

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

December 16, 2025

FROM

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

SUBJECT

Revenue Affiliation Agreement with Redlands Community Hospital for Specialized Clinical Training

RECOMMENDATION(S)

Approve Revenue Affiliation **Agreement No. 25-1080** with Redlands Community Hospital, including non-standard terms, to enable Arrowhead Regional Medical Center fellow and resident physicians to obtain specialized clinical training, for the period of the Date of Execution through June 30, 2030.

(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 salary/benefits reimbursement for cardiovascular disease fellow physicians that rotate under the Affiliation Agreement (Agreement), but not for the integrated vascular surgery resident physician that participate in rotations. Adequate appropriation and revenue have been included in ARMC 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The Affiliation Agreement will allow ARMC's integrated vascular surgery resident physicians and cardiovascular disease fellow physicians to obtain specialized clinical training at RCH. RCH has received a grant specifically to reimburse for cardiovascular disease fellow physician providing patient care while obtaining specialized clinical training. There were no grants available to reimburse for the integrated vascular surgery resident physicians.

Resident/fellow physicians typically acquire specialty clinical training at other medical facilities. These medical facilities offer the opportunity for resident/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/fellowship programs. Each program has specific requirements as to the numbers and types of patients to which a resident/fellow physician must

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

1. The County is required to maintain workers' compensation, commercial general liability, umbrella, automobile, and professional medical liability insurance policies at specified limits, waive right of subrogation, and add RCH as an additional insured on its policies.
 - The County contract does not impose any insurance obligations on the county.
 - Potential Impact: The County will need to be mindful of the insurance obligations so as to not be in breach of the obligations under the Agreement.
2. RCH is not required to comply with all of the standard County insurance requirements.
 - 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 requirements, the County has no assurance that RCH will be financially responsible for claims that may arise under the Agreement.
3. The County is required to indemnify for claims that arise out of the negligence, willful misconduct, and breach of the Agreement by the County, its officers, employees and agents. The County is also required to indemnify RCH for claims that arise out of the professional negligence of ARMC's residents/physicians, except where the act or omission of the resident was undertaken at the direction of RCH.
 - The County standard contract does not require the county to indemnify the contractor under any circumstances.
 - Potential Impact: By agreeing to indemnify RCH, 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 RCH without such limitations and the County could be responsible to defend and reimburse RCH for costs, expenses, and damages, which could exceed the total Agreement amount.
4. RCH limits its indemnity obligation to claims that arise out of their negligence, willful misconduct, or breach of the Agreement.
 - The County standard contract 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.
 - Potential Impact: RCH'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 RCH's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.

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

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ARMC recommends approval of this Affiliation Agreement with RCH, including the non-standard terms, to enable ARMC resident/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 November 17, 2025; Risk Management (Stephanie Mead, Staff Analyst II, 386-9044) on November 18, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on November 20, 2025; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on November 23, 2025.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY Lynna Monell

DATED: December 16, 2025



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree
MBA 12/23/2025