

**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

Affiliation Agreement for Residency and Fellowship Rotations with Loma Linda University Health

RECOMMENDATION(S)

Approve Affiliation **Agreement No. 26-429** for Residency and Fellowship Rotations, including non-standard terms, with Loma Linda University Health, for resident and fellow physicians to obtain clinical experience at the respective facilities of Arrowhead Regional Medical Center and Loma Linda University Health, for the period of July 1, 2026 through June 30, 2031, at an amount not to exceed \$8,126,451.

(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 cost of \$8,126,451 is funded by State Medi-Cal, Federal Medicare, private insurances, and other departmental revenue. 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 Arrowhead Regional Medical Center (ARMC) 2025-26 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

This Affiliation Agreement for Residency and Fellowship Rotations (Agreement) will allow ARMC and Loma Linda University Health (LLUH) resident and fellow physicians to obtain clinical experience at each respective facility in order to meet requirements for graduation and specialty board eligibility. ARMC and LLUH will reimburse one another for services provided by the resident and fellow physicians at each of the facilities. The reimbursement amount varies depending on the number and level of resident and fellow physicians assigned to each facility from the other. The Agreement with LLUH will provide for the health and social services needs of County residents by ensuring that ARMC residents receive specialty clinical training and experience, resulting in the delivery of specialized medical care to ARMC patients.

The residency and fellowship programs at ARMC are accredited by the Accreditation Council of Graduate Medical Education (ACGME). These programs have specific requirements as to the numbers and types of patients to whom a resident or fellow physician must provide care. To meet these requirements, with respect to volume and types of patients, it is generally necessary

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to provide educational opportunities at other facilities to supplement those available at ARMC to ensure a well-rounded program. These medical facilities offer the opportunity for resident and fellow physicians to gain experience caring for patients and performing procedures in specialties that ARMC may not offer or have too few patients to provide sufficient experience. The volume and patient mix at LLUH will provide a suitable educational opportunity to ARMC's resident and fellow physicians.

The Agreement was negotiated by the parties and includes the following non-standard contract terms:

1. The County is required to provide professional liability insurance to LLUH resident and fellow physicians who participate in rotations at ARMC.
 - The County standard contract does not impose any insurance obligations on the County.
 - Potential Impact: The County must be mindful of this insurance obligation and ensure that LLUH resident and fellow physicians that participate in rotations at ARMC are added to the County's professional liability insurance policy.
2. The County is required to indemnify LLUH for any claims arising out of the negligence or willful misconduct of ARMC and the professional negligence of LLUH residents that occur during their rotations at ARMC.
 - The County standard contract does not include any indemnification or defense by the County of a contractor.
 - Potential Impact: By agreeing to indemnify LLUH, 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 LLUH without such limitations and the County could be responsible to defend and reimburse LLUH for costs, expenses, and damages, which could exceed the total Agreement amount.
3. LLUH limits its indemnity obligation to claims that arise out of the negligence or willful misconduct of LLUH and the professional negligence of ARMC residents that occur during their rotations at LLUH.
 - 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: LLUH'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 LLUH's limited indemnity obligation, the County could be financially responsible for the defense of the claim and any resulting judgment/settlement.
4. The Agreement does not require LLUH to meet the County's insurance standards as required pursuant to County Policies, 11-05, 11-07 and 11-07SP.
 - 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 LLUH 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.

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ARMC recommends approval of this Agreement, including non-standard terms, between ARMC and LLUH, to enable ARMC and LLUH resident and fellow physicians to obtain specialized clinical training to provide for the safety, health and social service needs of County patients.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Daniella Hernandez, Deputy County Counsel, 387-5455) on May 14, 2026; Risk Management (Stephanie Pacheco, Staff Analyst II, 386-9039) on May 15, 2026; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on May 19, 2026; County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on May 20, 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
MBA 06/10/2026