

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

February 10, 2026

FROM

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

SUBJECT

Revenue Agreement with Neighborhood Healthcare dba Neighborhood Healthcare Pace for Reimbursement for the Provision of Healthcare Services

RECOMMENDATION(S)

1. Approve **Revenue Agreement No. 26-87** with Neighborhood Healthcare dba Neighborhood Healthcare Pace, including non-standard terms, for the provision of reimbursement for hospital, emergency, outpatient, and related medically necessary services, for a one-year term beginning upon full execution, with automatic one-year renewals thereafter, up to a total term of five years.
2. Direct the Clerk of the Board of Supervisors to maintain the confidentiality of the amendment 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.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Under the revenue agreement (Agreement), Arrowhead Regional Medical Center (ARMC) will be reimbursed for inpatient, outpatient, emergency and other medically necessary services rendered to enrolled participants of the Neighborhood Healthcare dba Neighborhood Healthcare Pace (NHC PACE), an all-inclusive care program for the elderly. Reimbursement rates are based on the Medicare Fee Schedule and additional payment methodologies specified in the Agreement. Adequate appropriation and revenue have been included in the ARMC 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

Approval of this Agreement will allow ARMC to participate as a contracted provider in the NHC PACE network. Through this Agreement, ARMC will provide authorized hospital, professional, emergency and ancillary services to eligible NHC PACE participants when medically necessary and coordinated through the PACE Interdisciplinary Care Team.

NCH PACE is supported by Medicare and Medi-Cal to help older adults access coordinated medical and supportive services. As part of this model, NHC PACE partners with local hospitals

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and community providers to ensure participants can receive needed inpatient, outpatient, emergency and specialty care when appropriate.

The Agreement is based on NHC PACE's standard Provider Services Contract, negotiated by the parties, and includes terms that deviate from the standard County contract terms as follows:

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.
 - Potential Impact: The County must be mindful of this extended notice period in the event it seeks to terminate the Agreement without cause.
2. The County agrees to indemnify NHC PACE from claims resulting from the County's acts and omission related to performance of its duties and obligations of under the Agreement.
 - The County standard contract does not obligate the County to indemnify the contractor.
 - Potential Impact: By agreeing to indemnify NHC PACE, 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 NHC PACE without such limitations and the County could be responsible to defend and reimburse NHC PACE or costs, expenses, and damages, which could exceed the total Agreement amount.
3. NHC PACE limits its general indemnity obligation to claims that arise from its own acts and omissions related to performance of its duties and obligations under the Agreement, except to the extent otherwise covered by insurance policies.
 - 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: NHC PACE'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 NHC PACE's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.
4. NHC PACE is not required to comply with all of the standard County insurance terms.
 - 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 NHC PACE 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.
5. The Agreement imposes insurance obligations on the County, including requiring the County to maintain insurance policies or a program of self-insurance for automobile liability, general liability, professional liability, workers' compensation and employer's liability, and NHC PACE must be named as an additional insured on the general liability and professional liability policy.
 - The County standard contract does not impose any insurance obligations on the County.

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- Potential Impact: The County will need to be mindful of the insurance obligations and ensure compliance to avoid being in breach of those requirements.

ARMC recommends approval of this Agreement, including the non-standard terms, to provide for the safety, health and social service needs of County residents by ensuring reliable access to healthcare services for older adults enrolled in the NHC PACE program.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on December 5, 2025; Risk Management (Stephanie Mean, Staff Analyst II Trainee, 386-9008) on December 29, 2025; ARMC Finance (Chen Wu, Finance Budget Officer, 580-3165) on January 16, 2026; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on January 20, 2026.

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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: February 10, 2026



cc: ARMC - Goldfrach w/agree
Contractor - c/o ARMC w/agree
File - w/agree (BAI only)
File - Confidential files w/agree
CCM 02/11/2026