

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

June 9, 2026

FROM

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

SUBJECT

Business Associate Agreement with Abbott Rapid Diagnostics Informatics, Inc.

RECOMMENDATION(S)

Approve non-financial **Business Associate Agreement No. 26-459** with Abbott Rapid Diagnostics Informatics, Inc., including non-standard terms, to ensure the security of protected health information, effective June 9, 2026 and remaining in effect until expiration or termination of Agreement No. 23-1002, or until terminated by either party.

(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 this Business Associate Agreement (BAA) with Abbott Rapid Diagnostics (Abbott) is non-financial in nature.

BACKGROUND INFORMATION

Approval of the BAA with Abbott will incorporate a safeguard for patient health data. The BAA is a legally binding Agreement between Arrowhead Regional Medical Center (ARMC) and Abbott that ensures Abbott properly protects and safeguards any Protected Health Information (PHI) provided by ARMC to Abbott to provide the services required from the Abbott.

The BAA with Abbott is intended to protect privacy and provide for the security of PHI disclosed to or used by Abbott in compliance with Health Insurance Portability and Accountability Act (HIPAA). The BAA will allow Abbott to perform or provide functions, activities or services to the County that require Abbott to create, access, receive, maintain, and/or transmit information that includes or may include PHI, as defined by the HIPAA Rules, to provide such functions, activities or services pursuant to Agreement No. 23-1002 (Agreement).

The BAA is the County standard Agreement, which was negotiated by the parties to include non-standard terms. The non-standard terms are as follows:

1. The BAA requires the County to indemnify Abbott against any losses liabilities arising from a breach of unsecured PHI caused by the County, subject to any limitation of liability or damage disclaimer set forth in the Agreement, but excluding claims that arise

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out of Abbott's violation of applicable law, negligence, recklessness, willful misconduct or breach of the BAA.

- The County standard BAA does not include any indemnification or defense by the County of a Business Associate.
 - Potential Impact: By agreeing to indemnify Abbott, 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 Abbott without such limitations and the County could be responsible to defend and reimburse Abbott for costs, expenses, and damages, which could exceed the total Agreement amount.
2. The BAA limits Abbott's maximum liability to the limitation of liability or damage disclaimer in Agreement. Under the Agreement, Abbott limits its total aggregate liability to the County to the total amounts paid or payable by the County under the Agreement, excluding Abbott's indemnity obligations, breach of confidentiality, violation of law, gross negligence, and willful misconduct.
- The County standard BAA does not include a limitation of liability.
 - Potential Impact: Costs and expenses related to breach caused by Abbott could exceed the liability cap and the Agreement amount leaving the County financially liable for the excess.

On September 12, 2023, as the result of a non-competitive procurement, County Purchasing approved Agreement No. 23-1002 with Abbott for remote automated laboratory system (RALS) software that provides the interface connection between Accucheck point-of-care glucose patient testing meters that send the patient results to ARMC's electronic healthcare record, for monitoring and treatment of patients. The software provides an environment to test any software update prior to implementation. Any software update to RALS needs to be loaded and verified in a test system before it can be mitigated to the primary live RALS system.

ARMC recommends approval of the BAA with Abbott, including non-standard terms, as it will enable the hospital to provide for the safety, health and social needs of County residents by protecting patient information.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on May 27, 2026; Risk Management (Stephanie Pacheco, Staff Analyst II, 386-9039) on May 4, 2026; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on May 15, 2026; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on May 18, 2026.

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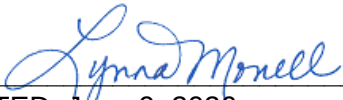
Record of Action of the Board of Supervisors
San Bernardino County

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: June 9, 2026



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

CCM 06/24/2026