

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

August 20, 2024

**FROM**

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

**SUBJECT**

Non-Financial Transfer Agreements with Dialysis Centers for the Transfer of Dialysis Patients

**RECOMMENDATION(S)**

1. Approve non-financial Reciprocal Transfer **Agreement No. 24-780**, including non-standard terms, with RAI Care Center of Colton, LLC to allow for the transfer of patients between facilities to receive dialysis treatment and care services, for the period of August 25, 2024 through August 24, 2029.
2. Approve non-financial Reciprocal Transfer **Agreement No. 24-779**, including non-standard terms, with Fresenius Medical Care San Bernardino, LLC DBA Fresenius Kidney Care Juniper Fontana to allow for the transfer of patients between facilities to receive dialysis treatment and care services, for the period of August 25, 2024 through August 24, 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) as the non-financial Reciprocal Transfer Agreements (Agreements) with RAI Care Centers of Colton, LLC (RAI Colton) and Fresenius Medical Care San Bernardino, LLC DBA Fresenius Kidney Care Juniper Fontana (Fresenius) are non-financial in nature. The costs for patient care services provided at Arrowhead Regional Medical Center (ARMC) will be funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. No funds will be exchanged between ARMC and RAI Colton or Fresenius for the transfer of dialysis patients, as each facility will be responsible for the costs associated with patient care provided at their respective facilities. 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 ARMC 2024-25 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

These Agreements with RAI Colton and Fresenius will allow ARMC to accept and transfer patients who require dialysis treatment to and from the two facilities should an emergency render ARMC or the two facilities either inoperable or inaccessible to some or all of their respective enrolled dialysis patients. All patient transfers will be made in accordance with

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applicable federal and state laws and regulations, standards of regulatory agencies, and reasonable policies and procedures of the facility.

State and federal law mandate that dialysis facilities have prearranged written transfer agreements with other dialysis facilities to receive patients in the event of limitations or cessation of operations to maintain the continuity of services to facility patients. ARMC and RAI Colton have maintained a Non-Financial Reciprocal Transfer Agreement since 2015.

The Agreements outline the responsibilities of each healthcare facility in regard to the transfer of patients for dialysis treatment and care. These responsibilities include, but are not limited to physician communications, transfer of patient medical records, and transportation requirements.

The Agreements were negotiated by the parties but omit certain County standard contract terms or include non-standard contract terms as follows:

1. The Agreements do not include certain standard County insurance requirements, including the provisions relating to additional insured status, severability of interests, acceptability of insurance carrier, insurance review, waiver of subrogation, and failure to procure coverage.
  - 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: Without all of the standard provisions addressed above, the County has no assurance that RAI Colton and Fresenius will maintain adequate and sufficient insurance to provide coverage to the County in the event of a claim. Insufficient coverage could result in expenses to the County.
2. The Agreements require each party to defend and indemnify the other for any claims that result solely from the acts or omissions of the indemnifying party.
  - The County standard contract does not include any indemnification or defense by the County of a contractor.
  - Potential Impact: By agreeing to indemnify RAI Colton and Fresenius, 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 RAI Colton or Fresenius without such limitations and the County could be responsible to defend and reimburse RAI Colton or Fresenius for costs, expenses, and damages.

ARMC recommends approval of the Agreements, including the non-standard terms, as they allow for the transfer of patients between facilities in the event of an emergency to ensure continuity of dialysis care and treatment services, which will provide for the safety, health and social services needs of county residents.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Supervising County Counsel, 387-5455) on August 1, 2024; Risk Management (Gregory Ustaszewski, Staff Analyst, 386-

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9008) on August 7, 2024; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on June 27, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on June 27, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on June 27, 2024.

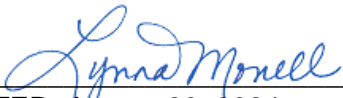
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Record of Action of the Board of Supervisors  
San Bernardino County

**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

BY   
DATED: August 20, 2024



cc: ARMC - Goldfrach w/agree  
Contractor - c/o ARMC w/agree  
File - w/agree  
MBA 08/22/2024