



KERN HEALTH SYSTEMS

FINANCE COMMITTEE MEETING

Friday, October 6, 2017

at

8:00 a.m.

**Kern Health Systems
5701 Truxtun Avenue, Suite 201
Bakersfield, CA 93309**

For more information, call (661) 664-5000

AGENDA

FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
5701 Truxtun Avenue, Suite 201
Bakersfield, California 93309

Friday, October 6, 2017

8:00 A.M.

All agenda item supporting documentation is available for public review at Kern Health Systems in the Administration Department, 9700 Stockdale Highway, Bakersfield, 93311 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

PLEASE REMEMBER TO TURN OFF ALL CELL PHONES, PAGERS OR ELECTRONIC DEVICES DURING MEETINGS.

COMMITTEE TO RECONVENE

Members: Deats, Casas, McGlew, Melendez, Rhoades

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN HEALTH SYSTEMS STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE COMMITTEE OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE COMMITTEE CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee. Committee members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Committee at a later meeting. Also, the Committee may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))
- CA-3) Minutes for KHS Finance Committee meeting on August 4, 2017 -
APPROVE
- 4) Proposed Agreement with DST Health Solutions, LLC, to renew the licensing for the Predictive Modeling Tool, from October 12, 2017 through October 12, 2020, in an amount not to exceed \$0.49 PMPY (Fiscal Impact: \$116,800 estimated annually; Budgeted) –
APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 5) Proposed Agreement with L5 Healthcare Solutions, Inc, for the licensing of the Claims Auditing Tool, from December 1, 2017 through December 1, 2020 (Fiscal Impact: \$219,045; Budgeted) –
APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 6) Report on Kern Health Systems financial statements for July 2017 and August 2017 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 7) Report on Accounts Payable Vendor Report, Administrative Contracts under \$100,000 budgeted and \$50,000 non-budgeted, and non-claims paid through QNXT system for July 2017 and August 2017 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

ADJOURN TO FRIDAY, DECEMBER 8, 2017 AT 8:00 A.M.

**AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)**

The meeting facilities at Kern Health Systems are accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the KHS Finance Committee may request assistance at the Kern Health Systems office, 9700 Stockdale Highway, Bakersfield, California, or by calling (661) 664-5000. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

SUMMARY

FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
5701 Truxtun Avenue, Suite 201
Bakersfield, California 93309

Friday, August 4, 2017

8:00 A.M.

COMMITTEE RECONVENED AT 8:00 A.M.

Members present: Deats, McGlew, Melendez

Members absent: Casas, Rhoades

NOTE: The vote is displayed in bold below each item. For example, Rhoades-Deats denotes Director Rhoades made the motion and Director Deats seconds the motion.

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" WERE CONSIDERED TO BE ROUTINE AND APPROVED BY ONE MOTION.

COMMITTEE ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee. Committee members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Committee at a later meeting. Also, the Committee may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**
NO ONE HEARD

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))
NO ONE HEARD

SUMMARY
 Finance Committee Meeting
 Kern Health Systems

Page 2
 8/4/2017

- CA-3) Minutes for KHS Finance Committee meeting on June 2, 2017 -
 APPROVED
McGlew-Melendez: 3 Ayes; 2 Absent – Casas, Rhoades
- 4) Report on KHS investment portfolio for the second quarter ending June 30, 2017 (Fiscal Impact: None) – GARY SAMPSON, UBS...HEARD;
 RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Melendez: 3 Ayes; 2 Absent – Casas, Rhoades
- 5) Proposed renewal and binding of employee benefit plans for medical, vision, dental, life insurance, short-term and long-term disability, and long-term care effective September 1, 2017 (Fiscal Impact: \$5,146,470 Estimated; Budgeted) -
 APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Melendez: 3 Ayes; 2 Absent – Casas, Rhoades
- 6) Proposed renewal and binding of general liability insurance from October 1, 2017 through September 30, 2018 (Fiscal Impact: \$239,475 Estimated; Budgeted) -
 APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-McGlew: 3 Ayes; 2 Absent – Casas, Rhoades
- 7) Proposed Retroactive Amendment No. 19 to Physician Services Agreement and Amendment No. 36 to Hospital and Other Facility Services Agreement with Kern Medical relating to services for Medi-Cal SPD enrollees pursuant to the Intergovernmental Agreement regarding the transfer of public funds between the County of Kern and the California Department of Health Care Services (Fiscal Impact: None) –
 APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-McGlew: 3 Ayes; 2 Absent – Casas, Rhoades
- 8) Proposed modification to the Kern Health Systems Tuition Assistance Program Policy (Fiscal Impact: \$2,000 Estimated; Budgeted) –
 RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Melendez: 3 Ayes; 2 Absent – Casas, Rhoades
- 9) Report on Kern Health Systems financial statements for May 2017 and June 2017 (Fiscal Impact: None) –
 RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Melendez: 3 Ayes; 2 Absent – Casas, Rhoades
- 10) Report on Accounts Payable Vendor Report, Administrative Contracts under \$100,000 budgeted and \$50,000 non-budgeted, and non-claims paid through QNXT system for May 2017 and June 2017 (Fiscal Impact: None) –
 RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-McGlew: 3 Ayes; 2 Absent – Casas, Rhoades

ADJOURN TO FRIDAY, OCTOBER 6, 2017 AT 8:00 A.M.

Melendez

Proposed Administrative Contract over \$100,000, October 12, 2017

1. Operational Expenditure with DST Health solutions for John Hopkins ACG Predictive Modeler software and technical support for a three year period.

- a. Recommended Action

- Approve; Authorize Chief Executive Officer to Sign

- b. Contact

- Deborah Murr, Administrative Director of Health Services

- c. Background

- Based on the prior FluidEdge recommendations to and in support of reducing the cost of its healthcare expenses through termination of the McKesson SPD medical management contract, KHS is looking to continue the use of a Predictive Modeling tool. The tool presents an innovative and accurate way to identify individual high-risk patients and estimate resource use for an entire population based on clinically relevant classifications. The tool provides predictive analytics on future hospitalization, resource utilization, and identifies patients who will experience an unexpected use of pharmacy. Additionally, the predictive modeling tool leverages the data stores of claims and pharmacy data that KHS has built for active case management; therefore reducing the amount of time and costs associated with the current manual process for population creation and management.

d. Discussion

DST will provide the renowned John Hopkins predictive modeler software to stratify members according to their level of risk from clinical and financial perspective. The cost of this contract will provide KHS with a three (3) year license for the software with technical support.

e. Fiscal Impact

Not to exceed \$0.49 PMPY. Estimated cost per year \$116,800.00.

f. Risk Assessment

KHS has a regulatory requirement to provide risk stratification on its SPD population per the State of California. This tool will allow KSH to stratify the entire population for health and financial risks.

g. Attachments

An Agreement at a Glance form and the bid matrix is attached.

h. Reviewed by Chief Compliance Officer and/or Legal Counsel

This Contract is pending approval by KHS legal counsel.



KERN HEALTH SYSTEMS

- Contract
- Purchase

AGREEMENT AT A GLANCE

Department Name: UM Department Head: Deborah Murr
 Contract Vendor: DST- John Hopkins Adjusted Clinical Group (ACG) System
 Vendor contact Name & e-mail: Sherry Graff, SAGraff@dsthealthsolutions.com

What services will this vendor provide to KHS? DST will provide KHS with the John Hopkins ACG predictive modeler software and technical support for a three year period.

Description of Contract

Type of Agreement: Software

Background: The mission of Kern Health Systems (KHS) is to create an integrated managed health care delivery system in a cost effective manner. KHS is constantly faced with the economic challenge of providing established benefits while managing the increasing utilization trends and staying within budget guidelines as determined by the State's capitation rates. KHS has utilized a predictive modeling tool since 2014 to conduct risk stratification on the entire membership in an effort to allow early identification and predictive analytics for future utilization, implementation of programs for targeted interventions, and ultimately cost reductions for managing the complex members.

- Establish a new agreement
- Amendment
- Continuation of an Existing Contract
- Replacement
- Addendum

Amendment No. _____
 Date Agreement Began _____

Brief Explanation As pressures increase on health plans and providers, there is a need to improve clinical quality, operational and financial performance which creates a demand and role for the predictive analytics within a healthcare organization. In support of reducing the cost of its healthcare expenses, and to continue to provide the best quality of care for its members, KHS is requesting to continue the use of a Predictive Modeling tool. The tool is used for dynamic data analytics and assessment of the health plans members/populations that currently have or in the future may have significant health risks or adverse outcomes. The tool will classify, with several dimensions, the KHS members/populations according to their current and future probabilities of incurring a given outcome or behavior through proven medical/scientific calculations, and provide the results and associated data analytics for dynamic use within KHS. The predictive modeling tool will leverage the data stores that KHS has created and allow for integration into its JIVA software (currently under implementation through Q4 2017) that KHS has built for active case management; thus reducing the amount of time and costs associated with the current manual process of population identification, interventions, and management.

Retroactive Agreement
 Retroactive Date _____

Reason for delay in approval: _____

Summary of Quotes and/or Bids attached. Pursuant to KHS Policy #8.11-I, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic (e-mail/fax) solicitation may be used for purchases of up to Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00) but must be documented on the RFQ form (Attachment A). Actual bid, sole or single source justification and/or cost price analysis documents are required for purchases over Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Fifty Thousand Dollars (\$50,000). Lowest bid price not accepted must be fully explained and justified in writing. All bids will be treated as a not to exceed amount with "change orders" used to track any changes.)

Brief vendor selection justification: RFP vendor exploration was completed with (7) submissions-Milliman, DST (ACG John Hopkins), MediSoftRx, Verscend, Conduent, Rapid Insight, and Optum. Through selection criteria such as functionality, additional platform requirements, and cost, selection for preliminary demonstrations reduced the list to 3 vendors-MediSoftRx, DST John Hopkins (ACG) and Verscend. KHS recommends continuing current vendor relationship with ACG for the next 3 years related to proven efficiency and accuracy of predictive analytics under previous ACG contract with functional and cost differences evident in RFP review.

Sole source – no competitive process can be performed.

Brief reason for sole source: _____

Conflict of Interest Form is required for this Contract

HIPAA Business Associate Agreement is required for this Contract

Fiscal Impact

KHS Governing Board previously approved this expense in KHS' FY 2017 Administrative Budget NO YES

Budgeted Cost Center 310 GL# _____

Will this require additional funds? NO YES

Maximum cost of this agreement not to exceed: \$0.49 PMPY per three years

Notes: Estimated \$116,800 per year.

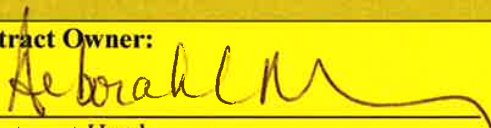
Contract Terms and Conditions

Effective date: 10/12/17 Termination date: 10/9/20

Explain extension provisions, termination conditions and required notice: _____

Approvals

Contract Owner:

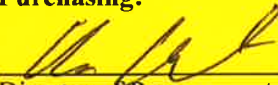


Department Head

9/26/17

Date

Purchasing:

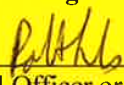


Director of Procurement

8/15/17

Date

Reviewed as to Budget:



Chief Financial Officer or Controller

9/26/17

Date

Recommended by the Executive Committee:



Committee Chairman

9/26/17

Date

Compliance Review:

[Signature] ICAC
Chief Compliance Officer

9-28-17
Date

Legal Review:

Legal Counsel

Date

Chief Executive Officer Approval:

[Signature]
Chief Executive Officer

9/29/17
Date

Board of Directors approval is required on all contracts over \$50,000 if not budgeted and \$100,000 if budgeted.

KHS Board Chairman

Date

KHS Bid Matrix & Decision Detail

Predictive Modeling Tool

Vendor Name	John Hopkins ACG	MediSoftRx	Conduent
Price	0.49 PMPY (\$116,800) x 3 years	\$172,800 annual x 3 years	\$399,126 annual x3 years
Total Purchase Price	\$350,400	\$518,400	\$1,249,106
Additional Comments	Current vendor- organization wide risk stratification to guide operational decisions to foster positive impact to population health management	Independent vendor with minimal technical support; met minimal RFP functional requirements	Required additional purchase of Midas Care Management System and other platform components with integrated Predictive modeling tool thereby increasing price and maintenance
Ranking	1	2	3



To: KHS Finance Committee
From: Robin Dow-Morales, Director of Claims
Date: October 6, 2017
Re: Claims Audit Tool

Background

KHS currently auto adjudicates over 168,000 claims per month and currently can only audit a small portion of those claims. When a processor learns a new type of claim, they are unable to target audits on the newly learned claim types to be able to provide real-time feedback to ensure proper interpretation of guidelines and training documents. If a specific provider has had quality issues with claims for any reason, we currently cannot target those claims for audit to readily determine the root cause.

