

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

August 5, 2025

FROM

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

SUBJECT

Agreement with the California Department of Health Care Services for Intergovernmental Transfer Program

RECOMMENDATION(S)

1. Approve **Agreement No. 25-550** (State Contract No. 24-0091) with the California Department of Health Care Services to receive supplemental payments for Medi-Cal managed care capitation rate increases, and for the provision of an intergovernmental transfer assessment fee for administration of the intergovernmental transfer program during the state-established claim period of January 1, 2024 through December 31, 2024, for the agreement term of January 1, 2024 through June 30, 2027.
 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

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

Provide for the Safety, Health and Social Service Needs of County Residents.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Agreements are sent annually from the California Department of Health Care Services (DHCS), requesting claims from the prior year. Under the terms of the agreement, Arrowhead Regional Medical Center (ARMC) will be eligible to receive supplemental payments as the result of Medi-Cal managed care capitation rate increases paid to Molina Healthcare of California, Inc. (Molina), Kaiser Foundation Health Plan, Inc. (Kaiser), and Inland Empire Health Plan (IEHP) as managed care providers for the claim period of January 1, 2024 through December 31, 2024. Adequate appropriation and revenue have been included in the ARMC and Health Administration 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The agreement with DHCS will allow ARMC to continue participation in the Intergovernmental Transfers (IGT) program and receive funding for Medi-Cal patients enrolled with IEHP, Kaiser, and Molina. The IGT program for managed Medi-Cal (i.e., Medi-Cal managed care capitation rates) lets counties or other government-run providers contribute eligible non-federal funds to

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DHCS, then DHCS uses the funds to draw federal matching dollars and increase managed care capitation rates to healthcare providers like ARMC.

To participate in the IGT program, the DHCS requires that an agreement be in place for the IGT of public funds. The agreement with DHCS allows ARMC to receive supplemental payments resulting from Medi-Cal managed care capitation rate increases for enrolled patients and sets the conditions for the transfer and receipt of funds through the IGT program. Within this agreement, ARMC is eligible to receive funds for the claim period of January 1, 2024 through December 31, 2024, however payments can be made till June 30, 2027, hence the term of the agreement is January 1, 2024 through June 30, 2027.

Pursuant to Health and Safety Code Section 1457(c)(1), specific terms related to the rates of payment for health care services are not immediately subject to laws related to public records; therefore, the Clerk of the Board of Supervisors is directed to maintain confidentiality of this agreement.

ARMC recommends approval of the agreement as it will allow ARMC to operate in a fiscally-responsible and business-like manner by working with the DHCS to obtain reimbursements for the healthcare services it renders to certain county residents who are Medi-Cal managed care members of IEHP, Kaiser and Molina.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on July 7, 2025; ARMC Finance (Chen Wu, Budget and Finance Officer, 580-3165) on July 14, 2025; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on July 17, 2025.

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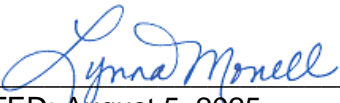
Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: August 5, 2025



cc: ARMC - Goldfrach w/agree for sign
Contractor - c/o ARMC w/agree
File - w/agree (BAI only)
File – Confidential files w/agree

CCM 08/6/2025