

**FUNDING AGREEMENT**

**BETWEEN**

**INLAND EMPIRE HEALTH PLAN**

**AND**

**SAN BERNARDINO COUNTY**

**ON BEHALF OF**

**ARROWHEAD REGIONAL MEDICAL CENTER**

## **FUNDING AGREEMENT**

This Funding Agreement (“Agreement”) is made and entered into by and between Inland Empire Health Plan (“IEHP”), a local public entity of the State of California, and San Bernardino County on behalf of Arrowhead Regional Medical Center (“RECIPIENT”), with reference to the following facts:

### **RECITALS**

WHEREAS, RECIPIENT wishes to accept from IEHP, and IEHP wishes to extend to RECIPIENT funding specified herein to support RECIPIENT’s utilization of Safety Net Connect’s eConsult System (“PROJECT”);

WHEREAS, IEHP and Safety Net Connect are parties to a Professional Services Agreement (PSA) for the eConsult System;

WHEREAS, RECIPIENT and Safety Net Connect are parties to a Professional Services Agreement for eConsult services (RECIPIENT PSA);

WHEREAS, IEHP shall provide RECIPIENT with funding to cover RECIPIENT’s Software as a Service (SaaS) monthly licensing fees for the eConsult and Referral Management Software Solution, as set forth in the RECIPIENT PSA;

WHEREAS, in exchange for the funding from IEHP, RECIPIENT will continue to utilize the eConsult Platform in accordance with RECIPIENT PSA; and

WHEREAS, IEHP desires to provide funding as set forth herein because RECIPIENT’s continued utilization of the eConsult platform supports the mutual goal of improving the healthcare delivery in San Bernardino County.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

#### **1. SERVICES**

- A. Description of Services. RECIPIENT shall perform all the duties and responsibilities outlined in the Scope of Work; as set forth in Attachment A, attached hereto, and incorporated herein by reference.
- B. Scope of Services. RECIPIENT shall furnish labor necessary to perform in a complete, skillful and professional manner all those services described in Attachment A.

**2. PERIOD OF PERFORMANCE**

The term of this Agreement shall become effective as of the date of last signature ("Effective Date"), and shall continue in effect until January 31, 2026, unless terminated as specified in Section 5 (TERMINATION PROVISIONS).

**3. FUNDING**

In exchange for the services provided by RECIPIENT pursuant to this Agreement, IEHP agrees to issue funds in accordance with Attachment B and incorporated herein by reference as though set forth in full. The total funding amount for the term of this Agreement shall not exceed Two Hundred and Twenty-Two Thousand Dollars (\$222,000) In no event shall funds exceed this amount without a written amendment to this Agreement authorizing such increase in total compensation payable to RECIPIENT.

**4. INDEPENDENT CONTRACTOR**

It is understood and agreed that the relationship between the parties is an independent contractor relationship. Neither party, including its officers, agents, employees or subcontractors, shall be considered to be employees of the other, nor entitled to any benefits payable to such employees, including Workers' Compensation Benefits. None of the provisions of this Agreement shall be construed to create a relationship of agency, representation, joint venture, ownership, control or employment between the parties other than that of independent parties contracting for the purposes of effectuating this Agreement.

**5. TERMINATION PROVISIONS**

In the event that RECIPIENT does not fulfill their obligations as set forth herein, the portion of funds that remain unutilized to support RECIPIENT shall be returned to IEHP. Additionally, IEHP may terminate this Agreement, effective immediately upon written notice, if IEHP determines that RECIPIENT has breached a material provision of this Agreement. IEHP shall give RECIPIENT written notice of the breach by mailing the written notice by IEHP to RECIPIENT via U.S. Postal Service Certified Mail, which shall constitute prima facie evidence of delivery. RECIPIENT shall have ten (10) days after receipt of written notice of breach to cure said breach. In the event RECIPIENT fails to cure the breach, the Agreement shall be terminated and RECIPIENT shall refund the portion of funds that remain unutilized.

**6. ASSIGNMENT AND DELEGATION**

Neither party may sell, assign, transfer, or otherwise convey this Agreement without the prior express written consent of the other party. Any attempted assignment of this Agreement not in accordance with this Section shall be null and void.

**7. ALTERATION AND/OR AMENDMENT**

No alteration, amendment, or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto. Only the Governing Board of IEHP or designee may authorize any alteration or revision of this Agreement on behalf of IEHP. Notwithstanding the foregoing, amendments required due to legislative, regulatory or other legal authority do not require the prior approval of RECIPIENT and shall be deemed effective immediately (or such other time frame as required by law or regulation) upon RECIPIENT's receipt of notice. Notice of amendments required by law, regulation or other legal authority may be given to RECIPIENT via regular mail at the address provided in Section 12. NOTICES.

**8. NONDISCRIMINATION**

During the term of the Agreement, neither party shall discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, or military and veteran status. Each party shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, 13672, Title VI and Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and other applicable Federal, State and County laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

**9. CONFLICT OF INTEREST**

RECIPIENT shall have no interest, and shall not acquire any interest, direct or indirect, which will unlawfully conflict in any manner or degree with the performance of services required under this Agreement.

**10. EXECUTIVE ORDER N-6-22**

On March 4, 2022, California Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs all California state agencies and departments to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. All contractors and grantees are obligated to comply with the Economic Sanctions. Accordingly, should the State of California (the State) or IEHP determine RECIPIENT is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. RECIPIENT shall be provided with advance

written notice of such termination, allowing RECIPIENT at least thirty (30) calendar days to provide a written response. Termination shall be at the sole discretion of the State or IEHP.