The current in-house audit tool is not robust enough to handle the services we need. It does not allow for specified Auto Adjudication auditing and thus will require a reduction of Auto Adjudicated claims. Less claims audited means more errors will be missed. Currently 1/3 of overpayment recoupments are due to preventable errors. There might be a need to hire additional staff when Auto adjudication is reduced or rework continues to grow. Additionally, provider dissatisfaction increases due to rework needs.

The claims audit tool and the benefits of contracting with the proposed vendor are included in the attached power-point presentation.

Requested Action

Approve and refer to KHS Board of Directors.

Kern Health Systems

Claims Audit Tool

Background

- Auto Adjudication has increased to over 75% and staffed with only 1 auditor for Auto Adjudication.
- A new audit tool is needed to increase auditing efficiency, thus reducing errors, and reducing the need for additional audit staff.
- Need to target auditing new claim types upon training.
- Budgeted expense in 2017.
- Estimated savings identified is \$175,000 per year.
- Goal is to attain savings with no increase in audit staff, while improving Provider Satisfaction with less rework.

Current/New System

Current System	New System
Randomly Selects a predefined number of claims per processor pre-payment. Limited variations.	Randomly Selects claims per processor pre-payment with varying percentages.
Tracks Coding Accuracy and Volume of Critical errors only. No Financial accuracy.	Tracks Coding, Incident and Payment Accuracy
N/A	Targeted audit selections by processor – examples: Type of claim, Provider, Dollar amount
Pre-payment audit capability only.	Pre-payment and Post-payment audit capability allowing for Potential Fraud Audits.
N/A	Standard and Custom Reporting for Volume Auditing of Auto Adjudication claims.

Claims Audit Tool Selection Grid

Service	L5	DST
Reporting Capabilities	Audit Summaries, Error Types, Financial and Procedural results, Audit productivity all current standard reports. Can add as needed.	Audit summaries, Error Types, Financial and Procedural results, Audit productivity are all reports with customization needed.
Audit Selection Process	Multiple Filter Criteria selections available	N/A – KHS needs to complete audit selection outside of program.
Potential Compliance/FWA Audits	Yes	Yes
Medi-Cal Experience	Current Medi-Cal clients: Molina, LA Care *Both on QNXT Platform	N/A
Database/Multiple Environments	Sequel – Client Server Multiple environments no additional cost	Oracle – Hosted Multiple environments available for additional cost.
Cost	Year 1 - \$167,500 Year 2 - \$25,510 Year 3 - \$26,035 Total - \$219,045	Year 1 - \$186,805 Year 2 - \$78,300 Year 3 - \$81,600 Total - \$346,705

Risk Assessment Of Not Selecting Claims Audit Tool Vendor

- Decrease in Auto Adjudication
- Increase of Audit Staff
- Provider Dissatisfaction due to rework
- Continue to incur unnecessary overpayments

Savings Breakdown

- If no tool, additional Auditor Cost Per year - \$55,000
- 15% savings of preventable errors - \$120,000 per year
- Yearly estimated ROI is over \$175,000
- 3-Year savings estimate – over \$525,000

Recommendation: Contract with L5 as Claim Audit Tool Vendor

- Based on Medi-Cal experience, cost and coverage of needs
- Cost \$219,045 for 3 years
- Savings \$525,000 for 3 years

Summary

- L5 has the capabilities that are needed to realize the benefits discussed
- Experience with other Health Plans
- Budgeted item for 2017
- Expected reduction in overpayments over 3 years \$525,000

Proposed Administrative Contract over \$100,000, October 12, 2017

1. Operational Agreement with L5 Health.

a. Recommended Action

Approve; Authorize Chief Executive Officer to Sign

b. Contact

Robin Dow-Morales; Director of Claims.

c. Background

The current in-house audit tool is not robust enough to handle the services we need. We currently auto adjudicate over 168,000 claims per month, and we can only audit a small portion of those claims. When a processor learns a new type of claim, we are unable to target audits on the newly learned claim types to be able to provide real-time feedback to ensure proper interpretation of guidelines and training documents. If a specific provider has had quality issues with claims for any reason, we currently cannot target those claims for audit to readily determine root cause.

d. Discussion

In order to maintain and/or increase Auto Adjudication without unnecessary rework requiring additions to staff, a Claim Audit Tool with the following capabilities is required: 1. Ability to provide a random sampling on a processor basis with varying percentage of selections as well as criteria. 2. Ability to capture the results of the audits in a standardized format to allow for automated reporting and automated trending with predefined rules. 3. Ability to capture and correctly report on Coding Accuracy, Financial Accuracy, and Total Claim Accuracy. 4.

Ability to provide audit reports for volumes of claims in various formats to be able to audit large volumes of claims within minutes to identify anomalies. 5. Ability to Audit pre or post payment as needed. 6. Flexibility to run audits based on examiner, provider, vendor, code, fee table, adjustment code, edit rule, dx codes, total paid. 7. Routing capabilities from Auditor to processor and/or supervisor and back to allow for the rebuttal process if necessary. 8. Ability to audit the auditor. 9. Ability to identify root cause of error and categorize to determine course of correction needed. 10. Ability to target audit High Dollar Claims. 11. Ability to export reports for query needs. Selected vendor has established the program with Medi-Cal plans and most recently, a large LHPC in Los Angeles. We are able to utilize predetermined audit programs that will not require extensive hours of Claims Management to plan and create in minute detail.

e. Fiscal Impact

Not to exceed \$219,045 per three years.

f. Risk Assessment

Current audit tool does not allow for specified Auto Adjudication auditing and will require reduction of Auto Adjudicated claims. Less claims audited means more errors will be missed. Currently 1/3 of overpayment recoupments are due to preventable errors. Potential need to add to staff when Auto adjudication is reduced or rework continues to grow. Provider dissatisfaction due to rework needs.

g. Attachments

An Agreement at a Glance form and bid matrix is attached.

h. Reviewed by Chief Compliance Officer and/or Legal Counsel

This contract is pending Legal Counsel approval.



KERN HEALTH SYSTEMS

- Contract
- Purchase

AGREEMENT AT A GLANCE

Department Name: Claims Department Head: Robin Dow-Morales
 Contract Vendor: L5 Health
 Vendor contact Name & e-mail: Chuck Nefkens, cnefkens@l5health.com
 What services will this vendor provide to KHS? Claims Audit Tool

Description of Contract

Type of Agreement: Software Background: Current in-house audit tool is not robust enough to handle the services we need. Currently we auto adjudicate over 168,000 claims per month and can only audit a small portion of those claims. When a processor learns a new type of claim, we are unable to target audits on the newly learned claim types to be able to provide real-time feedback to ensure proper interpretation of guidelines and training documents. If a specific provider has had quality issues with claims for any reason, we currently cannot target those claims for audit to readily determine root cause.

- Establish a new agreement Previous Agreement No. _____ or Amendment No. _____
- Amendment Date Agreement Began _____
- Continuation of an Existing Contract Brief Explanation Selected vendor has established the program with Medi-Cal plans and most recently, a large LHPC in Los Angeles, we are able to utilize predetermined audit programs that will not require extensive hours of Claims Management to plan and create in minute detail.
- Replacement
- Addendum
- Retroactive Agreement Reason for delay in approval: _____

Retroactive Date _____

Summary of Quotes and/or Bids attached. Pursuant to KHS Policy #8.11-I, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic (e-mail/fax) solicitation may be used for purchases of up to Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00) but must be documented on the RFQ form (Attachment A). Actual bid, sole or single source justification and/or cost price analysis documents are required for purchases over Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Fifty Thousand Dollars (\$50,000). Lowest bid price not accepted must be fully explained and justified in writing. All bids will be treated as a not to exceed amount with "change orders" used to track any changes.)

Brief vendor selection justification: Vendor was selected based on the scope of the software capability, ease of usage and user capabilities. Other areas that were evaluated include pre-defined MEDi-cal templates based on other LHPC plans, ability to create customized templates and reporting capabilities.

Sole source – no competitive process can be performed.

Brief reason for sole source: _____

Conflict of Interest Form is required for this Contract

HIPAA Business Associate Agreement is required for this Contract

Fiscal Impact

KHS Governing Board previously approved this expense in KHS' FY 2017 Administrative Budget NO YES

Budgeted Cost Center 230 GL# _____

Will this require additional funds? NO YES

Maximum cost of this agreement not to exceed: \$219,045.00 per three years

Notes: Price includes customization, support and maintenance, and travel fees.

Contract Terms and Conditions

Effective date: 12/01/2017 Termination date: 11/30/2020

Explain extension provisions, termination conditions and required notice: _____

Approvals

Contract Owner:



Department Head

9/28/17
Date

Purchasing:



Director of Procurement

9/28/17
Date

Reviewed as to Budget:



Chief Financial Officer or Controller

9/28/17
Date

Recommended by the Executive Committee:



Committee Chairman

9/28/17
Date

Compliance Review:



Chief Compliance Officer

9-28-17
Date

Legal Review:

Legal Counsel

Date

Chief Executive Officer Approval:



Chief Executive Officer

9/29/17
Date

Board of Directors approval is required on all contracts over \$50,000 if not budgeted and \$100,000 if budgeted.

KHS Board Chairman

KHS Bid Matrix & Decision Detail

Description of Item: Claims Audit Tool

Bid Matrix

Vendor Name	L5 Health	Vendor Name	DST
Contact	Charles Nefkens	Contact	Frank Zitella
Date of Quote	05/31/2017	Date of Quote	05/30/2017
Price	\$219,045.00 per three years	Price	\$336,805.00 per three years
Shipping	n/a	Shipping	n/a
Total Purchase Price	\$219,045.00 per three years	Total Purchase Price	\$336,805.00 per three years
Additional Comments	Implementation is slightly higher, but annual fees significantly lower. Need to determine Web or client server	Additional Comments	Lower implementation cost but significantly higher annual fees.

Decision Detail

Vendor Awarded: L5 Health

Discussion Attendees: Alan Avery, Robin Dow-Morales, Trannie Ryan



To: KHS Finance Committee

From: Robert Landis, CFO

Date: October 6, 2017

Re: July 2017 Financial Results

The July results reflect a \$494,171 Net Increase in Net Position which is a \$352,921 favorable variance to the budget. Listed below are the major variances for the month:

1) Total Revenues reflect a \$.7 million favorable variance primarily due to:

- A) \$1.0 million unfavorable variance relating to Family and Other primarily due to lower than expected enrollment (\$.4 million) and a lower than expected budgeted rate increase from the State effective July 1, 2017 (\$.6 million).
- B) \$1.2 million favorable variance relating to Expansion primarily due to higher than expected enrollment (\$.6 million) and a lower than expected budgeted rate decrease from the State effective July 1, 2017 (\$.6 million).
- C) \$.4 million favorable variance in COB/Subrogation due to higher than expected claim payments where KHS is not primary

2) Total Medical Costs reflect a \$1.1 million unfavorable variance primarily due to:

- A) \$2.3 million unfavorable variance in Physician Services primarily due to higher than expected utilization of Referral Specialty Services.
- B) \$.6 million favorable variance in Other Medical primarily due to lower than expected utilization of Long Term /SNF/Hospice and Enhanced Medical Benefits.
- C) \$.4 million favorable variance in Pharmacy primarily due to lower than expected unit costs.

The July Medical Loss Ratio is 94.5% which is unfavorable to the 92.9% budgeted amount. The July Administrative Expense Ratio is 4.6 % which is favorable to the 5.9% budgeted amount.

The results for the 7 months ended July 31, 2017 reflects a Net Increase in Net Position of \$18,992,785. This is a \$12,355,733 favorable variance to budget and includes approximately \$6.4 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 91.1% which is favorable to the 91.6% budgeted amount. The year-to-date Administrative Expense Ratio is 4.6% which is favorable to the 5.8% budgeted amount.

