

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

May 5, 2026

FROM

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

SUBJECT

Transfer Agreements and Letters of Agreement for Higher Level of Care Transfers with Non-Contracted Medical Facilities

RECOMMENDATION(S)

1. Rescind the action of the Board of Supervisors on November 15, 2022 (Item No. 11), authorizing the Director or Chief Operating Officer of Arrowhead Regional Medical Center to execute transfer related agreements, Letters of Agreement, and Transfer Agreements, which may include non-standard terms, for the transfer of insured and indigent patients from Arrowhead Regional Medical Center to other medical facilities for higher level of care services for a period of five years from November 15, 2022 through November 17, 2027.
2. Authorize the ARMC Chief Executive Officer or Chief Operating Officer to execute transfer agreements, which may include non-standard terms, for the transfer of insured and indigent patients from Arrowhead Regional Medical Center to other medical facilities for higher level of care services not available at Arrowhead Regional Medical Center, upon approval of the Chief Executive Officer and County Counsel, for a period of five years from May 6, 2026, through May 7, 2031.

(Presenter: Andrew Goldfrach, ARMC Chief Executive Officer, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

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 costs associated with the provision of higher level of care services to indigent patients are funded by State Medi-Cal, Federal Medicare, private insurances, 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 the Arrowhead Regional Medical Center (ARMC) 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

On November 15, 2022 (Item No. 11), the Board of Supervisors (Board) authorized the Director or Chief Operating Officer of Arrowhead Regional Medical Center to execute transfer related agreements, Letters of Agreement, and Transfer Agreements, for the transfer of insured and indigent patients from Arrowhead Regional Medical Center to other medical facilities for higher

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level of care services for a period of five years from November 15, 2022 through November 17, 2027. Approval of Recommendation No. 1 will rescind the previous authority, which separated authority to approve and execute transfer agreements for insured patients and Letters of Agreement and Transfer Agreements for indigent patients. Approval of Recommendation No. 2 will consolidate all authority for the transfer of both insured and indigent patients to facilities for higher level care services and provide greater clarity to expedite the process, as all such requests will be more fully addressed by the authority provided in Recommendation No. 2. All changes in the process for these patient transfers will be incorporated into ARMC's policies and procedures.

Approval of Recommendation No. 2 will authorize the ARMC Chief Executive Officer or its Chief Operating Officer to sign Transfer Agreements for insured and indigent patients that require higher level of care services upon approval by the Chief Executive Officer and County Counsel. These agreements may be called Letter of Agreement, Transfer Agreement, Take Back Agreement, Repatriation Agreement, etc. (each being a "Transfer Agreement"). These Transfer Agreements are for hospital-to-hospital transfer, and each hospital that ARMC transfers patients to maintains its own Transfer Agreements. The Transfer Agreements do not impose any financial liability on the County unless ARMC does not accept return of the patient after the higher level of care services are rendered. ARMC has never refused to accept the return transfer of any patient that has required higher level of care services. Once County Counsel has reviewed a particular form of the Transfer Agreement, the ARMC Chief Executive Officer and its Chief Operating Officer will be authorized to execute all subsequent forms of that same Transfer Agreement, so long as there are no material differences from the form that is reviewed by County Counsel.

Indigent patients represent a financial risk to receiving facilities, so receiving facilities also normally require a Transfer Agreement that obligates the County to pay for the higher level of care services rendered to indigent patients when no other sources of reimbursement are available. This is consistent with California Welfare and Institutions Code section 17000, which requires the County to provide medically necessary care to indigent persons in the county. County Counsel and the Chief Executive Officer's review and approval are required prior to execution of any of these Transfer Agreements due to the possible financial liability. ARMC will ensure that the reimbursement rates requested by the receiving facility are reasonable prior to execution of Transfer Agreements by ARMC's Chief Executive Officer or Chief Operating Officer.

The Transfer Agreements for the transfer of patients from ARMC to other medical facilities for higher level of care services may include non-standard terms. These Transfer Agreements are non-negotiable and (1) do not require the County to indemnify the receiving facility for any negligence or willful misconduct of the receiving facility, (2) may lack the standard County insurance requirements, (3) may impose insurance requirements on the County that are consistent with the County's existing insurance policies, (4) may impose an indemnification obligation on the County for its own acts and omissions, (5) may obligate the County to reimburse the facility for the transport of the patient in the event the facility is unable to obtain reimbursements from third-parties, and (6) may contain other non-standard County contract terms. ARMC recommends Board approval of authority to allow these Transfer Agreements, which may include non-standard or missing standard County contract terms, to be executed quickly and ensure timely provision of these required higher level of care services. Facilities and providers to which ARMC transfers patients must meet all required certification standards.

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ARMC recommends approval of these recommendations to allow ARMC to operate in a fiscally-responsible and business-like manner, and provide for the safety, health and social service needs of county residents by ensuring timely transfers of insured and indigent patients who require higher level of care services. ARMC will ensure that policies and procedures are updated consistently with the recommendations of this item.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on April 4, 2026; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on April 13, 2026; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on April 14, 2026.

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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

BY  _____
DATED: May 5, 2026



cc: File - Medical Center
CCM 05/7/2026