**11. NOTICES**

Other than correspondences for which email communication is expressly reserved pursuant to the terms of this Agreement, all notices required or contemplated by this Agreement shall be delivered to the respective parties in the manner and at the addresses set forth below or to such other address(es) as the parties may hereafter designate, in writing. Such notices will be deemed given if sent by certified United States mail or commercial courier, at the time of receipt confirmed by corresponding documentation.

**IEHP:**

Jarrold McNaughton, MBA, FACHE  
Chief Executive Officer  
IEHP  
10801 Sixth Street  
Rancho Cucamonga, CA 91730  
(909) 890-2000  
cc: Purchasing Department  
[Purchasing@iehp.org](mailto:Purchasing@iehp.org)

**Arrowhead Regional Medical Center:**

ARMC Chief Executive Officer  
San Bernardino County on behalf of ARMC  
400 N. Pepper Ave  
Colton, CA 92324  
909-580-4189

**12. SEVERABILITY**

In the event any provision of this Agreement is determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement will continue in full force and effect.

**13. WAIVER**

A waiver by a party of any breach of any one (1) or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same term or of any other term herein.

**14. GOVERNING LAW; VENUE**

- A. The provisions of this Agreement shall be construed in accordance with the laws of the State of California, excluding its conflicts of law provisions.
- B. The provisions of the Government Claims Act (*California Government Code Sections 900 et seq.*) must be followed for any disputes under this Agreement.

- C. All actions and proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state or federal (if permitted by law) courts located in San Bernardino County, State of California.

**15. LIMITATION OF LIABILITY**

In no event shall either Party be liable for consequential, indirect, or incidental damages, including, without limitation, lost profits, arising out of this Agreement.

**16. COUNTERPARTS; SIGNATURE**

This Agreement may be executed in separate counterparts, each of which shall be deemed an original, and all of which shall be deemed one and the same instrument. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

**17. ENTIRE AGREEMENT**

This Agreement, including all attachments, which are hereby incorporated in this Agreement, supersedes any and all other agreements, promises, negotiations or representations, either oral or written, between the parties with respect to the subject matter and period governed by this Agreement and no other agreement, statement or promise relating to this Agreement shall be binding or valid.

**18. COMPLIANCE WITH LAW**

The Parties shall observe and comply with all applicable local, state and federal laws, ordinances, rules and regulations now in effect or hereafter enacted, each of which is hereby made a part hereof and incorporated herein by reference.

(SIGNATURE PAGE TO FOLLOW)

IN WITNESS WHEREOF, the parties hereto certify that the individuals signing below have authority to execute this Funding Agreement on behalf of their respective organizations, and may legally bind them to the terms and conditions of this Funding Agreement, and any attachments hereto. The parties have signed this Funding Agreement as set forth below.

**SAN BERNARDINO COUNTY ON  
BEHALF OF ARROWHEAD  
REGIONAL MEDICAL CENTER:**

By: \_\_\_\_\_  
Dawn Rowe Chair, Board of Supervisors

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Jarrod McNaughton, MBA, FACHE  
Chief Executive Officer

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Chair, IEHP Governing Board

Date: \_\_\_\_\_

Attest: \_\_\_\_\_  
Secretary, IEHP Governing Board

Date: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
Anna W. Wang  
Vice President, General Counsel  
Inland Empire Health Plan

Date: \_\_\_\_\_  
**INLAND EMPIRE HEALTH PLAN:**

## **ATTACHMENT A**

### **SCOPE OF SERVICES**

#### **SCOPE**

The eConsult platform is a secure online communication tool that allows Primary Care Provider to request evaluation from a Specialist Reviewer. It is designed to improve patient care, increase appropriate access to Specialist Providers and improve patient experience.

RECIPIENT's utilization of the eConsult platform supports the mutual goal of improving the healthcare delivery in San Bernardino County, specifically IEHP Members.

#### **FUNDING**

IEHP shall provide RECIPIENT with funding to cover RECIPIENT's Software as a Service (SaaS) monthly licensing fees from Effective Date through January 31, 2026 for the eConsult and Referral Management Software Solution, as set forth under the RECIPIENT PSA. IEHP's funding shall be disbursed according to Attachment B.

#### **SUCCESS MEASURES**

IEHP's funding is conditioned upon RECIPIENT's utilization of the eConsult platform under the RECIPIENT PSA.



**ATTACHMENT B**  
**FUNDING SCHEDULE**

- A. IEHP will provide RECIPIENT with funding in an amount not to exceed Two Hundred and Twenty-Two Thousand Dollars (\$222,000), which shall be disbursed as follows:
- 1) One lump sum in an amount of \$37,000 shall be issued within thirty (30) days of the Effective Date of this Agreement.
  - 2) Beginning March 2025, IEHP shall issue ten (10) equal payments in the amount of Eighteen Thousand Five Hundred Dollars (\$18,500) on the 15<sup>th</sup> day of each month, through January 31, 2026. These monthly payments shall not exceed \$185,000.
    - i. This monthly payment has been calculated as follows:  
Base SaaS License = \$15,000 per month  
Originating Site Fee = \$3,500 per month (7 sites at \$500 per site)
- B. In the event the RECIPIENT PSA is terminated, IEHP's monthly payment obligation shall be extinguished, and prior payments may be subject to recoupment.