**Kern Health Systems
Financial Packet
July 2017**

KHS – Medi-Cal Line of Business

Comparative Statement of Net Position	Page 1
Statement of Revenue, Expenses, and Changes in Net Position	Page 2
Statement of Revenue, Expenses, and Changes in Net Position - PMPM	Page 3
Statement of Revenue, Expenses, and Changes in Net Position by Month	Page 4
Statement of Revenue, Expenses, and Changes in Net Position by Month - PMPM	Page 5
Schedule of Revenues	Page 6
Schedule of Medical Costs	Page 7
Schedule of Medical Costs - PMPM	Page 8
Schedule of Medical Costs by Month	Page 9
Schedule of Medical Costs by Month – PMPM	Page 10
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KHS Group Health Plan – Healthy Families Line of Business

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KHS Administrative Analysis and Other Reporting

Monthly Member Count	Page 15
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF JULY 31, 2017			
ASSETS	JULY 2017	JUNE 2017	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 69,905,805	\$ 116,335,949	\$ (46,430,144)
Short-Term Investments	160,559,806	181,512,705	(20,952,899)
Pass-through Monies Held for Future Payment	1,542,467	1,912,487	(370,020)
Premiums Receivable - Net	77,213,359	16,246,403	60,966,956
Interest Receivable	180,376	148,650	31,726
Other Receivables	643,873	673,902	(30,029)
Prepaid Expenses & Other Current Assets	1,230,100	863,749	366,351
Total Current Assets	\$ 311,275,786	\$ 317,693,845	\$ (6,418,059)
RESTRICTED ASSETS	\$ 300,000	\$ 300,000	\$ -
CAPITAL ASSETS - NET OF ACCUM DEP:			
Land	4,876,562	4,876,562	-
Furniture and Equipment	6,903,063	6,968,147	(65,084)
Automobile - Net	19,757	20,149	(392)
Building and Building Improvements - Net	6,797,242	6,825,098	(27,856)
Capital Projects in Process	6,642,472	5,900,977	741,495
Total Capital Assets	\$ 25,239,096	\$ 24,590,933	\$ 648,163
DEFERRED OUTFLOWS OF RESOURCES	\$ 4,540,339	\$ 4,540,339	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 341,355,221	\$ 347,125,117	\$ (5,769,896)
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts Payable	\$ 55,481	\$ 2,707	52,774
Accrued Salaries and Employee Benefits	2,788,278	2,708,883	79,395
Accrued Other Operating Expenses	715,731	1,322,039	(606,308)
Accrued Taxes and Licenses	7,172,750	21,093,626	(13,920,876)
Other Medical Liabilities - Nonoperating Passthrough	1,542,467	1,912,487	(370,020)
Claims Payable (Reported)	21,567,543	15,664,461	5,903,082
IBNR - Inpatient Claims	30,656,978	31,005,178	(348,200)
IBNR - Physician Claims	15,631,459	12,650,971	2,980,488
IBNR - Accrued Other Medical	20,738,604	21,083,574	(344,970)
Risk Pool and Withholds Payable	4,508,911	3,945,579	563,332
Statutory Allowance for Claims Processing Expense	1,926,674	1,926,674	-
Other Liabilities	37,482,062	37,552,239	(70,177)
Total Current Liabilities	\$ 144,786,938	\$ 150,868,418	\$ (6,081,480)
NONCURRENT LIABILITIES:			
Net Pension Liability	4,519,591	4,702,178	(182,587)
TOTAL NONCURRENT LIABILITIES	\$ 4,519,591	\$ 4,702,178	\$ (182,587)
DEFERRED INFLOWS OF RESOURCES	\$ 1,840,334	\$ 1,840,334	\$ -
NET POSITION:			
Net Position - Beg. of Year	171,215,573	171,215,573	-
Increase (Decrease) in Net Position - Current Year	18,992,785	18,498,614	494,171
Total Net Position	\$ 190,208,358	\$ 189,714,187	\$ 494,171
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 341,355,221	\$ 347,125,117	\$ (5,769,896)

			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JULY 31, 2017					
CURRENT MONTH MEMBERS						YEAR-TO-DATE MEMBER MONTHS		
ACTUAL	BUDGET	VARIANCE				ACTUAL	BUDGET	VARIANCE
ENROLLMENT								
163,337	166,100	(2,763)	Family Members	1,145,851	1,150,100	(4,249)		
57,291	55,700	1,591	Expansion Members	399,542	385,700	13,842		
13,776	13,800	(24)	SPD Members	95,088	95,550	(462)		
5,312	4,150	1,162	Other Members	36,005	28,525	7,480		
7,796	7,150	646	Kaiser Members	52,808	49,525	3,283		
247,512	246,900	612	Total Members - MCAL	1,729,294	1,709,400	19,894		
REVENUES								
21,061,787	22,091,683	(1,029,896)	Title XIX - Medicaid - Family and Other	148,514,397	150,599,300	(2,084,903)		
20,420,390	19,228,631	1,191,759	Title XIX - Medicaid - Expansion Members	149,313,191	142,104,980	7,208,211		
10,531,094	10,701,400	(170,306)	Title XIX - Medicaid - SPD Members	70,468,371	72,931,134	(2,462,763)		
7,674,906	7,223,668	451,239	Premium - MCO Tax	52,572,610	50,012,034	2,560,576		
243,800	155,211	88,589	Interest /Dividends	1,754,822	1,074,579	680,243		
-	105,490	(105,490)	Reinsurance Recoveries	-	730,345	(730,345)		
3,234,724	2,829,750	404,974	COB/Subrogation Collections	25,300,826	19,590,795	5,710,031		
(84,108)	-	(84,108)	Rate/Income Adjustments	2,095,489	-	2,095,489		
(18,408)	-	(18,408)	Other Income (Expense)	(23,892)	-	(23,892)		
63,064,185	62,335,832	728,353	TOTAL REVENUES	449,995,814	437,043,168	12,952,647		
EXPENSES								
Medical Costs:								
14,423,866	12,096,494	(2,327,372)	Physician Services	94,884,898	83,751,187	(11,133,711)		
2,903,026	2,677,089	(225,937)	Other Professional Services	18,644,585	18,466,516	(178,069)		
4,665,069	4,713,576	48,507	Emergency Room	30,623,847	32,634,458	2,010,611		
13,361,803	13,546,615	184,812	Inpatient	100,898,823	93,793,531	(7,105,292)		
106,355	105,490	(865)	Reinsurance Expense	735,729	730,345	(5,384)		
5,430,584	5,631,287	200,703	Outpatient Hospital	40,685,860	38,989,417	(1,696,443)		
1,975,195	2,535,000	559,805	Other Medical	16,019,699	17,542,103	1,522,404		
8,935,835	9,337,396	401,561	Pharmacy	59,783,649	64,650,900	4,867,251		
563,333	563,413	80	Pay for Performance Quality Incentive	3,941,742	3,900,706	(41,036)		
(28,273)	-	28,273	IBNR, Incentive, Paid Claims Adjustment	(4,349,784)	-	4,349,784		
52,336,793	51,206,359	(1,130,434)	Total Medical Costs	361,869,048	354,459,162	(7,409,886)		
10,727,392	11,129,473	(402,081)	GROSS MARGIN	88,126,766	82,584,006	5,542,761		
Administrative:								
1,816,065	1,972,235	156,170	Compensation	12,264,468	13,543,259	1,278,791		
354,712	562,219	207,507	Purchased Services	2,660,663	3,993,930	1,333,267		
65,825	147,842	82,017	Supplies	476,296	1,038,862	562,566		
298,544	582,260	283,716	Other Administrative Expenses	2,797,577	3,858,869	1,061,292		
2,535,146	3,264,555	729,409	Total Administrative Expenses	18,199,004	22,434,919	4,235,915		
54,871,939	54,470,914	(401,025)	TOTAL EXPENSES	380,068,052	376,894,081	(3,173,971)		
8,192,246	7,864,917	327,329	OPERATING INCOME (LOSS) BEFORE TAX	69,927,762	60,149,087	9,778,676		
7,674,900	7,223,668	(451,233)	MCO TAX	50,877,040	50,012,034	(865,006)		
517,346	641,250	(123,904)	OPERATING INCOME (LOSS) NET OF TAX	19,050,722	10,137,053	8,913,670		
NONOPERATING REVENUE (EXPENSES)								
(23,175)	(500,000)	476,825	Reserve Fund Projects/Community Grants	(57,937)	(3,500,000)	3,442,063		
(23,175)	(500,000)	476,825	TOTAL NONOPERATING REVENUES (EXPENSES)	(57,937)	(3,500,000)	3,442,063		
494,171	141,250	352,921	NET INCREASE (DECREASE) IN NET POSITION	18,992,785	6,637,053	12,355,733		
94.5%	92.9%	-1.6%	MEDICAL LOSS RATIO	91.1%	91.6%	0.5%		
4.6%	5.9%	1.3%	ADMINISTRATIVE EXPENSE RATIO	4.6%	5.8%	1.2%		

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED JULY 31, 2017	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
ENROLLMENT						
163,337	166,100	(2,763)	Family Members	1,145,851	1,150,100	(4,249)
57,291	55,700	1,591	Expansion Members	399,542	385,700	13,842
13,776	13,800	(24)	SPD Members	95,088	95,550	(462)
5,312	4,150	1,162	Other Members	36,005	28,525	7,480
7,796	7,150	646	Kaiser Members	52,808	49,525	3,283
247,512	246,900	612	Total Members - MCAL	1,729,294	1,709,400	19,894
REVENUES						
124.89	129.76	(4.87)	Title XIX - Medicaid - Family and Other	125.66	127.78	(2.11)
356.43	345.22	11.21	Title XIX - Medicaid - Expansion Members	373.71	368.43	5.28
764.45	775.46	(11.01)	Title XIX - Medicaid - SPD Members	741.09	763.28	(22.19)
32.02	30.13	1.89	Premium - MCO Tax	31.36	30.13	1.23
1.02	0.65	0.37	Interest /Dividends	1.05	0.65	0.40
0.00	0.44	(0.44)	Reinsurance Recoveries	0.00	0.44	(0.44)
13.49	11.80	1.69	COB/Subrogation Collections	15.09	11.80	3.29
(0.35)	0.00	(0.35)	Rate/Income Adjustments	1.25	0.00	1.25
(0.08)	0.00	(0.08)	Other Income (Expense)	(0.01)	0.00	(0.01)
263.08	260.00	3.08	TOTAL REVENUES	268.42	263.30	5.12
EXPENSES						
Medical Costs:						
60.17	50.45	(9.72)	Physician Services	56.60	50.46	(6.14)
12.11	11.17	(0.94)	Other Professional Services	11.12	11.13	0.00
19.46	19.66	0.20	Emergency Room	18.27	19.66	1.39
55.74	56.50	0.76	Inpatient	60.18	56.51	(3.68)
0.44	0.44	(0.00)	Reinsurance Expense	0.44	0.44	0.00
22.65	23.49	0.83	Outpatient Hospital	24.27	23.49	(0.78)
8.24	10.57	2.33	Other Medical	9.56	10.57	1.01
37.28	38.95	1.67	Pharmacy	35.66	38.95	3.29
2.35	2.35	(0.00)	Pay for Performance Quality Incentive	2.35	2.35	(0.00)
(0.12)	0.00	0.12	IBNR, Incentive, Paid Claims Adjustment	(2.59)	0.00	2.59
218.33	213.58	(4.75)	Total Medical Costs	215.85	213.55	(2.30)
44.75	46.42	(1.67)	GROSS MARGIN	52.57	49.75	2.81
Administrative:						
7.58	8.23	0.65	Compensation	7.32	8.16	0.84
1.48	2.35	0.87	Purchased Services	1.59	2.41	0.82
0.27	0.62	0.34	Supplies	0.28	0.63	0.34
1.25	2.43	1.18	Other Administrative Expenses	1.67	2.32	0.66
10.58	13.62	3.04	Total Administrative Expenses	10.86	13.52	2.66
228.90	227.20	(1.71)	TOTAL EXPENSES	226.71	227.06	0.36
34.17	32.80	1.37	OPERATING INCOME (LOSS) BEFORE TAX	41.71	36.24	5.47
32.02	30.13	(1.89)	MCO TAX	30.35	30.13	(0.22)
2.16	2.67	(0.52)	OPERATING INCOME (LOSS) NET OF TAX	11.36	6.11	5.26
NONOPERATING REVENUE (EXPENSES)						
(0.10)	(2.09)	(1.99)	Reserve Fund Projects/Community Grants	(0.03)	(14.60)	(14.56)
(0.10)	(2.09)	(1.99)	TOTAL NONOPERATING REVENUES (EXPENSES)	(0.03)	(14.60)	(14.56)
2.06	0.59	1.47	NET INCREASE (DECREASE) IN NET POSITION	11.33	4.00	7.33
94.5%	92.9%	-1.6%	MEDICAL LOSS RATIO	91.1%	91.6%	0.5%
4.6%	5.9%	1.3%	ADMINISTRATIVE EXPENSE RATIO	4.6%	5.8%	1.2%

