

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

March 15, 2022

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Amendment to Hospital Per Diem Agreement with Inland Empire Health Plan and IEHP Health Access

RECOMMENDATION(S)

1. Approve **Amendment No. 7** to Hospital Per Diem **Agreement No. 20-887** with Inland Empire Health Plan and IEHP Health Access, to increase Arrowhead Regional Medical Center's reimbursement rate for COVID-19 related hospital stays, retroactively effective November 1, 2021 through December 31, 2022.
2. Direct the Clerk of the Board of Supervisors to maintain confidentiality of Amendment No. 7 pursuant to Health and Safety Code Section 1457(c)(1).
(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 amendment provides supplemental revenue to Arrowhead Regional Medical Center (ARMC) for COVID-19 related hospital stays by Inland Empire Health Plan and IEHP Health Access (collectively referred to as "IEHP") members. Adequate appropriation and revenue have been included in the ARMC 2021-22 budget, and future recommended budgets.

BACKGROUND INFORMATION

Approval of the amendment will allow IEHP to provide increased reimbursements to ARMC for the additional hospital costs associated with treating COVID-19 patients and related protocols for the period of November 1, 2021, to December 31, 2022. IEHP will retroactively reimburse ARMC for claims filled on or after November 1, 2021, from IEHP's general funds. IEHP is providing increased reimbursement to help offset the costs associated with inpatient hospital stays of their members.

On September 15, 2020 (Item No. 15), the Board of Supervisors (Board) approved a Hospital Per Diem Agreement (Agreement No. 20-887) with IEHP to provide reimbursements for medical services provided at ARMC for certain Medi-Cal and Medicare IEHP member patients, from October 1, 2020, through September 30, 2023.

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On September 29, 2020 (Item No. 15), the Board approved Amendment No. 1 to Agreement No. 20-887 to render ARMC eligible to receive supplemental payments from IEHP as a result of Medi-Cal managed care capitation rate range increases.

On December 15, 2020 (Item No. 9), the Board approved Amendment No. 2 to Agreement No. 20-887 to terminate the Centers of Excellence Specialty Pharmacy Program for treatment of Hepatitis B and C and to amend the submission deadline for patient claims from 120 days to 365 days.

On May 18, 2021 (Item No. 10), the Board approved Amendment No. 3 to Agreement No. 20-887 for a one-time supplemental payment to the County to compensate for the volume of COVID-19 IEHP member bed days experienced by ARMC in 2020.

On August 10, 2021 (Item No. 7), the Board approved Amendment No. 4 to Agreement No. 20-887 to add compensation rates for additional services, retroactively effective July 1, 2021.

On October 26, 2021 (Item No. 12), the Board approved Amendment No. 5 to Hospital Per Diem Agreement No. 20-887 with IEHP to increase ARMC's reimbursement rate for COVID-19 related hospital stays, retroactively effective June 1, 2021 through October 31, 2021.

On December 7, 2021 (Item No. 9), the Board approved Amendment No. 6 to Agreement No. 20-887 with IEHP to allow ARMC to receive supplemental payments for Medi-Cal managed care capitation rate range increases during the State-established claim period of January 1, 2021, through December 31, 2021.

This amendment supports the County goals and objectives as the reimbursements support the hospital in operating in a fiscally-responsible and business-like manner.

Pursuant to Health and Safety Code section 1457(c)(1), specific terms related to the rates of payment for health care services are not immediately subject to laws related to public records; therefore, the Clerk of the Board of Supervisors is directed to maintain confidentiality of this amendment.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on February 10, 2022; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-6150) on February 18, 2022; and County Finance and Administration (Diana Atkeson, Deputy Executive Officer, 387-5423) on February 18, 2022.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: March 15, 2022



cc: ARMC - Gilbert w/agree for sign
Contractor C/O ARMC w/agree
File - w/agree (BAI Only)
File - Confidential Files w/agree
LA 03/17/2022