

**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**

Agreement with the California Department of Health Care Services for Intergovernmental Transfer Program

**RECOMMENDATION(S)**

1. Approve **Agreement 24-755** (State Contract No. 23-0083) with the California Department of Health Care Services to receive supplemental payments for Medi-Cal managed care capitation rate increases, and for the provision of an intergovernmental transfer assessment fee for administration of the intergovernmental transfer program during the term of the State-established claim period of January 1, 2023 through December 31, 2023, for the Agreement term of January 1, 2023 through June 30, 2026.
2. Direct the Clerk of the Board of Supervisors to maintain confidentiality of the 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**

**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). Agreements are sent annually from the California Department of Health Care Services (DHCS), requesting claims from the prior year. Under the terms of the agreement, Arrowhead Regional Medical Center (ARMC) will be eligible to receive supplemental payments as the result of Medi-Cal managed care capitation rate increases paid to Molina Healthcare of California, Inc. (Molina) and Inland Empire Health Plan (IEHP) as managed care providers for the claim period of January 1, 2023 through December 31, 2023.

The non-federal share for Intergovernmental Transfers (IGTs) will be remitted from the County's Health Administration budget unit. Once the funds are received by ARMC from Molina and IEHP, ARMC will transfer funds equal to the amount remitted into the County's Health Administration budget unit. Adequate appropriation and revenue have been included in the ARMC and Health Administration 2024-25 budget and will be included in future recommended budgets.

**BACKGROUND INFORMATION**

**Agreement with the California Department of Health Care Services for Intergovernmental Transfer Program  
August 20, 2024**

The agreement with DHCS will allow ARMC to continue participation in the IGT program and receive funding (including Medi-Cal managed care capitation rate payments) for Medi-Cal patients enrolled with IEHP and Molina. To participate in the IGT program, the State requires that an agreement be in place for the IGT of public funds.

The agreement with DHCS allows ARMC to receive supplemental payments resulting from Medi-Cal managed care capitation rate increases for enrolled patients. The agreement sets forth the conditions for the transfer and receipt of funds through the DHCS IGT program.

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 of Supervisors is directed to maintain confidentiality of this agreement.

ARMC recommends approval of the agreement as it will allow ARMC to operate in a fiscally-responsible and business-like manner by working with the State to obtain reimbursements for the healthcare services it renders to certain County residents who are members of IEHP and Molina.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on August 2, 2024; ARMC Finance (Chen Wu, Budget and Finance Officer, 580-3165) on August 2, 2024; Finance (Jenny Yang, Administrative Analyst, 387-4884) on August 2, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on August 5, 2024.

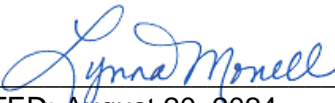
**Agreement with the California Department of Health Care Services for  
Intergovernmental Transfer Program  
August 20, 2024**

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 for sign  
      Contractor - c/o ARMC w/agree  
      File - w/agree (BAI only)  
      File - Confidential files w/agree  
CCM    08/20/2024