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH JULY 31, 2017														
ENROLLMENT														
	JULY 2016	AUGUST 2016	SEPTEMBER 2016	OCTOBER 2016	NOVEMBER 2016	DECEMBER 2016	JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	13 MONTH TOTAL
Members - MCAL	228,789	229,560	232,053	233,985	234,225	234,491	234,963	237,323	240,308	241,178	241,282	241,716	239,716	3,069,589
REVENUES														
Title XIX - Medicaid - Family and Other	21,057,468	21,487,293	21,539,111	21,717,599	21,346,545	20,429,201	21,026,665	20,048,215	21,940,850	21,818,166	21,057,784	21,560,930	21,061,787	276,091,614
Title XIX - Medicaid - Expansion Members	20,106,340	20,307,212	20,219,075	19,620,974	20,146,360	20,105,649	20,905,352	21,131,189	22,045,879	21,650,071	21,843,761	21,316,549	20,420,390	269,818,801
Title XIX - Medicaid - SPD Members	10,385,333	10,279,833	10,207,635	10,231,800	10,209,218	9,940,753	9,966,872	9,618,941	9,939,770	10,055,780	9,972,611	10,383,303	10,531,094	131,522,943
Premium - MCO Tax	115,627	23,082	21,614,934	7,184,130	7,198,399	10,065,534	7,491,128	7,405,842	7,470,551	7,507,968	7,504,758	7,517,457	7,674,906	98,774,216
Interest/Dividends	156,158	150,143	186,999	236,189	223,035	194,711	181,883	176,794	245,909	264,732	376,466	265,238	243,800	2,902,057
Reinsurance Recoveries	-	35,587	30,454	205,689	-	(210,968)	-	-	-	-	-	-	-	60,762
COB/Subrogation Collections	1,886,161	9,063,870	2,787,116	3,407,813	2,069,154	2,839,103	4,060,955	3,306,877	4,696,164	2,789,187	3,514,662	3,698,257	3,234,724	47,354,043
Rate/Income Adjustments	(14,918)	1,795,534	13,093	(333,319)	(541)	2,736,951	-	2,016,975	413,545	93,756	(3,949)	(340,730)	(84,108)	6,292,289
Other Income (Expense)	66,531	(67,508)	(407,903)	215	41	(1,262,113)	37,570	121	46,740	(1,110)	9	(88,814)	(18,408)	(1,694,629)
TOTAL REVENUES	53,758,700	63,075,046	75,990,414	62,271,090	61,192,211	64,838,821	63,670,425	63,704,954	66,799,408	64,178,550	64,266,102	64,312,190	63,064,185	831,222,096
EXPENSES														
Medical Costs:														
Physician Services	13,528,740	12,319,200	12,407,247	11,839,584	11,693,173	11,369,024	12,342,816	12,684,849	13,156,118	13,305,167	13,797,185	15,174,897	14,423,866	168,041,866
Other Professional Services	2,115,049	2,389,356	2,329,736	1,836,321	2,425,983	2,850,615	2,642,041	2,246,962	2,496,217	2,479,295	2,584,649	3,292,395	2,903,026	32,591,645
Emergency Room	4,823,966	4,534,245	4,327,181	4,374,358	4,182,880	4,106,435	4,687,780	4,450,889	4,100,250	4,012,665	3,944,442	4,764,752	4,665,069	56,972,912
Patient	16,712,009	13,075,786	10,660,875	11,423,068	11,783,439	12,976,841	13,999,552	14,813,384	15,281,823	14,524,702	14,725,286	14,193,273	13,361,803	177,480,841
Reinsurance Expense	182,458	183,031	183,648	185,643	187,188	187,380	103,176	103,399	103,399	105,736	107,515	106,164	106,355	1,845,077
Outpatient Hospital	2,738,213	6,364,762	3,990,250	5,114,588	4,698,013	6,388,140	5,477,940	5,765,474	6,116,559	5,765,474	5,787,957	6,293,878	5,430,584	69,979,826
Other Medical	(1,333,149)	2,534,421	1,143,970	1,801,979	1,296,759	1,515,058	2,097,824	2,007,506	2,214,713	2,373,420	2,730,233	2,620,808	1,975,195	22,978,737
Pharmacy	7,291,244	8,712,624	8,096,666	7,680,935	8,147,020	8,098,176	8,128,455	7,616,304	9,063,123	8,149,210	8,855,628	9,035,094	8,935,835	107,810,314
Pay for Performance Quality Incentive Expansion Risk Corridor Expense	552,273	554,141	560,172	564,834	565,417	566,068	552,163	559,709	564,724	566,768	567,013	568,032	563,333	7,304,647
IBNR, Incentive, Paid Claims Adjustment	(215,621)	-	1,059,120	853,019	137,358	413,346	-	-	-	-	-	-	-	2,247,222
Total Medical Costs	46,395,182	53,911,861	44,887,656	45,836,855	44,672,896	49,466,635	49,889,881	50,406,468	52,511,453	51,049,856	52,353,094	53,321,503	52,336,793	647,040,133
GROSS MARGIN	7,363,518	9,163,185	31,102,758	16,434,235	16,519,315	15,372,186	13,780,544	13,298,486	14,287,955	13,128,694	11,913,008	10,990,687	10,727,392	184,081,963
Administrative:														
Compensation	1,398,183	1,503,706	1,589,763	1,621,722	1,717,307	1,748,853	1,667,274	1,550,593	1,806,555	1,650,173	1,904,742	1,869,066	1,816,065	21,844,002
Purchased Services	256,055	354,966	343,359	478,654	607,200	470,957	268,436	450,657	436,052	442,046	344,437	364,323	354,712	5,171,854
Supplies	61,144	1,284	70,613	62,414	42,864	53,867	66,872	36,371	86,926	99,813	89,505	30,984	65,825	768,482
Other Administrative Expenses	333,267	338,202	368,192	663,609	265,740	423,090	359,822	363,606	484,727	365,239	432,721	492,918	298,544	5,189,677
Administrative Expense Adjustment	-	-	(190,729)	-	-	(1,960,549)	-	-	-	-	-	-	-	(2,151,278)
Total Administrative Expenses	2,048,649	2,198,158	2,181,198	2,826,399	2,633,111	2,362,404	2,401,227	2,814,260	2,557,271	2,771,405	2,771,405	2,757,291	2,535,146	30,822,737
TOTAL EXPENSES	48,443,831	56,110,019	47,068,854	48,663,254	47,306,007	50,202,853	52,252,285	52,807,695	55,325,713	53,607,127	55,124,499	56,078,794	54,871,939	677,862,870
OPERATING INCOME (LOSS) BEFORE TAX	5,314,869	6,965,027	28,921,560	13,607,836	13,886,204	14,635,968	11,418,140	10,897,259	11,473,695	10,571,423	9,141,603	8,233,396	8,192,246	153,259,216
MCO TAX														
Operating Income (Loss) Net of Tax	115,627	23,082	21,614,834	7,184,130	7,198,399	10,065,534	7,491,128	6,911,096	7,199,396	7,204,569	7,198,592	7,197,359	7,674,900	97,078,646
Total Administrative Expenses	5,199,242	6,941,945	7,306,726	6,423,706	6,687,805	4,570,434	3,927,012	3,986,163	4,274,299	3,366,854	1,943,011	1,036,037	517,346	56,180,580
TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-	(220,405)	-	-	-	-	(23,174)	-	(11,588)	-	(23,175)	(78,342)
NET INCREASE (DECREASE) IN NET POSITION	5,199,242	6,941,945	7,306,726	6,423,706	6,467,400	4,570,434	3,927,012	3,986,163	4,251,125	3,366,854	1,931,423	1,036,037	494,171	55,902,238
MEDICAL LOSS RATIO														
Medical Loss Ratio	86.5%	85.5%	82.6%	83.2%	82.7%	90.3%	88.8%	89.5%	88.5%	90.1%	92.2%	93.9%	94.5%	88.4%
Administrative Expense Ratio	3.8%	3.5%	4.0%	5.1%	4.9%	1.3%	4.2%	4.3%	4.7%	4.5%	4.9%	4.9%	4.6%	4.2%

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH JULY 31, 2017														
E N R O L L M E N T														
M e m b e r s - M C A L														
	JULY 2016	AUGUST 2016	SEPTEMBER 2016	OCTOBER 2016	NOVEMBER 2016	DECEMBER 2016	JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	13 MONTH TOTAL
228,789	229,560	232,053	233,985	234,225	234,491	234,963	237,323	240,308	241,178	241,282	241,716	239,716	239,716	3,069,589
R E V E N U E S														
Title XIX - Medicaid - Family and Other	129,86	132,03	130,94	130,83	128,46	122,95	126,64	119,60	129,31	128,39	124,01	126,74	124,89	127,26
Title XIX - Medicaid - Expansion Members	379,40	381,12	373,84	360,02	368,90	366,70	377,32	375,41	386,18	375,46	376,19	369,16	356,43	372,76
Title XIX - Medicaid - SPD Members	760,11	759,39	743,07	758,87	759,67	736,02	734,16	717,78	734,16	740,65	743,39	749,37	764,45	746,64
Premium - MCO Tax	0,51	0,10	93,15	30,70	30,73	42,93	31,88	31,21	31,09	31,13	31,10	31,10	32,02	32,18
Interest/Dividends	0,68	0,65	0,81	1,01	0,95	0,83	0,77	0,74	1,02	1,10	1,56	1,10	1,02	0,95
Reinsurance Recoveries	0,00	0,16	0,13	0,88	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,02
COB/Subrogation Collections	8,24	39,48	12,01	14,56	8,83	12,11	17,28	13,93	19,54	11,56	14,57	15,30	13,49	15,43
Rate/Income Adjustments	(0,07)	7,82	0,06	(1,42)	(0,00)	11,67	0,00	8,50	1,72	0,39	(0,02)	(1,41)	(0,35)	2,05
Other Income (Expense)	0,29	(0,29)	(1,76)	0,00	0,00	(5,38)	0,16	0,00	0,19	(0,00)	0,00	(0,37)	(0,08)	(0,55)
TOTAL REVENUES	234,97	274,76	327,47	266,13	261,25	276,51	270,98	268,43	277,97	266,10	266,35	266,07	263,08	270,76
E X P E N S E S														
Medical Costs:														
Physician Services	59,13	53,66	53,47	50,60	49,92	48,48	52,53	53,45	54,75	55,17	57,18	62,78	60,17	54,74
Other Professional Services	9,24	10,41	11,24	7,85	10,36	12,16	11,24	9,47	10,39	10,28	10,71	13,62	12,11	10,62
Emergency Room	21,08	19,75	18,65	18,70	17,86	17,51	19,95	18,75	17,06	16,64	16,34	19,71	19,46	18,56
Inpatient	73,05	56,96	45,94	48,82	50,31	55,13	59,58	62,41	63,59	60,22	61,03	58,72	55,74	57,82
Reinsurance Expense	0,80	0,80	0,79	0,79	0,80	0,80	0,44	0,44	0,43	0,44	0,45	0,44	0,44	0,60
Outpatient Hospital	11,97	27,73	17,20	21,86	20,06	27,24	23,31	24,50	25,45	23,91	23,99	26,04	22,65	22,80
Other Medical	(5,83)	11,04	4,93	7,70	5,54	6,46	8,93	8,46	9,22	9,84	11,32	10,84	8,24	7,49
Pharmacy	31,87	37,95	34,89	32,83	34,78	34,54	34,59	32,09	37,71	33,79	36,70	37,38	37,28	35,12
Pay for Performance Quality Incentive	2,41	2,41	2,41	2,41	2,41	2,41	2,35	2,35	2,35	2,35	2,35	2,35	2,35	2,38
Expansion Risk Corridor Expense	(0,94)	0,00	4,56	3,65	0,59	1,76	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,73
IBNR, Incentive, Paid Claims Adjustment	0,00	14,13	0,56	(0,69)	(1,90)	4,46	(0,60)	0,47	(2,44)	(0,96)	(3,09)	(11,29)	(0,12)	(0,07)
Total Medical Costs	202,79	234,85	193,44	195,90	190,73	210,95	212,33	212,40	218,52	211,67	216,98	220,60	218,33	210,79
GROSS MARGIN	32,18	39,92	134,03	70,24	70,53	65,56	58,65	56,04	59,46	54,44	49,37	45,47	44,75	59,97
Administrative:														
Compensation	6,11	6,55	6,85	6,93	7,33	7,46	7,10	6,53	7,52	6,84	7,89	7,73	7,58	7,12
Purchased Services	1,12	1,55	1,48	2,05	2,59	2,01	1,14	1,90	1,81	1,83	1,43	1,51	1,48	1,68
Supplies	0,27	0,01	0,30	0,27	0,18	0,23	0,28	0,15	0,36	0,41	0,37	0,13	0,27	0,25
Other Administrative Expenses	1,46	1,47	1,59	2,84	1,13	1,80	1,53	1,53	2,02	1,51	1,79	2,04	1,25	1,69
Administrative Expense Adjustment	0,00	0,00	(0,82)	0,00	0,00	(8,36)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	(0,70)
Total Administrative Expenses	8,95	9,58	9,40	12,08	11,24	3,14	10,05	10,12	11,71	10,60	11,49	11,41	10,58	10,04
TOTAL EXPENSES	211,74	244,42	302,84	207,98	201,97	214,09	222,39	222,51	230,23	222,27	228,47	232,00	228,90	220,83
OPERATING INCOME (LOSS) BEFORE TAX	23,23	30,34	124,63	58,16	59,29	62,42	48,60	45,02	47,75	43,83	37,89	34,06	34,17	49,93
MICO TAX	0,51	0,10	93,15	30,70	30,73	42,93	31,88	29,12	29,96	29,87	29,78	29,78	32,02	31,63
OPERATING INCOME (LOSS) NET OF TAX	22,73	30,24	31,49	27,45	28,55	19,49	16,71	16,80	17,79	13,96	8,05	4,29	2,16	18,30
TOTAL NONOPERATING REVENUE (EXPENSES)	0,00	0,00	0,00	0,00	(0,94)	0,00	0,00	0,00	(0,10)	0,00	(0,05)	0,00	(0,10)	(1,04)
NET INCREASE (DECREASE) IN NET POSITION	22,73	30,24	31,49	27,45	27,61	19,49	16,71	16,80	17,69	13,96	8,00	4,29	2,06	17,26
MEDICAL LOSS RATIO	86,5%	85,5%	82,6%	83,2%	82,7%	90,3%	88,8%	89,5%	88,5%	90,1%	92,2%	93,9%	94,5%	88,4%
ADMINISTRATIVE EXPENSE RATIO	3,8%	3,5%	4,0%	5,1%	4,9%	1,3%	4,2%	4,3%	4,7%	4,5%	4,9%	4,9%	4,6%	4,2%

