

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

May 6, 2025

FROM

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

SUBJECT

Agreement with LifeStream Blood Bank for the Provision of Blood, Blood Components, Therapeutic Apheresis Services, and Immunohematology Services with Clinical Consultations

RECOMMENDATION(S)

1. Approve **Agreement No. 25-275**, including non-standard terms, with LifeStream Blood Bank for the provision of blood, blood components, therapeutic apheresis services and immunohematology services with clinical consultations, in an amount not to exceed \$16,000,000, for the term of July 1, 2025 through June 30, 2030.
2. Direct the Clerk of the Board of Supervisors to maintain confidentiality of the 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 \$16,000,000 is funded by State Medi-Cal, Federal Medicare, private insurance, 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 will be included in the Arrowhead Regional Medical Center (ARMC) 2025-26 recommended budget and in future recommended budgets.

BACKGROUND INFORMATION

The Agreement with LifeStream Blood Bank (LifeStream) will enable ARMC to obtain blood products, therapeutic apheresis services, immunohematology service, and clinical consultations to treat ARMC patients. Patients admitted in ARMC frequently require the transfusion of blood and/or blood components to maintain normal circulatory function. These highly regulated blood products are procured from LifeStream, which supplies to hospitals in both San Bernardino and Riverside County.

Therapeutic apheresis is a clinical procedure performed by Registered Nurses from LifeStream to remove circulating antigen-antibody complexes from the bloodstream of patients with various blood disorders. Immunohematology services involve extensive testing of patient specimens when required supplies and equipment are not available in ARMC's Blood Bank. LifeStream searches for rare compatible blood products as needed from the rare donor blood program.

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This Agreement with LifeStream will provide blood and services for ARMC patients 24 hours per day, 365 days per year.

Recommendation No. 2 requests confidentiality of the Agreement according to California Health and Safety Code Section 1457(c)(1), which provides for the confidentiality of payment rates for services purchased by ARMC.

The Agreement with LifeStream is its standard commercial terms, negotiated by the County, which contain terms that differ from the standard County contract as follows:

1. This is an exclusive Agreement with LifeStream, meaning that LifeStream will be the only supplier of the products and services within the scope of the Agreement, unless one of the exceptions in the Agreement are met (e.g., there is an emergency circumstance, or LifeStream is unable to provide the products within a reasonable time).
 - The County's standard contracts are not exclusive to a vendor.
 - Potential Impact: ARMC will be unable to procure the products and services within the scope of this Agreement from any other source during the term of this Agreement unless an exception applies.
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 LifeStream to terminate the Agreement and seek other legal remedies.
3. The County is required to indemnify LifeStream for any claims that arise out of the negligence of the County, its employees, agents, or medical staff.
 - The County standard contract does not include any indemnification or defense by the County of a contractor.
 - Potential Impact: By agreeing to indemnify LifeStream, 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 LifeStream without such limitations and the County could be responsible to defend and reimburse LifeStream for costs, expenses, and damages, which could exceed the total Agreement amount.
4. Neither party may terminate this Agreement without cause.
 - The County's standard contract permits either party to terminate the contract for convenience with 30 days written notice.
 - Potential Impact: The County is locked into this Agreement for five years, and is limited to terminating this Agreement only where there is a breach of the terms of the Agreement.

ARMC recommends approval of the Agreement, including the non-standard terms, with LifeStream to provide for the safety, health and social service needs of county residents by ensuring the timely provision of blood and blood components, and providing therapeutic apheresis and immunohematology services.

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PROCUREMENT

The Purchasing Department supports this non-competitive procurement due to specialized credentials. LifeStream has a close proximity to ARMC and has an excellent rush delivery time which is vital to maintain and provide continuity of service to trauma, cardiac and ARMC patients.

LifeStream offers credit for returned blood products that are near expiration dates and does not require an annual minimum purchase.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387- 5455) on April 8, 2025; Purchasing (Veronica Pedace, Buyer III, 387-2464) on April 9, 2025; Risk Management (Gregory Ustaszewski, Staff Analyst II, 386-9008) on April 9, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on April 11, 2025; Finance (Jenny Yang, Administrative Analyst, 387-4884) on April 17, 2025; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387- 5423) on April 18, 2025.

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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 6, 2025



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree (BAI only)
File – Confidential files w/agree
CCM 05/7/2025