

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

June 10, 2025

FROM

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

SUBJECT

Revenue Affiliation Agreement with Western University of Health Sciences to Provide Medical Students Clinical Training

RECOMMENDATION(S)

Approve Revenue Affiliation **Agreement No. 25-355** with Western University of Health Sciences, including non-standard terms, to provide medical students with clinical training and experience at Arrowhead Regional Medical Center under the supervision of the medical staff, for reimbursement in the approximate amount \$2,589,000, for a three-year period from July 1, 2025 through June 30, 2028.

(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). Arrowhead Regional Medical Center (ARMC) will receive reimbursement from Western University of Health Sciences (Western) for the provision of teaching and support of medical students. Western will reimburse ARMC \$450 per week for each third-year student rotation and \$300 per week for each fourth-year student rotation, which is utilized to pay the medical staff who provide the training to the medical students. Additionally, Western will pay ARMC \$200,000 per academic year to support graduate medical education programs at ARMC. The reimbursement and payment from Western under the Agreement for the three-year term is estimated to be approximately \$2,589,000 for the three-year term. Adequate appropriation and revenue have been included in the Arrowhead Regional Medical Center (ARMC) 2025-26 recommended budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

This Agreement will allow ARMC to provide clinical training to Western medical students which, as a result, will assist in the delivery of medical care to ARMC patients. The clinical training will be in the fields of general surgery, obstetrics-gynecology, emergency medicine, family medicine, internal medicine and pediatrics.

A key component of ARMC's mission is to provide education and training to students in a variety of disciplines. ARMC has agreements with universities and colleges, junior colleges, and

**Revenue Affiliation Agreement with Western University of Health
Sciences to Provide Medical Students Clinical Training
June 10, 2025**

technical and trade schools to provide on-site clinical training for students. This clinical training is necessary for students to obtain their degrees, licenses, and/or certifications.

The volume and patient mix at ARMC provide a comprehensive educational opportunity to students from Western. This Agreement ensures medical students receive specialty clinical training and experience, and gain vital skills needed to obtain their medical degrees.

The Agreement has been negotiated by the parties and includes the following non-standard contract terms:

1. The County must indemnify Western for claims that arise out of the negligent acts or omissions of the County, its employees, and agents.
 - The County's standard contract does not require the County to indemnify the contractor under any circumstance.
 - Potential Impact: By agreeing to indemnify Western, 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 Western without such limitations and the County would be responsible to defend and reimburse Western for costs, expenses, and damages, which could exceed the total contract amount
2. Western's indemnification obligation is limited to claims for injury or damages to the extent caused by the negligent acts or omissions of the University, its students, agents, and employees.
 - The County standard contract general indemnity provision requires the Contractor to indemnify, defend, and hold the County harmless from third party claims arising out of the acts, errors, or omissions of any person.
 - Potential Impact: Western's indemnification obligation under the Agreement is more limited compared to the County standard indemnification obligation, meaning that if a claim arises that falls outside the scope of Western's limited indemnification obligation, the County could be financially and solely liable for the defense of that claim and the payment of any resulting settlement/judgment.
3. Either party may terminate the Agreement by giving the other party 90 days' written notice, but such termination will not, at the discretion of the County, be effective as to any student who, at the time of notice, is participating in the clinical learning experience until the student completes the experience for the then academic term.
 - The County's standard contract permits either party to terminate the contract with at least 30 days written notice without any further obligation.
 - Potential Impact: ARMC must be mindful of this extended notice period and of its obligations as to students that may be conducting their clinical experience at ARMC at the time of termination.
4. The Agreement imposes insurance obligations on the County.
 - The standard County contract does not include any insurance requirements for the County.
 - Potential Impact: The County must be mindful of the insurance obligations and ensure that it maintains all the necessary insurance policies or programs of self-insurance required under the Agreement or risk being in breach of the Agreement terms.

**Revenue Affiliation Agreement with Western University of Health
Sciences to Provide Medical Students Clinical Training
June 10, 2025**

ARMC recommends approval of this agreement, including the non-standard terms, to provide clinical training to Western medical students who will assist in the delivery of medical care to County residents.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5465) on May 5, 2025; Risk Management (Gregory Ustaszewski, Staff Analyst II, 386-9008) on May 7, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on May 16, 2025; Finance (Jenny Yang, Administrative Analyst, 387-4884) on May 20, 2025; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on May 21, 2025.

**Revenue Affiliation Agreement with Western University of Health
Sciences to Provide Medical Students Clinical Training
June 10, 2025**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 10, 2025



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree

CCM 06/16/2025