CURRENT MONTH			YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED JULY 31, 2017					
R E V E N U E S					
Title XIX - Medicaid - Family & Other					
18,497,397	19,597,499	(1,100,102)	132,777,409	133,428,182	(650,773)
2,230,598	2,114,859	115,739	13,717,765	14,555,205	(837,440)
92,842	219,652	(126,810)	631,512	1,520,631	(889,119)
151,049	65,342	85,707	729,974	452,356	277,618
89,901	94,331	(4,430)	657,737	642,926	14,811
21,061,787	22,091,683	(1,029,896)	148,514,397	150,599,300	(2,084,903)
Total Title XIX - Medicaid - Family & Other					
Title XIX - Medicaid - Expansion Members					
19,288,406	18,197,233	1,091,173	141,927,922	134,749,934	7,177,988
346,462	379,240	(32,778)	2,272,284	2,839,115	(566,831)
754,343	618,738	135,605	4,871,006	4,284,511	586,495
31,179	33,420	(2,241)	241,979	231,420	10,559
20,420,390	19,228,631	1,191,759	149,313,191	142,104,980	7,208,211
Total Title XIX - Medicaid - Expansion Members					
Title XIX - Medicaid - SPD Members					
9,995,772	10,024,787	(29,015)	67,395,185	68,246,323	(851,138)
313,342	521,743	(208,401)	1,941,595	3,612,502	(1,670,907)
221,980	154,870	67,110	1,131,591	1,072,309	59,282
10,531,094	10,701,400	(170,306)	70,468,371	72,931,134	(2,462,763)
Total Title XIX - Medicaid - SPD Members					

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED JULY 31, 2017				YEAR-TO-DATE	
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
PHYSICIAN SERVICES					
2,579,473	3,374,875	795,402	20,278,618	23,365,606	3,086,988
10,807,238	8,060,450	(2,746,788)	66,940,419	55,808,094	(11,132,325)
1,027,855	652,027	(375,828)	7,602,261	4,514,199	(3,088,062)
9,300	9,142	(158)	63,600	63,288	(312)
14,423,866	12,096,494	(2,327,372)	94,884,898	83,751,187	(11,133,711)
OTHER PROFESSIONAL SERVICES					
241,716	246,537	4,821	1,672,082	1,706,861	34,779
677,141	790,156	113,015	4,562,245	5,489,755	927,510
104,334	130,241	25,907	730,303	848,720	118,417
56,777	79,850	23,073	405,770	541,202	135,432
90,504	91,173	669	598,077	634,582	36,505
38,342	44,427	6,085	255,920	278,405	22,485
58,411	68,256	9,845	362,210	475,385	113,175
476,002	220,213	(255,789)	2,404,739	1,524,669	(880,070)
174,894	89,973	(84,921)	1,002,954	622,946	(380,008)
984,905	916,265	(68,640)	6,650,285	6,343,991	(306,294)
2,903,026	2,677,089	(225,937)	18,644,585	18,466,516	(178,069)
4,665,069	4,713,576	48,507	30,623,847	32,634,458	2,010,611
13,361,803	13,546,615	184,812	100,898,823	93,793,531	(7,105,292)
106,355	105,490	(865)	735,729	730,345	(5,384)
5,430,584	5,631,287	200,703	40,685,860	38,989,417	(1,696,443)
OTHER MEDICAL					
304,335	331,914	27,579	2,309,887	2,297,967	(11,920)
352,169	364,052	11,883	2,643,646	2,520,621	(123,025)
207,396	319,888	112,492	963,414	2,205,217	1,241,803
788,463	993,832	205,369	7,268,910	6,881,270	(387,640)
-	239,750	239,750	162,074	1,659,875	1,497,801
322,832	285,563	(37,269)	2,671,768	1,977,154	(694,614)
1,975,195	2,535,000	559,805	16,019,699	17,542,103	1,522,404
PHARMACY SERVICES					
7,059,657	7,552,702	493,045	49,911,681	52,293,659	2,381,978
1,072,244	1,360,133	287,889	6,438,691	9,417,643	2,978,952
537,548	491,349	(46,199)	3,884,659	3,402,027	(482,632)
266,386	(66,788)	(333,174)	(451,382)	(462,429)	(11,047)
8,935,835	9,337,396	401,561	59,783,649	64,650,900	4,867,251
563,333	563,413	80	3,941,742	3,900,706	(41,036)
(28,273)	-	28,273	(4,349,784)	-	4,349,784
52,336,793	51,206,359	(1,130,434)	361,869,048	354,459,162	(7,409,886)

* Medical costs per DMHC regulations

CURRENT MONTH		YEAR-TO-DATE	
ACTUAL	BUDGET	ACTUAL	BUDGET
VARIANCE		VARIANCE	
KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED JUNE 30, 2017			
10.76	14.08	12.10	14.08
45.08	33.62	39.93	33.62
4.29	2.72	4.53	2.72
0.04	0.04	0.04	0.04
60.17	50.45	56.60	50.46
1.01	1.03	1.00	1.03
2.82	3.30	2.72	3.31
0.44	0.54	0.44	0.51
0.24	0.33	0.24	0.33
0.38	0.38	0.36	0.38
0.16	0.19	0.15	0.17
0.24	0.28	0.22	0.29
1.99	0.92	1.43	0.92
0.73	0.38	0.60	0.38
4.11	3.82	3.97	3.82
12.11	11.17	11.12	11.13
19.46	19.66	18.27	19.66
55.74	56.50	60.18	56.51
0.44	0.44	0.44	0.44
22.65	23.49	24.27	23.49
1.27	1.38	1.38	1.38
1.47	1.52	1.58	1.52
0.87	1.33	0.57	1.33
3.29	4.15	4.34	4.15
0.00	1.00	0.10	1.00
1.35	1.19	1.59	1.19
8.24	10.57	9.56	10.57
29.45	31.50	29.77	31.50
4.47	5.67	3.84	5.67
2.24	2.05	2.32	2.05
1.11	(0.28)	(0.27)	(0.28)
37.28	38.95	35.66	38.95
2.35	2.35	2.35	2.35
(0.12)	0.00	(2.59)	0.00
218.33	213.58	215.85	213.55

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH JULY 31, 2017		JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	YEAR TO DATE 2017
PHYSICIAN SERVICES									
Primary Care Physician Services	3,406,859	3,070,267	2,668,777	2,931,046	2,973,942	2,648,254	2,579,473	2,579,473	20,278,618
Referral Specialty Services	8,091,488	8,954,220	8,835,432	9,279,831	9,696,053	11,276,157	10,807,238	10,807,238	66,940,419
Urgent Care & After Hours Advise	835,481	651,650	1,642,609	1,085,290	1,443,578	915,798	1,027,855	1,027,855	7,602,261
Hospital Admitting Team	8,988	8,712	9,300	9,000	9,000	9,300	9,300	9,300	63,600
TOTAL PHYSICIAN SERVICES	12,342,816	12,684,849	13,156,118	13,305,167	15,174,897	14,423,866	14,423,866	14,423,866	94,884,898
OTHER PROFESSIONAL SERVICES									
Vision Service Capitation	234,491	234,963	238,174	240,308	241,282	241,148	241,716	241,716	1,672,082
310 - Health Services - Utilization Management - UM Allocation *	659,425	596,974	655,378	585,083	694,688	677,141	677,141	677,141	4,562,245
311 - Health Services - Quality Improvement - UM Allocation *	101,672	94,856	112,498	102,951	110,754	103,238	104,334	104,334	730,303
312 - Health Services - Education - UM Allocation *	55,993	51,352	57,865	54,139	62,598	67,046	67,046	67,046	405,770
313 - Health Services - Pharmacy - UM Allocation *	86,242	76,174	87,191	81,001	90,904	86,061	90,504	90,504	598,077
314 - Health Homes - UM Allocation *	19,018	28,633	40,290	48,254	40,895	40,488	38,342	38,342	255,920
616 - Disease Management - UM Allocation *	36,728	38,265	51,455	54,901	61,123	61,327	58,411	58,411	362,210
Behavior Health Treatment	300,000	131,003	334,111	249,875	178,748	735,000	476,002	476,002	2,404,739
Mental Health Services	220,889	119,474	38,619	87,739	271,977	89,362	174,894	174,894	1,002,954
Other Professional Services	927,583	875,268	880,636	975,044	832,946	1,173,903	984,905	984,905	6,650,285
TOTAL OTHER PROFESSIONAL SERVICES	2,642,041	2,246,962	2,496,217	2,479,295	2,584,649	3,292,395	2,903,026	2,903,026	18,644,585
EMERGENCY ROOM	4,687,780	4,450,889	4,100,250	4,012,665	3,942,442	4,764,752	4,665,069	4,665,069	30,623,847
INPATIENT HOSPITAL	13,999,552	14,812,384	15,281,823	14,524,702	14,725,286	14,193,273	13,361,803	13,361,803	100,898,823
REINSURANCE EXPENSE PREMIUM	103,176	103,384	103,399	105,736	107,515	106,164	106,355	106,355	735,729
OUTPATIENT HOSPITAL SERVICES	5,477,940	5,813,468	6,116,559	5,765,474	5,787,957	6,293,878	5,430,584	5,430,584	40,685,860
OTHER MEDICAL									
Ambulance	321,788	349,619	341,345	346,373	336,918	309,509	304,335	304,335	2,309,887
Home Health Services & CBAS	370,547	381,556	383,407	279,863	360,563	515,541	352,169	352,169	2,643,646
Utilization and Quality Review Expenses	67,616	115,998	142,141	133,334	155,745	141,184	207,396	207,396	963,414
Long Term/SNF/Hospice	1,022,042	820,073	961,497	1,172,612	1,443,187	1,061,036	788,463	788,463	7,268,910
Enhanced Medical Benefits	-	-	-	-	-	162,074	-	-	162,074
Non-Medical Transportation	315,831	340,260	386,323	441,238	433,820	431,464	322,832	322,832	2,671,768
TOTAL OTHER MEDICAL	2,097,824	2,007,506	2,214,713	2,373,420	2,730,233	2,620,808	1,975,195	1,975,195	16,019,699
PHARMACY SERVICES									
RX - Drugs & OTC	7,157,012	6,565,755	7,810,438	6,736,832	7,588,219	6,993,768	7,059,657	7,059,657	49,911,681
RX - HEP-C	561,061	672,985	971,345	944,297	787,421	1,429,338	1,072,244	1,072,244	6,438,691
Rx - DME	476,382	443,564	669,108	534,081	545,988	677,988	537,548	537,548	3,884,659
RX - Pharmacy Rebates	(66,000)	(66,000)	(387,768)	(66,000)	(66,000)	(66,000)	(66,000)	(66,000)	(451,382)
TOTAL PHARMACY SERVICES	8,128,455	7,616,304	9,063,123	8,149,210	8,855,628	9,035,094	8,935,835	8,935,835	59,783,649
PAY FOR PERFORMANCE QUALITY INCENTIVE	552,163	559,709	564,724	566,768	567,013	568,032	563,333	563,333	3,941,742
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(141,866)	111,013	(585,473)	(232,581)	(744,814)	(2,727,790)	(28,273)	(28,273)	(4,349,784)
Total Medical Costs	49,889,881	50,406,468	52,511,453	51,049,856	52,353,094	53,321,503	52,336,793	52,336,793	361,869,048

KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH JULY 31, 2017	JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	YEAR TO DATE 2017
PHYSICIAN SERVICES								
Primary Care Physician Services	14.50	12.94	11.11	12.15	10.98	12.30	10.76	12.10
Referral Specialty Services	34.44	37.73	36.77	38.48	40.19	46.65	45.08	39.93
Urgent Care & After Hours Advise	3.56	2.75	6.84	4.50	5.98	3.79	4.29	4.53
Hospital Admitting Team	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
TOTAL PHYSICIAN SERVICES	52.53	53.45	54.75	55.17	57.18	62.78	60.17	56.60
OTHER PROFESSIONAL SERVICES								
Vision Service Capitation	1.00	0.99	0.99	1.00	1.00	1.00	1.01	1.00
310 - Health Services - Utilization Management - UM Allocation *	2.81	2.52	2.73	2.43	2.87	2.87	2.82	2.72
311 - Health Services - Quality Improvement - UM Allocation *	0.43	0.40	0.47	0.43	0.46	0.43	0.44	0.44
312 - Health Services - Education - UM Allocation *	0.24	0.22	0.24	0.22	0.26	0.28	0.24	0.24
313 - Health Services - Pharmacy - UM Allocation *	0.37	0.32	0.36	0.34	0.38	0.36	0.38	0.36
314 - Health Homes - UM Allocation *	0.08	0.12	0.17	0.20	0.17	0.17	0.16	0.15
616 - Disease Management - UM Allocation *	0.16	0.16	0.21	0.23	0.25	0.25	0.24	0.22
Behavior Health Treatment	1.28	0.55	1.39	1.04	0.74	3.04	1.99	1.43
Mental Health Services	0.94	0.50	0.16	0.36	1.13	0.37	0.73	0.60
Other Professional Services	3.95	3.69	3.66	4.04	3.45	4.86	4.11	3.97
TOTAL OTHER PROFESSIONAL SERVICES	11.24	9.47	10.39	10.28	10.71	13.62	12.11	11.12
EMERGENCY ROOM	19.95	18.75	17.06	16.64	16.34	19.71	19.46	18.27
INPATIENT HOSPITAL	59.58	62.41	63.59	60.22	61.03	58.72	55.74	60.18
REINSURANCE EXPENSE PREMIUM	0.44	0.44	0.43	0.44	0.45	0.44	0.44	0.44
OUTPATIENT HOSPITAL SERVICES	23.31	24.50	25.45	23.91	23.99	26.04	22.65	24.27
OTHER MEDICAL								
Ambulance	1.37	1.47	1.42	1.44	1.40	1.28	1.27	1.38
Home Health Services & CBAS	1.58	1.61	1.60	1.16	1.49	2.13	1.47	1.58
Utilization and Quality Review Expenses	0.29	0.49	0.59	0.55	0.65	0.58	0.87	0.57
Long Term/SNF/Hospice	4.35	3.46	4.00	4.86	5.98	4.39	3.29	4.34
Enhanced Medical Benefits	0.00	0.00	0.00	0.00	0.00	0.67	0.00	0.10
Non-Medical Transportation	1.34	1.43	1.61	1.83	1.80	1.79	1.35	1.59
TOTAL OTHER MEDICAL	8.93	8.46	9.22	9.84	11.32	10.84	8.24	9.56
PHARMACY SERVICES								
RX - Drugs & OTC	30.46	27.67	32.50	27.93	31.45	28.93	29.45	29.77
RX - HEP-C	2.39	2.84	4.04	3.92	3.26	5.91	4.47	3.84
Rx - DME	2.03	1.87	2.78	2.21	2.26	2.80	2.24	2.32
RX - Pharmacy Rebates	(0.28)	(0.28)	(1.61)	(0.27)	(0.27)	(0.27)	1.11	(0.27)
TOTAL PHARMACY SERVICES	34.59	32.09	37.71	33.79	36.70	37.38	37.28	35.66
PAY FOR PERFORMANCE QUALITY INCENTIVE								
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(0.60)	0.47	(2.44)	(0.96)	(3.09)	(11.29)	(0.12)	(2.59)
Total Medical Costs	212.33	212.40	218.52	211.67	216.98	220.60	218.33	215.85

CURRENT MONTH		YEAR-TO-DATE	
ACTUAL	BUDGET	ACTUAL	BUDGET
VARIANCE		VARIANCE	
KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED JULY 31, 2017			
163,765	269,445	1,470,577	1,754,420
	105,680		283,843
122,652	156,422	864,489	1,020,998
	33,770		156,509
472,585	570,160	3,203,432	3,946,011
	97,575		742,579
85,853	212,501	726,992	1,487,505
	126,648		760,513
455,935	495,260	3,218,232	3,566,481
	39,325		348,249
64,015	83,913	437,022	584,700
	19,898		147,678
6,178	44,975	10,488	314,825
	38,797		304,337
-	3,931	1,003	27,509
	3,931		26,506
8,966	150	11,060	3,800
	(8,816)		(7,260)
80,348	79,550	588,630	598,560
	(798)		9,930
46	7,550	8,358	52,850
	7,504		44,492
-	-	102	150
	-		48
157,168	194,556	1,162,245	1,355,938
	37,388		193,693
382,767	501,103	2,683,494	3,493,247
	118,336		809,753
304,680	332,356	1,988,949	2,211,615
	27,676		222,666
49,784	52,062	345,935	352,577
	2,278		6,642
43,668	44,350	210,537	310,450
	682		99,913
42,081	56,140	341,418	391,592
	14,059		50,174
94,655	160,131	926,041	961,691
	65,476		35,650
2,535,146	3,264,555	18,199,004	22,434,919
	729,409		4,235,915

KERN HEALTH SYSTEMS MEDI-CAL		JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	YEAR TO DATE 2017
SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED JULY 31, 2017									
110 - Executive		279,907	177,920	209,756	191,067	192,888	255,274	163,765	1,470,577
210 - Accounting		110,185	137,255	124,511	103,181	126,637	140,068	122,652	864,489
220 - Management Information Systems (MIS)		408,164	408,429	469,937	432,868	512,776	498,673	472,585	3,203,432
225 - Infrastructure		3,723	152,258	173,666	83,611	126,901	100,980	85,853	726,992
230 - Claims		409,956	432,879	463,333	510,387	472,762	472,980	455,935	3,218,232
240 - Project Management		63,772	68,960	70,610	54,103	58,554	57,008	64,015	437,022
310 - Health Services - Utilization Management		159	2,491	(435)	280	1,637	178	6,178	10,488
311 - Health Services - Quality Improvement		500	15	-	-	488	-	-	1,003
312 - Health Services - Education		-	(66)	438	271	1,282	169	8,966	11,060.00
313 - Pharmacy		85,960	79,829	90,520	80,420	88,218	83,335	80,348	588,630
314 - Health Homes		-	608	6,000	1,166	35	503	46	8,358
616 - Disease Management		33	-	-	-	-	69	-	102
320 - Provider Relations		136,674	143,067	186,675	164,456	206,559	167,646	157,168	1,162,245
330 - Member Services		364,293	349,583	382,981	378,129	415,875	409,866	382,767	2,683,494
340 - Corporate Services		263,501	243,425	320,028	291,136	281,586	284,593	304,680	1,988,949
360 - Audit & Investigative Services		73,998	40,824	45,501	36,418	49,395	50,015	49,784	345,935
410 - Advertising Media		19,017	3,800	46,065	25,789	56,200	15,998	43,668	210,537
420 - Sales/Marketing/Public Relations		47,664	55,567	49,579	44,462	48,882	53,183	42,081	341,418
510 - Human Resources		94,898	104,383	175,095	159,527	130,730	166,753	94,655	926,041
Total Department Expenses		2,362,404	2,401,227	2,814,260	2,557,271	2,771,405	2,757,291	2,535,146	18,199,004

**KERN HEALTH SYSTEMS
GROUP HEALTH PLAN - HFAM
BALANCE SHEET STATEMENT
AS OF JULY 31, 2017**

ASSETS	JULY 2017	JUNE 2017	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,427,167	\$ 1,423,962	3,205
Interest Receivable	1,000	3,206	(2,206)
Prepaid Expenses & Other Current Assets	4,167	-	4,167
TOTAL CURRENT ASSETS	\$ 1,432,334	\$ 1,427,168	\$ 5,166

LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts Payable	6,615	1,615	5,000
Other Liabilities	353,849	353,849	-
TOTAL CURRENT LIABILITIES	\$ 360,464	\$ 355,464	\$ 5,000

NET POSITION:			
Net Position- Beg. of Year	1,070,040	1,070,040	-
Increase (Decrease) in Net Position - Current Year	1,830	1,664	166
Total Net Position	\$ 1,071,870	\$ 1,071,704	\$ 166
TOTAL LIABILITIES AND NET POSITION	\$ 1,432,334	\$ 1,427,168	\$ 5,166

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JULY 31, 2017	YEAR-TO-DATE		
ENROLLMENT						
-	-	-	Members	-	-	-
REVENUES						
-	-	-	Premium	-	-	-
1,000	-	1,000	Interest	6,864	-	6,864
-	-	-	Other Investment Income	800	-	800
1,000	-	1,000	TOTAL REVENUES	7,664	-	7,664
EXPENSES						
-	-	-	Medical Costs	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-
-	-	-	Total Medical Costs	-	-	-
1,000	-	1,000	GROSS MARGIN	7,664	-	7,664
Administrative						
834	-	(834)	Management Fee Expense and Other Admin Exp	5,834	-	(5,834)
834	-	(834)	Total Administrative Expenses	5,834	-	(5,834)
834	-	(834)	TOTAL EXPENSES	5,834	-	(5,834)
166	-	166	OPERATING INCOME (LOSS)	1,830	-	1,830
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-
166	-	166	NET INCREASE (DECREASE) IN NET POSITION	1,830	-	1,830
0%	0%	0%	MEDICAL LOSS RATIO	0%	0%	0%
83%	0%	-83%	ADMINISTRATIVE EXPENSE RATIO	76%	0%	-76%

**KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT**

KERN HEALTH SYSTEMS

	2017 MONTHS	JAN'17	FEB'17	MAR'17	APR'17	MAY'17	JUN'17	JUL'17	AUG'17	SEP'17	OCT'17	NOV'17	DEC'17
MEDI-CAL													
ADULT AND FAMILY													
PA - FAMILY	246,658	36,123	36,255	36,565	35,376	34,185	34,130	34,024					
MN - FAMILY	0	0	0	0	0	0	0	0					
REFUGEE - FAMILY	14	1	1	0	2	2	4	4					
FOSTER CARE	3,825	493	498	508	536	584	608	588					
POVERTY-133/200%	10	2	2	2	2	0	1	1					
POVERTY-100%	0	0	0	0	0	0	0	0					
MI - CHILD	752,042	104,391	105,746	107,285	108,562	109,014	109,096	107,948					
CHILD-ACA	2,287	-127	430	405	415	422	426	316					
FAMILY - UNDER 19	141,657	20,203	20,297	19,877	19,885	20,312	20,627	20,456					
SUB-TOTAL ADULT & FAMILY	1,146,493	161,086	163,229	164,642	164,778	164,529	164,892	163,337	0	0	0	0	0

MEDI-CAL EXPANSION	405	26	69	58	65	65	60	62					
LIHP Transition Pre-ACA		54,856	55,872	56,493	57,020	57,401	57,096	56,661					
ACA Expansion Adult-Citizen	395,399	9	1	4	5	5	7	7					
ACA Expansion CAL Fresh Adult	38												
LIHP Transition Pre-ACA	3,854	514	500	532	573	584	580	561					
SUB-TOTAL MANDATORY	399,696	55,405	56,442	57,087	57,663	58,065	57,743	57,291	0	0	0	0	0

