

Exhibit 1

Health Plan	Funding Entity	Rating Region	Service Period	Participation %
Inland Empire Health Plan	San Bernardino County on behalf of Arrowhead Regional Medical Center	Inland Empire	1/2024 - 12/2024	43.55%
Category of Aid	**SIS/UIS**	**Contribution PMPM**	**Estimated Member Months***	**Estimated Contribution (Non-Federal Share)**
Child	SIS	$ 2.30	6,668,612	$ 15,337,808
Child	UIS	$ 0.76	217,635	$ 165,403
Adult	SIS	$ 4.87	2,475,450	$ 12,055,442
Adult	UIS	$ 2.73	675,563	$ 1,844,287
Adult Expansion	SIS	$ 0.79	5,018,252	$ 3,964,419
Adult Expansion	UIS	$ 0.64	561,824	$ 359,567
SPD	SIS	$ 15.11	895,632	$ 13,533,000
SPD	UIS	$ 8.68	89,812	$ 779,568
SPD Dual	SIS	$ 4.76	1,273,732	$ 6,062,964
SPD Dual	UIS	$ 1.55	10,666	$ 16,532
LTC	SIS	$ 84.91	3,155	$ 267,891
LTC	UIS	$ 12.87	1,518	$ 19,537
LTC Dual	SIS	$ 66.52	27,172	$ 1,807,481
LTC Dual	UIS	$ 3.37	163	$ 549
Est. FE Total			17,919,186	$ 56,214,448

Health Plan	Funding Entity	Rating Region	Service Period	Participation %
Kaiser Foundation Health Plan	San Bernardino County on behalf of Arrowhead Regional Medical Center	Inland Empire	1/2024 - 12/2024	45.85%
Category of Aid	**SIS/UIS**	**Contribution PMPM**	**Estimated Member Months***	**Estimated Contribution (Non-Federal Share)**
Child	SIS	$ 2.48	903,932	$ 2,241,751
Child	UIS	$ 0.77	3,785	$ 2,914
Adult	SIS	$ 4.99	353,600	$ 1,764,464
Adult	UIS	$ 2.43	20,328	$ 49,397
Adult Expansion	SIS	$ -	480,637	$ -
Adult Expansion	UIS	$ -	17,510	$ -
SPD	SIS	$ 11.20	70,368	$ 788,122
SPD	UIS	$ 8.96	1,202	$ 10,770
SPD Dual	SIS	$ 4.24	252,305	$ 1,069,773
SPD Dual	UIS	$ 1.63	1,429	$ 2,329
LTC	SIS	$ 89.40	78	$ 6,973
LTC	UIS	$ -	-	$ -
LTC Dual	SIS	$ 68.87	1,532	$ 105,509
LTC Dual	UIS	$ 3.56	12	$ 43
Est. FE Total			2,106,718	$ 6,042,045

Health Plan	Funding Entity	Rating Region	Service Period	Participation %
Molina Healthcare	San Bernardino County on behalf of Arrowhead Regional Medical Center	Inland Empire	1/2024 - 12/2024	35.99%

Category of Aid	SIS/UIS	Contribution PMPM	Estimated Member Months*	Estimated Contribution (Non-Federal Share)
Child	SIS	$ 1.44	839,188	$ 1,208,431
Child	UIS	$ 0.52	48,623	$ 25,284
Adult	SIS	$ 2.38	316,450	$ 753,151
Adult	UIS	$ 1.63	82,246	$ 134,061
Adult Expansion	SIS	$ 0.52	707,363	$ 367,829
Adult Expansion	UIS	$ 0.40	132,900	$ 53,160
SPD	SIS	$ 8.11	96,817	$ 785,186
SPD	UIS	$ 5.67	10,556	$ 59,853
SPD Dual	SIS	$ 3.66	360,557	$ 1,319,639
SPD Dual	UIS	$ 1.28	2,721	$ 3,483
LTC	SIS	$ 70.17	297	$ 20,840
LTC	UIS	$ 10.63	179	$ 1,903
LTC Dual	SIS	$ 47.69	3,560	$ 169,776
LTC Dual	UIS	$ 2.79	28	$ 78
Est. FE Total			2,601,485	$ 4,902,674

* Note that Estimated Member Months are subject to variation, and the actual total Contribution (Non-Federal Share) may differ from the amount listed here.

* FMAP is a weighted blend of multiple FMAPs.