

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

June 10, 2025

FROM

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

GEORGINA YOSHIOKA, Director, Department of Behavioral Health

JOSHUA DUGAS, Director, Department of Public Health

SUBJECT

Enhanced Care Management Provider Agreement with Inland Empire Health Plan for Enhanced Care Management Program Services

RECOMMENDATION(S)

1. Approve Enhanced Care Management Provider **Agreement No. 25-382**, including non-standard terms, with Inland Empire Health Plan, establishing reimbursement rates to San Bernardino County for the provision of Enhanced Care Management program services, for the period of July 1, 2025, through June 30, 2028.
2. Direct the Clerk of the Board of Supervisors to maintain confidentiality of the Enhanced Care Management Provider 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

Promote the Countywide Vision.

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). This item will provide reimbursement from the Inland Empire Health Plan (IEHP) to Arrowhead Regional Medical Center (ARMC), the Department of Behavioral Health (DBH), and Department of Public Health (DPH) to offset the cost of providing Enhanced Care Management (ECM) services. Budget adjustments are not being requested at this time but may be recommended to the Board of Supervisors (Board) at a later date if needed.

BACKGROUND INFORMATION

Effective January 1, 2022, the California Department of Health Care Services (DHCS) established a new statewide program named California Advancing and Innovating Medi-Cal (CalAIM), which includes the ECM and Community Supports programs. The purpose of the ECM program is to provide a holistic, whole-person care approach to address the medical and non-medical circumstances of high-need Medi-Cal beneficiaries at their County medical location of preference, through an assigned Medi-Cal managed care plan. High-needs Medi-Cal

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beneficiaries include individuals who are unhoused and have serious mental illnesses and/or substance use disorders, children with complex medical conditions, justice-involved populations with significant clinical needs, and the aging population.

The CalAIM program has reformed the delivery and payment for services by enabling providers to offer more complete care coordination and care management than is possible through a typical fee-for-service system. It also provides a wider range of services designed to stabilize and support the lives of Medi-Cal beneficiaries. To receive ECM benefits, Medi-Cal beneficiaries are required to choose a Medi-Cal managed care plan, such as IEHP, and are not permitted to remain in the Medi-Cal fee-for-service system.

Based on needs and County medical location of preference, the IEHP member is assigned to an ECM care team from DBH, ARMC, or DPH. The assigned ECM care team will provide multi-disciplinary services to improve the patient's overall health outcomes and address various social determinants of health. Since the ECM program's inception in 2022, the County has used this multi-disciplinary approach to provide services to over 2,500 patients.

Under the recommended ECM Provider Agreement (Agreement), ARMC, DBH, and DPH will be reimbursed based on the services provided through a capitation system, allowing for monthly reimbursement per client. In addition, the Agreement grants incentive payments if quality measures are reached.

The recommended Agreement includes the following non-standard terms:

1. Either party may terminate the Agreement without cause with 90 days written notice.
 - 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: The County will need to be mindful of the extended 90-day notice period in the event it seeks to terminate the Agreement without cause.
2. The Agreement requires the County to maintain medical malpractice and general liability insurance policies in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 aggregate per year.
 - The standard County contract does not impose any insurance obligations on the County.
 - Potential Impact: The County will need to ensure it maintains the required insurances to avoid breaching the terms of the Agreement.
3. Any dispute must be heard through a referee who will hear and determine all issues in the dispute.
 - The standard County contract does not require the parties to submit disputes to a referee for adjudication.
 - Potential Impact: Disputes will not be heard before a state or federal court judge, or through a jury trial, but will instead be adjudicated through a court referee.
4. The prevailing party is entitled to recover attorneys' fees and costs.
 - The County standard contract requires each party to bear its own costs and attorney fees, regardless of who is the prevailing party.

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- Potential Impact: If either party institutes any legal proceedings related to the Agreement, the prevailing party will be entitled to recover reasonable attorneys' fees, which could exceed the total Agreement amount.
5. IEHP is not required to comply with the standard County insurance requirements.
 - County policy requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department and as set forth in County policy and in the County standard contract.
 - Potential Impact: The County has no assurance that IEHP will be financially responsible for claims that may arise under the Agreement, which could result in expenses to the County that exceed the total Agreement amount.
 6. The County must indemnify IEHP for claims arising by reason of the acts or omissions of the County, its officers, agents, employees, and contractors.
 - The County standard contract does not impose contractual indemnity obligations on the County.
 - Potential Impact: In the event a claim arises against IEHP that falls within the scope of the County's indemnity obligations, the County may be required to pay for the defense of the claim and any resulting settlement/judgment.
 7. IEHP limits its general indemnity obligation to claims arising by reason of the acts or omissions of IEHP, its officers, agents, employees, and contractors.
 - 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: IEHP'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 IEHP's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.

On December 14, 2021 (Item No. 17), the Board approved revenue Agreement No. 21-983 with IEHP that established capitation payment rates and incentive funding for the provision of ECM services by ARMC, DBH, and DPH to high-need IEHP members, for the term of January 1, 2022, through June 30, 2024. Since approval of the original agreement, three amendments were approved by the Board to increase the reimbursement rates and extend the agreement for an additional year for a total term of January 1, 2022, through June 30, 2025.

Under Agreement No. 21-983, ARMC and DPH have worked in collaboration to provide ECM program services to DPH ECM clients as this program was not yet established within the DPH clinics. Upon approval of the recommended Agreement with IEHP, the provision of these services will transition from ARMC to DPH clinics, implementing DPH's ECM program.

The recommended Agreement with IEHP will enable the County to optimize a whole person care approach, addressing the medical and non-clinical needs of Medi-Cal beneficiaries, and increasing revenue for provision of services based on updated reimbursement rates, operating in a fiscally-responsible and business-like manner as well as continuing to provide for the safety, health, and social service needs of county residents.

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The Agreement with IEHP provides funding for a total of 19 additional care teams, with ARMC and DPH each receiving funding for six teams, and DBH receiving funding for seven teams, respectively.

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 is directed to maintain confidentiality of the Agreement.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, Adam Ebright and Dawn Martin, Deputies County Counsel, 387-5455) on May 27, 2025; Behavioral Health (Georgina Yoshioka, Director, 252-5142) on May 28, 2025; Public Health (Joshua Dugas, Director, 387-9146) on March 28, 2025; Risk Management (Gregory Ustaszewski, Staff Analyst II, 386-9039) on May 23, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on May 27, 2025; Finance (Paul Garcia, Administrative Analyst, 386-8393, Iliana Rodriguez, Administrative Analyst, 387-4205, and Jenny Yang, Administrative Analyst, 387-4884) on June 2, 2025; and County Finance and Administration (Valerie Clay, Deputy Executive Officers, 387-5423) on June 2, 2025.

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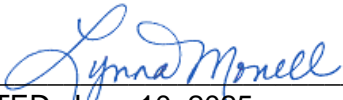
Record of Action of the Board of Supervisors
San Bernardino County

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: June 10, 2025



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

CCM 06/18/2025