

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

September 12, 2023

**FROM**

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center**

**SUBJECT**

Mitigation Agreement with California University of Science and Medicine

**RECOMMENDATION(S)**

Approve Mitigation **Agreement No. 23-1005** with California University of Science and Medicine and California University of Science and Medicine, School of Medicine, which will provide in-kind services in the amount of \$1,743,000 annually to Arrowhead Regional Medical Center, effective September 12, 2023 through March 31, 2037.

(Presenter: William L. Gilbert, Director, 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).

California University of Science and Medicine, and California University of Science and Medicine, School of Medicine (latter two collectively, "CUSM") will provide in-kind services of approximately \$1,743,000 per year to Arrowhead Regional Medical Center (ARMC) in the form of usage of simulation center, personnel hours, and marketing.

**BACKGROUND INFORMATION**

On March 7, 2017 (Item 24), the Board of Supervisors approved a Memorandum of Understanding (MOU) between San Bernardino County (County) and CUSM, with a term of April 1, 2017 through March 31, 2037, relating to the County's support and collaboration with CUSM for the development of a medical school adjacent to ARMC. Under the MOU, the County agreed to provide funding to CUSM in the amount of \$2,000,000 per year for the first five years of the MOU in recognition of the positive impact the school would have on the residents of the County and the public purpose of the school. The MOU also provided that CUSM's medical students would be given preference in medical student rotation slots at ARMC, and that if such preference results in the displacement of students from other medical schools, which in turn results in a reduction of financial support from other medical schools, CUSM would make up the difference in lost revenue to ARMC through a yearly payment.

In lieu of CUSM making the yearly payments to ARMC of the lost revenue as required under the MOU, CUSM has proposed to provide in-kind services to the County pursuant to the terms of

**Mitigation Agreement with California University of Science and  
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the recommended Mitigation Agreement (Agreement). Under the Agreement, CUSM will provide ARMC the following:

- Use of 5,000 hours per year of CUSM's simulation center (valued at \$250 per hour for a total value of \$1,250,000 per year).
- Payment for five staff members who will spend at least 50% of their time working on grant support that jointly benefits CUSM and ARMC (valued at \$136,982.50 per year to the County).
- A marketing campaign, as developed by a marketing firm or agency, to inform the public about the affiliation between ARMC and CUSM at the cost of \$350,000 per year (valued at \$175,000 per year to the County).
- Payment for one physician designated by ARMC to attend the Chief Medical Officer Leadership Academy each year (valued at approximately \$6,200 per year).
- Collaboration to reach a common goal of having CUSM establish a fully accrediting nursing school on its campus, adjacent to ARMC.
- Revision of the CUSM bylaws to change one of its at-large board positions into a position that is jointly selected by the County and CUSM.

ARMC recommends approval of this Agreement as it enables ARMC to operate in a fiscally-responsible and business-like manner in ensuring ARMC is adequately compensated for giving CUSM's students preference in medical student rotation slots. The Agreement also provides for the safety, health, and social service needs of County residents by ensuring that its healthcare workforce have access to simulation training to further enhance the quality of care provided.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on August 16, 2023; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on August 18, 2023; Finance (Jenny Yang, Administrative Analyst, 387-5423) on August 22, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on August 23, 2023.

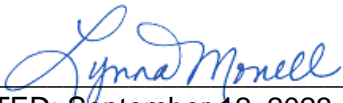
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Record of Action of the Board of Supervisors  
San Bernardino County

**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: September 12, 2023



cc: ARMC - Gilbert w/agree  
Contractor - c/o ARMC w/agree  
File - w/agree  
CCM 09/15/2023