

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

November 15, 2022

FROM

WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center

SUBJECT

Transfer Agreements and Letters of Agreement for Higher Level of Care Transfers with Non-Contracted Medical Facilities

RECOMMENDATION(S)

1. Rescind the action of the Board of Supervisors on March 12, 2019 (Item No. 13), authorizing the Director of Arrowhead Regional Medical Center to execute Letters of Agreement from non-contracted medical facilities for the transfer of indigent patients requiring emergency specialized medical care not available at Arrowhead Regional Medical Center, subject to review and approval by County Counsel and the Chief Executive Officer.
2. Rescind the action of the Board of Supervisors on March 9, 2021 (Item No. 7), authorizing the Director of Arrowhead Regional Medical Center and Chief Medical Officer of Arrowhead Regional Medical Center to execute Transfer Agreements with other facilities for patients requiring higher level of care, for a period of five-years, from March 9, 2021, through March 8, 2026, subject to review and approval by County Counsel and the Chief Executive Officer.
3. Authorize the Director or Chief Operating Officer of Arrowhead Regional Medical Center to execute transfer related agreements, which may include non-standard terms, for the transfer of insured patients from Arrowhead Regional Medical Center to other medical facilities for higher level of care services not available at Arrowhead Regional Medical Center, upon approval by County Counsel, for a period of five-years from November 15, 2022, through November 14, 2027.
4. Authorize the Director or Chief Operating Officer of Arrowhead Regional Medical Center to execute Letters of Agreement and Transfer Agreement, which may include non-standard terms, for the transfer of indigent patients from Arrowhead Regional Medical Center to other medical facilities for higher level of care services not available at Arrowhead Regional Medical Center, subject to review and approval by County Counsel and the Chief Executive Officer, for a period of five years from November 15, 2022, through November 14, 2027.

(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 the recommendations will not result in the use of Discretionary General Funding (Net County Cost) as costs associated with the provision of higher level of care services to indigent patients are funded by State Medi-Cal, Federal Medicare, private insurances, departmental revenue, and other governmental programs. Sufficient appropriation and revenue

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are included in the Arrowhead Regional Medical Center (ARMC) 2022-23 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

Approval of Recommendation Nos. 1 and 2 rescinding the previous authority will consolidate all authority for the transfer of patients to facilities for higher level of care services and provide greater clarity to expedite the process, as all such requests will be more fully addressed by the authority provided in Recommendation Nos. 3 and 4. All changes in the process for these patient transfers will be incorporated into ARMC's policies and procedures.

Approval of Recommendation No. 3 will authorize the Director of ARMC or its Chief Operating Officer to sign Transfer Agreements for insured patients that require higher level of care services upon approval by County Counsel. These agreements may be called Letter of Agreement, Transfer Agreement, Take Back Agreement, Repatriation Agreement, etc. (each being a "Transfer Agreement"). These Transfer Agreements do not impose any financial liability on the County unless ARMC does not accept return of the insured patient after the higher level of care services are rendered. ARMC has never refused to accept the return transfer of any patient that has required higher level of care services. Once County Counsel has approved a particular form of the Transfer Agreement as it relates to insured patients, the Director of ARMC and its Chief Operating Officer will be authorized to execute all subsequent forms of that same Transfer Agreement, so long as there are no material differences from the form that are preapproved or approved by County Counsel.

Approval of Recommendation No. 4 will allow the Director of ARMC or its Chief Operating Officer, upon approval by County Counsel and the Chief Executive Officer, to execute a Letter of Agreement and related Transfer Agreements for the transfer of indigent patients requiring higher level of care services. Indigent patients represent a financial risk to receiving facilities, so receiving facilities normally require a Letter of Agreement or related Transfer Agreement that obligate the County to pay for the higher level of care services rendered to indigent patients when no other sources of reimbursement are available. This is consistent with California Welfare and Institutions Code Section 17000, which requires the County to provide medically necessary care to indigent persons in the county. County Counsel and the Chief Executive Officer review and approval are required prior to execution of any of these Transfer Agreements for indigent patients due to the possible financial liability. ARMC will ensure that the reimbursement rates requested by the receiving facility are reasonable prior to execution of Transfer Agreements by ARMC's Director or Chief Operating Officer.

The Letters of Agreement and Transfer Agreements for the transfer of patients from ARMC to other medical facilities for higher level of care services may include non-standard terms. These Transfer Agreements are non-negotiable and (1) do not require the County to indemnify the receiving facility for any negligence or willful misconduct of the receiving facility, (2) may lack the standard County insurance requirements, (3) may impose insurance requirements on the County that are consistent with the County's existing insurance policies, (4) may impose an indemnification obligation on the County for its own acts and omissions, and (5) do not contain any other non-standard contract terms other than as permitted under County policy. ARMC recommends Board approval of authority to allow these Transfer Agreements, which may include non-standard or missing terms, to be executed quickly and ensure timely provision of these required higher level of care services. Facilities and providers to which ARMC transfers patients must meet all required certification standards.

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Approval of these recommendations will allow ARMC to operate in a fiscally-responsible and business-like manner, and provide for the safety, health and social service needs of County residents by ensuring timely transfers of insured and indigent patients who require higher level of care services. ARMC will ensure that policies and procedures are updated consistent with the recommendations of this item.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on October 25, 2022; ARMC Finance (Chen Wu, Finance and Budget Officer, 580-3165) on September 30, 2022; Finance (Jenny Yang, Administrative Analyst, 387-4884) on October 3, 2022; and County Finance and Administration (Diana Atkeson, Deputy Executive Officer, 387-5423) on October 3, 2022.

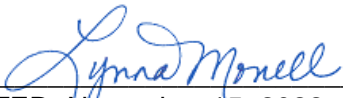
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Janice Rutherford
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Curt Hagman, Joe Baca, Jr.
Absent: Dawn Rowe

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: November 15, 2022



cc: File- Medical Center
LA 11/17/2022