

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

January 13, 2026

FROM

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

SUBJECT

Revenue Agreement with MT Group, Inc. for Research Study and Material Transfer

RECOMMENDATION(S)

1. Approve Revenue Research Study and Material Transfer **Agreement No. 26-08** with MT Group, Inc., including non-standard terms, for participation in a research study from January 13, 2026 through January 12, 2031.
2. Authorize the ARMC Chief Executive Officer to approve and sign future compensation addenda under the Revenue Research Study and Material Transfer Agreement to enable ARMC to be reimbursed for additional work within the research study, subject to review by County Counsel.
3. Direct the ARMC Chief Executive Officer to transmit any future compensation addenda to the to the Clerk of the Board of Supervisors within 30 days of execution.

(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 Agreement will generate revenue to Arrowhead Regional Medical Center (ARMC) based on reimbursement for services provided in obtaining compliant blood samples submitted according to the research study protocols.

In addition, MT Group, Inc. will provide gift cards directly to patients who voluntarily choose to participate in the study. The County will not incur costs for these incentives.

BACKGROUND INFORMATION

MT Group is conducting a program of clinical study and research entitled, "Discovery and Evaluation of Biomarkers/Pharmacogenomics for the Diagnosis and Personalized Management of Patients" (Study). The purpose of this Study is to analyze the blood of patients diagnosed with certain cancers to try and develop new cancer treatments by using biological markers found in the blood serum.

The Research Study and Material Transfer Agreement (Agreement) will, upon approval of the ARMC Institutional Review Board (IRB), allow ARMC to serve as a participating site for the Study and enroll patients who are interested and consent to being part of the Study. The IRB

**Revenue Agreement with MT Group, Inc. for Research Study and
Material Transfer
January 13, 2026**

meets every other month. This agreement will be reviewed by the IRB on January 15, 2026. Participation in research studies will help ARMC meet the Commission of Cancer accreditation requirements by demonstrating active participation in clinical research. It also enables ARMC to participate in the development of new treatment options for cancer and to help improve the standard of care for cancer treatment.

Allowing the ARMC Chief Executive Officer authority to approve and sign future compensation addenda, with Counsel Counsel's review and approval, ensures ARMC can be reimbursed in a timely manner.

Patients who are interested in participating in the Study will, upon their consent, provide a one-time blood draw or cell sample, which would be submitted to a laboratory designated by MT Group for the Study. MT Group will provide prepaid dry ice packages for shipment of the samples. In addition, MT Group will provide a \$50 gift card to each patient who chooses to participate in the Study. No further commitment will be required from the patient. No patient protected health information will be provided to MT Group.

The Agreement with MT Group is based on its standard research study agreement, negotiated by the parties, with the following non-standard contract terms:

1. Either party may terminate the Agreement for any reason with at least 60 days written notice.
 - The County standard contract permits the County to terminate the contract with 30 days written notice.
 - Potential Impact: ARMC will need to be mindful of the extended notice period in the event it seeks to terminate the Agreement.
2. Any information or inventions developed by the County in the course of the Study will become the sole property of MT Group, but the County will have a royalty-free, perpetual right to make, have made, and use any invention created for its own internal, non-commercial research, non-commercial patient care, and academic purposes.
 - The County standard contract does not permit the contractor to own any inventions or information developed by the County.
 - Potential Impact: In the event ARMC develops an invention as a result of its participation in the Study, MT Group will own that invention. However, based on the nature of ARMC's work under this Agreement, it is highly unlikely that the County would develop any inventions as a result of the Study.
3. MT Group limits its indemnity obligations to claims that arise out of the acts or omissions of MT Group, its designee or its agents.
 - The County standard general indemnity provision requires the contractor to indemnify the County for the acts, omissions, or errors of any person.
 - Potential Impact: MT Group's indemnity obligation is more limited than the standard County general indemnity obligation. In the event a claim arises that falls outside the scope of the limited indemnity obligation, the County could be solely liable for the cost of defense and any settlement/judgment.
4. The County is required to indemnify MT Group for claims that result from the willful misconduct or gross negligence of the County.

**Revenue Agreement with MT Group, Inc. for Research Study and
Material Transfer
January 13, 2026**

- The County standard contract does not include any indemnification or defense by the County of a Contractor.
- Potential Impact: By agreeing to indemnify MT Group, 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 MT Group without such limitations and the County would be responsible to defend and reimburse MT Group for costs, expenses, and damages.

Approval of this Agreement with MT Group will help ARMC to achieve its accrual for accreditation which is making sure that the cancer program at ARMC offers a full range of services required to diagnose, treat, and support patients and their families.

ARMC recommends approval of this Agreement, including the non-standard terms, as it will provide for the safety, health and social services needs of County residents by allowing patients at ARMC to participate in a research study to potentially identify and create new treatments for cancer and increase the effectiveness of anti-cancer drugs by using biological markers found in blood serum.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5466) on November 18, 2025; Risk Management (Stephanie Mead, Staff Analyst II, 386-9044) on December 1, 2025; Purchasing (Veronica Pedace, Buyer III, 387-2464) on December 1, 2025; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on December 5, 2025; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on December 16, 2025.

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January 13, 2026**

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: January 13, 2026



cc: ARMC - Goldfrach w/ agree
 Contractor c/o ARMC w/ agree
 File w/ agree

JLL 01/14/2026