

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

October 21, 2025

**FROM**

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

**SUBJECT**

Professional Services Agreement with Inland Medical Rehabilitation, Inc., for Rehabilitation Services

**RECOMMENDATION(S)**

1. Approve Professional Services **Agreement No. 25-834** with Inland Medical Rehabilitation, Inc., including non-standard terms, to provide rehabilitation services in the amount of \$268,800 plus variable costs, for the period of January 1, 2026, through December 31, 2028.
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 \$268,800 plus variable costs is 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) 2025-26 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

The Professional Services Agreement (Agreement) with Inland Medical Rehabilitation, Inc. (IMR) will enable IMR to provide inpatient rehabilitation coordination services to ARMC patients, ensuring that hospitalized patients receive the right rehabilitation care (physical therapy, occupational therapy, speech therapy, etc.) during their inpatient stay, and are smoothly transitioned to the next level of care after discharge. These services support recovery and improve quality of life by helping patients regain function following injury or illness, which are essential to patient well-being and safe discharge planning.

The Agreement was negotiated by the parties and deviates from the standard County contract terms as follows:

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1. IMR's indemnity obligations are limited to (1) claims that arise out of inaccurate and/or improper billing information furnished to and relied upon by the County, and (2) taxes and insurance for workers' compensation for IMR's employees.
  - The standard County general indemnity provision requires a 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: IMR's indemnity obligation is more limited compared to the standard County general indemnity obligation. In the event a claim arises that falls outside the scope of IMR's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.
2. Payment terms are net 30 days.
  - County standard payment terms are Net 60 days with no interest or late payment penalties.
  - Potential Impact: County standard processing time is 60 days or more. Failing to pay Net 30 days may result in a material breach of the Agreement, which could allow IMR to terminate the Agreement and seek other legal remedies against the County.
3. Either party may terminate the Agreement without cause with 120 days written notice.
  - The County standard contract gives the County the right to terminate the contract, for any reason, with a 30-day written notice of termination without any obligation other than to pay amounts for services rendered and expenses reasonably incurred prior to the effective date of termination.
  - Potential Impact: The County will need to be mindful of the extended notice period for termination in the event it seeks to terminate the Agreement without cause.
4. The Agreement does not require IMR to comply with some of the standard County insurance terms, including carrying automobile liability insurance and declaring its deductibles to the County Risk Management Department.
  - County policy requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department and as set forth in County policy and in the County standard contract.
  - Potential Impact: Without all of the standard County insurance terms, the County has no assurance that IMR will be financially responsible for claims that may arise under the Agreement, which could result in expenses to the County that exceed the total Agreement amount.

ARMC recommends approval of the Agreement, including the non-standard terms, to ensure County residents and patients have the necessary access to rehabilitation services at ARMC.

**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. To ensure continuity of care ARMC will continue to contract with IMR, as patient care is essential to maintain treatment quality, avoid adverse outcomes, and promote compliance with accreditation standards. Changing providers could disrupt ongoing treatment plans and compromise patient safety.

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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 September 23, 2025; Purchasing (Veronica Pedace, Buyer III, 387-2464) on September 25, 2025; Risk Management (Stephanie Pacheco, Staff Analyst II, 386-9039) on September 28, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on September 26, 2025; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on October 2, 2025.

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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: October 21, 2025



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

MBA 10/22/2025