SDP MEMBERS	1,257	158	155	191	194	174	162	193					
SSI-AGED		1,338	1,359	1,388	1,357	1,322	1,443	1,443					
MN - AGED	9,650	11,702	11,623	11,614	11,701	11,631	11,934	11,852					
SSI - BLIND & DIS-ABLED	82,057	326	393	346	325	288	317	288					
MN - BLIND & DIS-ABLED	2,283												
SUB-TOTAL MANDATORY SPD	95,247	13,524	13,560	13,539	13,577	13,415	13,856	13,776	0	0	0	0	0
TOTAL MANDATORY	1,641,436	230,015	233,231	235,268	236,018	236,009	236,491	234,404	0	0	0	0	0

OTHER MEMBERS	199	29	30	27	28	26	30	29					
BCCTP-TOBACCO SETTLEMENT													

DUALS	167	31	17	15	21	15	37	31					
PA - FAMILY DUALS		615	628	625	673	666	677	704					
PART D SSI-AGED	4,588	1,127	1,116	1,134	1,173	1,229	1,194	1,164					
PART D MN - AGED	8,137	2,067	2,011	2,081	2,085	2,128	2,102	2,149					
PART D SSI - BLIND & DIS-ABLED	14,623	762	780	740	751	735	772	818					
PART D MN - BLIND & DIS-ABLED	5,358	1	1	1	2	2	2	2					
PART D BCCTP-TOBACCO SETTLEMENT	11	0	0	0	0	0	0	0					
PART D MI - ADULT	0	316	360	417	427	472	411	415					
PART D MI - CHILD	2,818												
SUB-TOTAL DUALS	35,702	4,919	4,913	5,013	5,132	5,247	5,195	5,283	0	0	0	0	0

TOTAL OTHERS	35,901	4,948	4,943	5,040	5,160	5,273	5,225	5,312	0	0	0	0	0
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TOTAL KAISER	52,808	7,103	7,365	7,466	7,619	7,714	7,745	7,796					
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TOTAL MEDI-CAL MEMBERS	1,730,145	242,066	245,539	247,774	248,797	248,996	249,461	247,512	0	0	0	0	0
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To: KHS Finance Committee

From: Robert Landis, CFO

Date: October 6, 2017

Re: August 2017 Financial Results

The August results reflect a \$1,014,414 Net Increase in Net Position which is a \$773,682 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$3.8 million favorable variance primarily due to:
 - A) \$1.0 million unfavorable variance relating to Family and Other primarily due to lower than expected enrollment (\$.5 million), a lower than expected budgeted rate increase from the State effective July 1, 2017 (\$.8 million) and higher than expected Maternity revenue (\$.2 Million).
 - B) \$.8 million favorable variance relating to Expansion primarily due to higher than expected enrollment (\$.4 million) and a lower than expected budgeted rate decrease from the State effective July 1, 2017 (\$.6 million) and lower than expected Maternity revenue (.4 million).
 - C) \$2.6 million favorable variance in COB/Subrogation due to higher than expected claim payments where KHS is not primary.
 - D) \$1.1 million favorable variance relating to Rate/Income Adjustments primarily due to receiving 25% of the Expansion Rate Range relating to prior years.
- 2) Total Medical Costs reflect a \$3.3 million unfavorable variance primarily due to:
 - A) \$1.7 million unfavorable variance in Physician Services primarily due to higher than expected utilization of Referral Specialty Services Family and Other and Expansion members.
 - B) \$.5 million unfavorable variance in Outpatient Hospital primarily due to higher than expected utilization for the Family and Other members.
 - C) \$.7 million favorable variance in Other Medical primarily due to lower than expected utilization of Long Term /SNF/Hospice and Enhanced Medical Benefits for the Family and Other members.
 - D) \$1.0 million unfavorable IBNR Adjustment from the prior year primarily related to the accruing of extra expense associated with the favorable Expansion/Rate Income Adjustment mentioned in 1D above.

The August Medical Loss Ratio is 93.1% which is unfavorable to the 92.9% budgeted amount. The August Administrative Expense Ratio is 4.9 % which is favorable to the 5.7% budgeted amount.

The results for the 8 months ended August 31, 2017 reflects a Net Increase in Net Position of \$20,007,199. This is a \$13,129,415 favorable variance to budget and includes approximately \$6.5 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 91.3% which is favorable to the 91.7% budgeted amount. The year-to-date Administrative Expense Ratio is 4.6% which is favorable to the 5.8% budgeted amount.

**Kern Health Systems
Financial Packet
August 2017**

KHS – Medi-Cal Line of Business

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Statement of Revenue, Expenses, and Changes in Net Position - PMPM	Page 3
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KHS Group Health Plan – Healthy Families Line of Business

Comparative Statement of Net Position	Page 13
Statement of Revenue, Expenses, and Changes in Net Position	Page 14

KHS Administrative Analysis and Other Reporting

Monthly Member Count	Page 15
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF AUGUST 31, 2017			
ASSETS	AUGUST 2017	JULY 2017	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 100,203,705	\$ 69,905,805	\$ 30,297,900
Short-Term Investments	160,743,672	160,559,806	183,866
Pass-through Monies Held for Future Payment	1,491,813	1,542,467	(50,654)
Premiums Receivable - Net	45,080,048	77,213,359	(32,133,311)
Interest Receivable	354,823	180,376	174,447
Other Receivables	512,157	643,873	(131,716)
Prepaid Expenses & Other Current Assets	1,085,218	1,230,100	(144,882)
Total Current Assets	\$ 309,471,436	\$ 311,275,786	\$ (1,804,350)
RESTRICTED ASSETS	\$ 300,000	\$ 300,000	\$ -
CAPITAL ASSETS - NET OF ACCUM DEPREE:			
Land	4,876,562	4,876,562	-
Furniture and Equipment	6,805,398	6,903,063	(97,665)
Automobile - Net	19,365	19,757	(392)
Building and Building Improvements - Net	6,769,387	6,797,242	(27,855)
Capital Projects in Process	7,479,566	6,642,472	837,094
Total Capital Assets	\$ 25,950,278	\$ 25,239,096	\$ 711,182
DEFERRED OUTFLOWS OF RESOURCES	\$ 4,540,339	\$ 4,540,339	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 340,262,053	\$ 341,355,221	\$ (1,093,168)
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts Payable	\$ 25,012	\$ 55,481	(30,469)
Accrued Salaries and Employee Benefits	2,204,725	2,788,278	(583,553)
Accrued Other Operating Expenses	1,029,545	715,731	313,814
Accrued Taxes and Licenses	14,948,609	7,172,750	7,775,859
Other Medical Liabilities - Nonoperating Passthrough	1,491,813	1,542,467	(50,654)
Claims Payable (Reported)	17,300,973	21,567,543	(4,266,570)
IBNR - Inpatient Claims	26,828,980	30,656,978	(3,827,998)
IBNR - Physician Claims	14,490,179	15,631,459	(1,141,280)
IBNR - Accrued Other Medical	20,546,181	20,738,604	(192,423)
Risk Pool and Withholds Payable	3,543,194	4,508,911	(965,717)
Statutory Allowance for Claims Processing Expense	1,926,674	1,926,674	-
Other Liabilities	38,343,471	37,482,062	861,409
Total Current Liabilities	\$ 142,679,356	\$ 144,786,938	\$ (2,107,582)
NONCURRENT LIABILITIES:			
Net Pension Liability	4,519,591	4,519,591	-
TOTAL NONCURRENT LIABILITIES	\$ 4,519,591	\$ 4,519,591	\$ -
DEFERRED INFLOWS OF RESOURCES	\$ 1,840,334	\$ 1,840,334	\$ -
NET POSITION:			
Net Position - Beg. of Year	171,215,573	171,215,573	-
Increase (Decrease) in Net Position - Current Year	20,007,199	18,992,785	1,014,414
Total Net Position	\$ 191,222,772	\$ 190,208,358	\$ 1,014,414
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 340,262,053	\$ 341,355,221	\$ (1,093,168)

**KERN HEALTH SYSTEMS
MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN NET POSITION
FOR THE MONTH ENDED AUGUST 31, 2017**

CURRENT MONTH MEMBERS			YEAR-TO-DATE MEMBER MONTHS		
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
ENROLLMENT					
163,223	166,700	(3,477)	1,309,074	1,316,800	(7,726)
57,009	55,900	1,109	456,551	441,600	14,951
13,808	13,850	(42)	108,896	109,400	(504)
5,323	4,175	1,148	41,328	32,700	8,628
7,811	7,175	636	60,619	56,700	3,919
247,174	247,800	(626)	1,976,468	1,957,200	19,268
REVENUES					
21,157,058	22,163,110	(1,006,052)	169,671,455	172,762,410	(3,090,955)
20,057,872	19,296,313	761,559	169,371,063	161,401,293	7,969,770
10,667,756	10,740,173	(72,417)	81,136,127	83,671,308	(2,535,181)
7,622,484	7,250,031	372,453	60,195,094	57,262,065	2,933,029
385,982	155,777	230,205	2,140,804	1,230,357	910,447
-	105,875	(105,875)	-	836,220	(836,220)
5,392,339	2,840,104	2,552,235	30,693,165	22,430,900	8,262,265
1,061,917	-	1,061,917	3,157,406	-	3,157,406
104	-	104	(23,788)	-	(23,788)
66,345,512	62,551,384	3,794,128	516,341,326	499,594,552	16,746,775
EXPENSES					
Medical Costs:					
13,877,006	12,140,507	(1,736,499)	108,761,904	95,891,694	(12,870,210)
2,989,387	2,682,444	(306,943)	21,633,972	21,148,960	(485,012)
5,099,658	4,730,746	(368,912)	35,723,505	37,365,203	1,641,698
13,546,637	13,595,795	49,158	114,445,460	107,389,325	(7,056,135)
105,475	105,875	400	841,204	836,220	(4,984)
6,154,715	5,651,743	(502,972)	46,840,575	44,641,160	(2,199,415)
1,800,207	2,537,042	736,835	17,819,906	20,079,145	2,259,239
9,525,333	9,371,247	(154,086)	69,308,982	74,022,147	4,713,165
562,503	565,469	2,966	4,504,245	4,466,175	(38,070)
1,034,615	-	(1,034,615)	(3,315,169)	-	3,315,169
54,695,536	51,380,867	(3,314,669)	416,564,584	405,840,029	(10,724,555)
GROSS MARGIN					
11,649,976	11,170,517	479,459	99,776,742	93,754,523	6,022,220
Administrative:					
1,962,751	1,939,485	(23,266)	14,227,219	15,482,743	1,255,524
371,842	540,320	168,478	3,032,505	4,534,249	1,501,744
131,877	149,664	17,787	608,173	1,188,526	580,353
393,233	550,286	157,053	3,190,810	4,409,155	1,218,345
2,859,703	3,179,754	320,051	21,058,707	25,614,673	4,555,966
TOTAL EXPENSES					
57,555,239	54,560,621	(2,994,618)	437,623,291	431,454,702	(6,168,589)
OPERATING INCOME (LOSS) BEFORE TAX					
8,790,273	7,990,763	799,510	78,718,035	68,139,849	10,578,186
MCO TAX					
7,775,859	7,250,031	(525,828)	58,652,899	57,262,065	(1,390,834)
OPERATING INCOME (LOSS) NET OF TAX					
1,014,414	740,732	273,682	20,065,136	10,877,784	9,187,352
NONOPERATING REVENUE (EXPENSES)					
-	(500,000)	500,000	(57,937)	(4,000,000)	3,942,063
-	(500,000)	500,000	(57,937)	(4,000,000)	3,942,063
NET INCREASE (DECREASE) IN NET POSITION					
1,014,414	240,732	773,682	20,007,199	6,877,784	13,129,415
MEDICAL LOSS RATIO					
93.1%	92.9%	-0.2%	91.3%	91.7%	0.4%
ADMINISTRATIVE EXPENSE RATIO					
4.9%	5.7%	0.9%	4.6%	5.8%	1.2%

**KERN HEALTH SYSTEMS
MEDI-CAL
STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN NET POSITION - PMPM
FOR THE MONTH ENDED AUGUST 31, 2017**

CURRENT MONTH			YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE

ENROLLMENT					
163,223	166,700	(3,477)	Family Members	1,309,074	1,316,800 (7,726)
57,009	55,900	1,109	Expansion Members	456,551	441,600 14,951
13,808	13,850	(42)	SPD Members	108,896	109,400 (504)
5,323	4,175	1,148	Other Members	41,328	32,700 8,628
7,811	7,175	636	Kaiser Members	60,619	56,700 3,919
247,174	247,800	(626)	Total Members - MCAL	1,976,468	1,957,200 19,268

