

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

November 5, 2024

FROM

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

SUBJECT

Participation Agreement with Manifest Medex for Sharing Electronic Health Information

RECOMMENDATION(S)

Approve **Participation Agreement No. 24-1042**, including non-standard terms, with Manifest Medex, to electronically provide and receive health information, in the not-to-exceed amount of \$100,000 annually, for a contract period of five years from November 5, 2024 through November 4, 2029.

(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 \$500,000 is funded by the 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) 2024-25 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The Participation Agreement (Agreement) with Manifest Medex (Medex) will allow ARMC to continue to participate in a Health Information Exchange (HIE) that will enable ARMC to electronically provide and receive health information regarding patients. The HIE is organized to facilitate health information aggregation and sharing in a manner that complies with the Health Insurance Portability and Accountability Act. The HIE supports providers, hospitals, and health plans in securely sharing critical health information to ensure that patients receive continuity of safe, efficient, and high-quality care as they transition from one provider or hospital to another.

Participation in HIE is a minimum requirement for all pay-for-performance programs as outlined in the Health Insurance Portability and Accountability Act (HIPAA) Security Rule and the HIPAA Privacy Rule. The HIE sends information to payers as soon as patients are admitted and allows for supplemental reimbursement to ARMC for patients seen. Medex provides an uninterrupted bidirectional connectivity software platform that sends and receives real time patient data. The platform notifies insurance companies/payors that provide reimbursement for patient care any time the patient record is updated.

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November 5, 2024

The Agreement is Medex's standard commercial contract, which includes terms that differ from the standard County contract and omits certain County standard contract terms. While the parties negotiated certain contract terms to County standards, Medex would not agree to all County standard terms. The non-standard and missing terms include the following:

1. The County is required to indemnify Medex against claims arising from (a) the acts or omissions of the County related to the Agreement, including the County's failure to comply with any obligation or satisfy any representation or warranty under the Agreement; and/or (b) a Breach of Privacy or Security arising out of the County's acts or omissions., except to the extent arising from the negligence or willful misconduct of Medex,
 - The County standard contract does not include any indemnification or defense by the County of a contractor.
 - Potential Impact: By agreeing to indemnify Medex, 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 Medex without such limitations and the County could be responsible to defend and reimburse Medex for costs, expenses, and damages, which could exceed the total Agreement amount.
2. The Agreement does not include certain standard County insurance requirements, including the waiver of subrogation.
 - The County standard contract requires contractors to carry appropriate insurance at limits and under conditions determined by the County's Risk Management Department.
 - Potential Impact: No waiver of subrogation may allow Medex's insurer to bring suit against the County, which could result in expenses that exceed the total Agreement amount.

ARMC recommends approval of this Agreement, including the non-standard terms, to allow ARMC the ability to continue the secure exchange of electronic patient health information with Medex. The HIE data sharing capabilities provide for more timely and appropriate delivery of care to patients in the community in order to provide for the safety, health and social service needs of county residents.

PROCUREMENT

The Purchasing Department supports this non-competitive procurement based on specialized credentials/expertise/training, as ARMC currently has the interface for this system. ARMC previously participated in an agreement with Medex and IEHP to access these services. IEHP paid for the subscription and subsequently Medex waived the 2024 annual subscription fees. In order to continue access, ARMC must pay Medex directly for these services.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387- 5455) on October 8, 2024; Purchasing (Veronica Pedace, Buyer III, 387-2464) on October 8, 2024; Risk Management (Greg Ustazewski, Staff Analyst, 386-9008) on October 9, 2024; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on October 10, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on October 11, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387- 5423) on October 16, 2024.

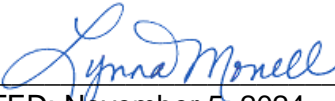
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Record of Action of the Board of Supervisors
San Bernardino County

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: November 5, 2024



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree
CCM 11/6/2024