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

November 19, 2024

<u>FROM</u>

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

SUBJECT

Non-Financial Affiliation Agreement with Cedars-Sinai Medical Center for Specialized Clinical Training

RECOMMENDATION(S)

Approve non-financial **Affiliation Agreement No. 24-1099**, including non-standard terms, with Cedars-Sinai Medical Center to allow Arrowhead Regional Medical Center resident physicians to obtain specialized clinical experience, from November 19, 2024 through November 18, 2029. (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) as this Affiliation Agreement (Agreement) with Cedars-Sinai Medical Center (Cedars-Sinai) is non-financial in nature.

BACKGROUND INFORMATION

This Agreement will allow Arrowhead Regional Medical Center's (ARMC) resident and fellow physicians to obtain specialized clinical training at Cedars-Sinai.

Resident and fellow physicians typically acquire specialty clinical knowledge at other medical facilities. These medical facilities offer the opportunity for resident and fellow physicians to gain experience caring for patients and performing procedures in specialties that ARMC may not offer or have too few patients to provide appropriate experience.

ARMC operates several accredited residency and fellowship programs. Each program has specific requirements as to the numbers and types of patients to which a resident and fellow physician must provide care. To meet these requirements, with respect to volume and type, it is necessary to provide educational opportunities at other facilities to supplement those available at ARMC.

The Agreement with Cedars-Sinai is its standard affiliation agreement, negotiated by the parties, with terms that differ from the standard County contract terms as follows:

1. The Agreement imposes insurance obligations on the County.

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- The standard County contract does not include any insurance requirements for the County.
- <u>Potential Impact</u>: 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.
- 2. The County agrees to indemnify Cedars-Sinai for claims caused by the acts or omissions of the County, its employees, and agents.
 - The standard County contract imposes no indemnity obligation on the County.
 - <u>Potential Impact</u>: By agreeing to indemnify Cedars-Sinai, 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 Cedars-Sinai without such limitations and the County could be responsible to defend and reimburse Cedars-Sinai for costs, expenses, and damages
- 3. Cedars-Sinai limits its indemnity obligations for claims caused by the acts or omissions of Cedars-Sinai, its employees, and agents.
 - The County standard contract general indemnity provision requires the contractor to indemnify, defend, and hold County harmless from third party claims arising out of the acts, errors or omissions of any person.
 - <u>Potential Impact</u>: Cedars-Sinai'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 the Cedars-Sinai's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.
- 4. The Agreement does not require Cedars-Sinai to meet the County's insurance standards as required pursuant to County Policies, 11-05, 11-07 and 11-07SP.
 - 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.
 - <u>Potential Impact</u>: The County has no assurance that Cedars-Sinai will be financially responsible for claims that may arise under the Agreement.
- 5. Venue is in the state or federal courts of California.
 - County Policy 11-05 requires venue for disputes in Superior Court of California, County of San Bernardino, San Bernardino District.
 - <u>Potential Impact</u>: Cedars-Sinai is based in Los Angeles County. Having a venue in Los Angeles County may result in additional expenses to the County in the event of a dispute that might not have been incurred if the venue was in San Bernardino County.

The Agreement with Cedars-Sinai provides for the safety, health and social service needs of County residents by ensuring that ARMC resident and fellow physicians receive specialty clinical training and experience, resulting in the delivery of specialized medical care to ARMC patients.

ARMC recommends approval of this Agreement, including non-standard terms, with Cedars-Sinai to enable ARMC resident and fellow physicians to obtain specialized clinical experience.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on October 1, 2024; Risk Management (Gregory Ustaszewski, Staff Analyst II, 386-9008) on October 3, 2024; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on October 25, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on October 28, 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

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DATED: November 19, 2024



- cc: ARMC Goldfrach w/agree Contractor - c/o ARMC w/agree File - w/agree
- CCM 11/22/2024