

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

**December 17, 2024**

**FROM**

**ANDREW GOLDFRACH, ARMC Chief Executive Officer, Arrowhead Regional Medical Center**

**SUBJECT**

Professional Services Agreement with Faculty Physicians and Surgeons of LLUSM for Urology Services

**RECOMMENDATION(S)**

1. Approve Professional Services **Agreement 24-1303**, including non-standard terms, with Faculty Physicians and Surgeons of LLUSM to provide Urology services at Arrowhead Regional Medical Center, in the not-to-exceed amount of \$4,144,095, for the period of January 1, 2025 through December 31, 2027.
2. Direct the Clerk of the Board of Supervisors to maintain the confidentiality of the Professional Services Agreement, pursuant to Health and Safety Code Section 1457(c)(1). (Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 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 \$4,144,095 is funded by the 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 the Arrowhead Regional Medical Center (ARMC) 2024-25 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

On December 17, 2019 (Item No. 10), the Board of Supervisors (Board) approved Physician Service Agreement No. 19-840 (Agreement No. 19-840) with Faculty Physicians and Surgeons of LLUSM (LLUSM) to provide medical services in the amount of \$1,255,786 per annum for the period of January 1, 2020 through December 31, 2024.

ARMC has contracted with LLUSM for urology services since 2012, and Agreement No. 19-840 will expire on December 31, 2024. This Professional Services Agreement (Agreement) will allow ARMC to continue to contract with LLUSM to provide urology services at ARMC and continue to meet the medical needs of patients and county residents. ARMC provides medical care and education programs for the hospital and Family Health Clinics (FHC) through professional services agreements with various medical corporations.

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All physicians provided by corporations 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. Clinical department appointments are made in accordance with the bylaws of the medical staff. This is in accordance with Title 22 of the State of California, ARMC's accrediting bodies and the academic affiliation agreements established between ARMC and various medical schools.

All active and provisional physicians provided by corporations must also complete an annual Statement of Economic Interests, as required by the County. The physicians are required to disclose ownership, investment or other financial interest which may present any conflict with the performance of their duties under the Agreement.

The Agreement with LLUSM was negotiated by the parties and include the following non-standard contract terms:

1. The County is required to defend and indemnify LLUSM and its physicians and advance practice practitioners (collectively, "Providers") for medical malpractice and professional negligence.
  - The County's standard contract does not contractually require the County to indemnify its contractor under any circumstance.
  - Potential Impact: By agreeing to indemnify the Providers, the County could be contractually waiving the protection of sovereign immunity. Claims that may otherwise be barred against the County, time-limited, or expense-limited could be brought against the Providers without such limitations and the County would be responsible to defend and reimburse the Providers for costs, expenses, and damages, which could exceed the total contract amount.
2. The Agreement does not require LLUSM to meet the County insurance standards.
  - The County's standard contract requires contractors to carry appropriate insurance at limits and under conditions determined by County's Risk Management Department.
  - Potential Impact: The Agreement does not include County standard insurance requirements. This means that the County has no assurance that LLUSM will be financially responsible for claims that may arise from the Agreement, which could result in expenses to the County that exceed the total amount in the Agreement.
3. The termination without cause provision in the Agreement requires 120 days advanced written notice.
  - The County's standard contract provides that either party may terminate the contract with 30 days' written notice.
  - Potential Impact: ARMC will need to be mindful of the additional notice period required to terminate the Agreement.

ARMC recommends approval of this Agreement, including the non-standard terms, to provide for the safety, health and social service needs of County residents by allowing for continued patient care in the area of urology.

**PROCUREMENT**

Government Code Section 31000 provides the Board with the authority to contract with and employ persons for the furnishing of special services, which include professional medical services.

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

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on October 23, 2024; Risk Management (Gregory Ustaszewski, Staff Analyst, 386-9008) on October 28, 2024; Purchasing (Veronica Pedace, Buyer III, 387-2464) on October 24, 2024; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on October 25, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on October 29, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on November 1, 2024.

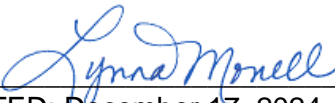
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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: December 17, 2024



cc:    ARMC - Goldfrach w/agree  
     Contractor - c/o ARMC w/agree  
     File - w/agree (BAI only)  
     File - Confidential files w/agree  
CCM   12/23/2024