

**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

Product Pricing Agreement with Stryker Sales, LLC for Neurointerventional Supplies

RECOMMENDATION(S)

Approve the Product Pricing **Agreement No. 25-590** with Stryker Sales, LLC, including non-standard terms, for neurointerventional supplies specific to brain surgery, in an amount not to exceed \$1,000,000 annually, effective on the first day of the month following the date of last signature and shall continue through and expire 24 months thereafter.

(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 the item will not result in the use of Discretionary General Funding (Net County Cost), as the annual cost of \$1,000,000 is funded by State Medi-Cal, Federal Medicare, private insurances, 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 have been included in the Arrowhead Regional Medical Center (ARMC) 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The Product Pricing Agreement (Agreement) with Stryker Sales, LLC (Stryker) will allow ARMC to purchase neurointerventional supplies for use in brain surgery at a discounted rate. Within the past year, ARMC became a Certified Stroke Center, which increased the number of procedures being performed and with a corresponding increase in supplies usage. Stryker is the only vendor that offers specialized neurointerventional (stent) supplies to treat Intracranial Atherosclerotic Disease (ICAD), a condition where plaque builds up in the arteries within the skull, which can lead to a stroke. These stents act as a scaffold, effectively blocking blood flow into the aneurysm and preventing rupture.

The Agreement with Stryker is based on its standard commercial agreement, negotiated by the parties to include the following non-standard contract terms:

1. Payment terms are Net 30 days from date of invoice.
 - The County standard payment terms are Net 60 days with no interest or late payment penalties.

**Product Pricing Agreement with Stryker Sales, LLC for
Neurointerventional Supplies
August 5, 2025**

- Potential Impact: The County standard processing time is 60 days or more. Failing to pay Net 30 days from date of invoice may result in a material breach of the Agreement, which could allow Stryker to terminate the Agreement and seek other legal remedies.
2. Stryker limits its general indemnity obligations to claims that arise due to a defect in its products or Stryker's negligence or intentional misconduct, and will not indemnify the County where the claim is due to the negligence of another person, the failure to follow instructions for use of the product, the use of a product that is not purchased from Stryker, or if the product has been modified, altered, reprocessed, or repaired by someone other than Stryker.
 - 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.
 - Potential Impact: Stryker'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 Stryker's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.
 3. The County is required to maintain commercial general liability insurance with limits of \$1 million per occurrence and \$3 million annual aggregate, automobile liability insurance with a combined single limit of \$1 million each accident, workers' compensation insurance and employer's liability insurance with limits of \$1 million.
 - The County standard contract does not impose any insurance obligations on the County.
 - Potential Impact: The County must be mindful of the insurance obligations and ensure compliance to prevent a breach of the Agreement.
 4. While the County may terminate the Agreement without cause with 30 days written notice, the County will be required to pay Stryker a termination fee of 10% of its total purchases in the 12 months preceding the date of termination.
 - The County standard contract gives the County the right to terminate the contract, for any reason, with a 30-day written notice of termination without any obligation other than to pay amounts for services rendered and expenses reasonably incurred prior to the effective date of termination.
 - Potential Impact: Upon any termination by the County without cause, the County is required to pay 10% of its total purchases in the prior 12 months, which could result in payment liability where no funds are available due to lack of allocation or loss of funding.
 5. Venue is in the state or federal courts of California.
 - County Policy 11-05 requires venue for disputes in Superior Court of California, County of San Bernardino, San Bernardino District.
 - Potential Impact: Having a venue outside of San Bernardino County may result in additional expenses that exceed the amount of the Agreement.

ARMC recommends the approval of the Agreement, including the non-standard terms, as these supplies are vital to hospital operations and support the quality of care provided at ARMC to county resident patients.

**Product Pricing Agreement with Stryker Sales, LLC for
Neurointerventional Supplies
August 5, 2025**

PROCUREMENT

The Purchasing Department supports this non-competitive procurement based on the proprietary nature of these supplies. Stryker is the only vendor that offers specialized neurointerventional supplies to treat ICAD. Stryker has a patent for the ICAD supplies, therefore, these supplies are not offered by other vendors.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on July 24, 2025; Risk Management (Gregory Ustaszewski, Staff Analyst, 386-9008) on July 7, 2025; Purchasing (Veronica Pedace, Buyer III, 387-2464) on July 25, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on July 11, 2025; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on July 17, 2025.

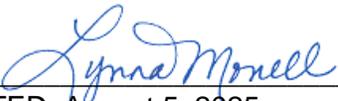
**Product Pricing Agreement with Stryker Sales, LLC for
Neurointerventional Supplies
August 5, 2025**

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
Contractor - c/o ARMC w/agree
File - w/agree
CCM 08/11/2025