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

August 8, 2023

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Non-Financial Affiliation Agreement with The Neurology Group, Inc. for Specialized Clinical Training and Experience

RECOMMENDATION(S)

Approve Non-Financial Affiliation **Agreement No. 23-852**, including non-standard terms, with The Neurology Group, Inc. for Arrowhead Regional Medical Center's family medicine resident physicians to obtain clinical training and experience at The Neurology Group, Inc for a five-year period from date of execution.

(Presenter: William L. Gilbert, Director, 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 with The Neurology Group, Inc. (Neurology Group) is non-financial in nature.

BACKGROUND INFORMATION

The Affiliation Agreement with Neurology Group will enable Arrowhead Regional Medical Center (ARMC) family medicine residents to obtain specialized clinical training in neurological diagnoses. The volume and patient mix at Neurology Group will provide an extended educational opportunity for the ARMC resident physicians to enhance their capabilities as practitioners.

ARMC operates an accredited residency program in family medicine which has specific requirements regarding the number and types of patients for which the resident must provide care. To meet these requirements, it is necessary to provide educational opportunities at other facilities to supplement those available at ARMC. The Affiliation Agreement with the Neurology Group ensures that ARMC's family medicine resident physicians will receive specialty training that will enable them to complete the necessary requirements for their residency program.

The Affiliation Agreement was negotiated by the parties that omit certain County standard terms and include certain non-standard terms as follows:

Non-Financial Affiliation Agreement with The Neurology Group, Inc. for Specialized Clinical Training and Experience August 8, 2023

- 1. The County agrees to indemnify, defend, and hold the Neurology Group for claims caused by the negligence or willful misconduct of the County and for the professional negligence of ARMC's family medicine residents while training at the Neurology Group.
 - The County standard contract does not include any indemnification or defense by the County of a contractor.
 - <u>Potential Impact:</u> By agreeing to indemnify the Neurology Group, 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 the Neurology Group without such limitations and the County would be responsible to defend and reimburse Neurology Group for costs, expenses, and damages.
- 2. With the exception of the standard County policy limits, the Agreement does not require the Neurology Group to meet the County insurance standards.
 - The County standard contract requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department.
 - <u>Potential Impact</u>: The Agreement does not include all of the County standard insurance requirements. This means that the County has no assurance that the Neurology Group will be financially responsible for claims that may arise under the Agreement, which could result in expenses to the County.
- 3. The Neurology Group's indemnification obligation is limited to claims arising out of the negligence or willful misconduct of the Neurology Group, its officers, employees, subcontractors, agents, and volunteers.
 - 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>: The Neurology Group's indemnity obligation under the Agreement is more limited than under the standard County general indemnity provision. In the event that a claim arises that falls outside the scope of the Neurology Group's limited indemnity obligation, the County may be solely responsible for the costs of defense and any resulting settlement/judgment.
- 4. The Agreement does not contain the standard contract provisions regarding Government Code section 84308 (Senate Bill 1439) and the disclosure of campaign contributions to a member of the Board of Supervisors or other County elected officer.
 - Under the County standard contract the contractor states it has disclosed campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer and completed a form providing additional information.
 - <u>Potential Impact</u>: The County may have difficulty gathering information about campaign contributions made by the Neurology Group.

ARMC recommends approval of this Affiliation Agreement, including the non-standard terms, to provide clinical training and experience in neurological diagnoses to ARMC family medicine resident physicians, which will result in the provision of specialized medical care to county residents.

PROCUREMENT

Not applicable.

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REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on June 20, 2023; Risk Management (Victor Tordesillas, Director, 386-8623) on June 23, 2023; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on July 14, 2023; Finance (Jenny Yang, Administrative Analyst, 387-4884) on July 17, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on July 18, 2023.

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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

DATED: August 8, 2023

OF SUPERIOR OF SUP

cc: ARMC - Gilbert w/agree

Contractor - c/o ARMC w/agree

File - w/agree w/attach

CCM 08/10/2023