REVENUES					
125.53	129.70	(4.18)	Title XIX - Medicaid - Family and Other	125.65	128.02 (2.37)
351.84	345.19	6.64	Title XIX - Medicaid - Expansion Members	370.98	365.49 5.49
772.58	775.46	(2.89)	Title XIX - Medicaid - SPD Members	745.08	764.82 (19.74)
31.84	30.13	1.71	Premium - MCO Tax	31.42	30.13 1.29
1.61	0.65	0.97	Interest /Dividends	1.12	0.65 0.47
0.00	0.44	(0.44)	Reinsurance Recoveries	0.00	0.44 (0.44)
22.53	11.80	10.72	COB/Subrogation Collections	16.02	11.80 4.22
4.44	0.00	4.44	Rate/Income Adjustments	1.65	0.00 1.65
0.00	0.00	0.00	Other Income (Expense)	(0.01)	0.00 (0.01)
277.18	259.95	17.22	TOTAL REVENUES	269.51	262.88 6.64

EXPENSES					
Medical Costs:					
57.97	50.45	(7.52)	Physician Services	56.77	50.46 (6.31)
12.49	11.15	(1.34)	Other Professional Services	11.29	11.13 (0.16)
21.31	19.66	(1.64)	Emergency Room	18.65	19.66 1.01
56.59	56.50	(0.09)	Inpatient	59.74	56.51 (3.23)
0.44	0.44	(0.00)	Reinsurance Expense	0.44	0.44 0.00
25.71	23.49	(2.23)	Outpatient Hospital	24.45	23.49 (0.96)
7.52	10.54	3.02	Other Medical	9.30	10.57 1.26
39.79	38.95	(0.85)	Pharmacy	36.18	38.95 2.77
2.35	2.35	0.00	Pay for Performance Quality Incentive	2.35	2.35 (0.00)
4.32	0.00	(4.32)	IBNR, Incentive, Paid Claims Adjustment	(1.73)	0.00 1.73
228.50	213.53	(14.97)	Total Medical Costs	217.43	213.54 (3.89)

48.67	46.42	2.25	GROSS MARGIN	52.08	49.33 2.75
Administrative:					
8.20	8.06	(0.14)	Compensation	7.43	8.15 0.72
1.55	2.25	0.69	Purchased Services	1.58	2.39 0.80
0.55	0.62	0.07	Supplies	0.32	0.63 0.31
1.64	2.29	0.64	Other Administrative Expenses	1.67	2.32 0.65
11.95	13.21	1.27	Total Administrative Expenses	10.99	13.48 2.49
240.45	226.75	(13.71)	TOTAL EXPENSES	228.42	227.02 (1.40)

36.72	33.21	3.52	OPERATING INCOME (LOSS) BEFORE TAX	41.09	35.85 5.23
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32.49	30.13	(2.36)	MCO TAX	30.61	30.13 (0.48)
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4.24	3.08	1.16	OPERATING INCOME (LOSS) NET OF TAX	10.47	5.72 4.75
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NONOPERATING REVENUE (EXPENSES)					
0.00	(2.08)	(2.08)	Reserve Fund Projects/Community Grants	(0.03)	(16.62) (16.59)
0.00	(2.08)	(2.08)	TOTAL NONOPERATING REVENUES (EXPENSES)	(0.03)	(16.62) (16.59)

4.24	1.00	3.24	NET INCREASE (DECREASE) IN NET POSITION	10.44	3.62 6.82
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93.1%	92.9%	-0.2%	MEDICAL LOSS RATIO	91.3%	91.7% 0.4%
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4.9%	5.7%	0.9%	ADMINISTRATIVE EXPENSE RATIO	4.6%	5.8% 1.2%
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH AUGUST 31, 2017														
	AUGUST 2016	SEPTEMBER 2016	OCTOBER 2016	NOVEMBER 2016	DECEMBER 2016	JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	AUGUST 2017	13 MONTH TOTAL
ENROLLMENT														
Members - MCAL	229,560	232,053	233,985	234,225	234,491	234,963	237,323	240,308	241,178	241,282	241,716	239,716	239,363	3,080,163
REVENUES														
Title XIX - Medicaid - Family and Other	21,487,293	21,539,111	21,717,599	21,346,545	20,429,201	21,026,665	20,048,215	21,940,850	21,818,166	21,057,784	21,560,930	21,061,787	21,157,058	276,191,204
Title XIX - Medicaid - Expansion Members	20,307,212	20,219,075	19,620,974	20,146,360	20,105,649	20,905,552	21,131,189	22,045,879	21,650,071	21,843,761	21,316,549	20,420,390	20,057,872	269,770,333
Title XIX - Medicaid - SPD Members	10,279,833	10,007,635	10,231,800	10,209,218	9,940,753	9,966,872	9,613,941	9,939,770	10,055,780	9,972,611	10,383,303	10,531,094	10,667,576	131,805,366
Premium - MCO Tax	23,082	21,614,834	7,184,130	7,198,399	10,065,534	7,491,128	7,405,842	7,470,551	7,507,968	7,504,758	7,517,457	7,674,906	7,622,484	106,281,073
Interest/Dividends	150,143	186,999	236,189	223,035	194,711	181,883	176,794	245,909	264,732	376,466	265,238	243,800	385,982	3,131,881
Reinsurance Recoveries	35,587	30,454	205,689	-	(210,968)	-	-	-	-	-	-	-	-	60,762
COB/Subrogation Collections	9,063,870	2,787,116	3,407,813	2,069,154	2,839,103	4,060,955	3,306,877	4,696,164	2,789,187	3,514,662	3,698,257	3,234,724	5,392,339	50,860,221
Rate/Income Adjustments	1,795,534	13,093	(333,319)	(541)	2,736,951	(541)	2,016,975	413,545	93,756	(3,949)	(340,750)	(84,108)	1,061,917	7,369,124
Other Income (Expense)	(67,508)	(407,903)	215	41	(1,262,113)	37,570	121	46,740	(1,110)	9	(88,814)	(18,408)	104	(1,761,056)
TOTAL REVENUES	63,075,046	75,990,414	62,271,090	61,192,211	64,838,821	63,670,425	63,704,954	66,799,408	64,178,550	64,266,102	64,312,190	63,064,185	66,345,512	843,708,908
EXPENSES														
Medical Costs:														
Physician Services	12,319,200	12,407,247	11,839,584	11,699,024	11,369,024	12,342,816	12,684,849	13,156,118	13,305,167	13,797,185	15,174,897	14,423,866	13,877,006	168,390,132
Other Professional Services	2,389,356	2,329,736	1,836,321	2,425,983	2,850,615	2,642,041	2,246,962	2,496,217	2,479,295	2,584,649	3,292,395	2,903,026	2,989,387	33,465,983
Emergency Room	4,534,245	4,377,181	4,374,358	4,182,880	4,106,435	4,687,780	4,450,889	4,100,250	4,012,665	3,942,442	4,764,752	4,665,069	5,099,658	57,248,604
Inpatient	13,075,786	10,660,875	11,423,068	11,783,439	12,926,841	13,999,552	14,813,384	15,281,344	14,524,702	14,725,286	14,193,273	13,361,803	13,546,637	174,315,469
Reinsurance Expense	183,031	183,648	185,643	187,188	187,380	103,176	103,384	103,399	105,736	107,515	106,164	106,355	105,475	1,768,094
Outpatient Hospital	6,364,762	3,990,250	5,114,588	4,698,013	6,388,140	5,477,940	5,813,468	6,116,559	5,765,474	5,787,957	6,293,878	5,430,584	6,154,715	73,396,328
Other Medical	2,534,421	1,143,970	1,801,979	1,296,759	1,515,058	2,097,824	2,007,506	2,214,713	2,373,420	2,730,233	2,620,808	1,975,195	1,800,207	26,112,093
Pharmacy	8,712,624	8,096,666	7,680,935	8,147,200	8,098,176	8,128,455	7,616,304	9,063,123	8,149,210	8,855,628	9,035,094	8,935,835	9,523,333	110,444,403
Pay for Performance Quality Incentive	554,141	560,172	564,834	565,417	566,068	552,163	559,709	564,724	566,768	567,013	568,032	563,333	562,503	7,314,877
Expansion Risk Corridor Expense	-	1,059,120	853,019	137,358	413,346	-	-	-	-	-	-	-	-	2,462,843
IBNR, Incentive, Paid Claims Adjustment	3,244,295	128,791	162,526	(444,334)	1,045,552	(141,866)	111,013	(585,473)	(232,581)	(744,814)	(2,727,790)	(28,273)	1,034,615	821,661
Total Medical Costs	53,911,861	44,887,656	45,836,855	44,672,896	49,466,635	49,889,881	50,406,468	52,511,453	51,049,856	52,353,094	53,321,503	52,336,793	54,695,536	655,340,487
GROSS MARGIN	9,163,185	31,102,758	16,434,235	16,519,315	15,371,186	13,780,544	13,298,486	14,287,955	13,128,694	11,913,008	10,990,687	10,727,392	11,649,976	188,368,421
Administrative:														
Compensation	1,503,706	1,589,763	1,621,722	1,717,307	1,748,853	1,667,274	1,550,593	1,806,555	1,650,173	1,904,742	1,869,066	1,816,065	1,962,751	22,408,570
Purchased Services	354,966	343,359	478,654	607,200	470,957	268,436	450,657	436,082	442,046	344,437	364,323	354,712	371,842	5,287,641
Supplies	1,284	70,613	62,414	42,864	53,867	66,872	36,371	86,926	99,813	89,505	30,984	65,825	131,877	859,215
Other Administrative Expenses	338,202	368,192	663,609	265,740	423,090	359,822	363,606	484,727	365,239	432,721	492,918	298,544	393,233	5,249,643
Administrative Expense Adjustment	-	(190,729)	-	-	(1,960,549)	-	-	-	-	-	-	-	-	(2,151,278)
Total Administrative Expenses	2,198,158	2,181,198	2,826,399	2,633,111	736,218	2,362,404	2,401,227	3,814,260	2,557,271	2,771,405	2,757,291	2,535,146	2,859,703	31,633,791
TOTAL EXPENSES	56,110,019	47,068,854	48,663,254	47,306,007	50,202,853	52,252,285	52,807,695	55,325,713	53,607,127	55,124,499	56,078,794	54,871,939	57,555,239	686,974,278
OPERATING INCOME (LOSS) BEFORE TAX	6,965,027	28,921,560	13,607,836	13,886,204	14,635,968	11,418,140	10,897,259	11,473,695	10,571,423	9,141,603	8,233,396	8,192,246	8,790,273	156,734,630
MCO TAX	23,082	21,614,834	7,184,130	7,198,399	10,065,534	7,491,128	6,911,296	7,199,396	7,204,569	7,198,592	7,197,359	7,674,900	7,775,859	104,738,878
OPERATING INCOME (LOSS) NET OF TAX	6,941,945	7,306,726	6,423,706	6,687,805	4,570,434	3,927,012	3,986,163	4,274,299	3,366,854	1,943,011	1,036,037	517,346	1,014,414	51,995,752
TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-	(220,405)	-	-	-	(231,741)	-	(11,588)	-	(23,175)	-	(278,342)
NET INCREASE (DECREASE) IN NET POSITION	6,941,945	7,306,726	6,423,706	6,467,400	4,570,434	3,927,012	3,986,163	4,251,125	3,366,854	1,931,423	1,036,037	494,171	1,014,414	51,717,410
MEDICAL LOSS RATIO	85.5%	82.6%	83.2%	82.7%	90.3%	88.8%	89.5%	88.5%	90.1%	92.2%	93.9%	94.5%	93.1%	88.9%
ADMINISTRATIVE EXPENSE RATIO	3.5%	4.0%	5.1%	4.9%	1.3%	4.2%	4.3%	4.7%	4.5%	4.9%	4.9%	4.6%	4.9%	4.3%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH AUGUST 31, 2017	AUGUST 2016	SEPTEMBER 2016	OCTOBER 2016	NOVEMBER 2016	DECEMBER 2016	JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	AUGUST 2017	13 MONTH TOTAL
	ENROLLMENT	229,560	232,053	233,985	234,225	234,491	234,963	237,323	240,308	241,178	241,282	241,716	239,716	239,363
REVENUES														
Members - MCAI														
Title XIX - Medicaid - Family and Other	132.03	130.94	130.83	128.46	122.95	126.64	119.60	129.31	128.39	124.01	126.74	124.89	125.53	126.93
Title XIX - Medicaid - Expansion Members	381.12	373.84	360.02	368.90	366.70	377.32	375.41	386.18	375.46	376.19	369.16	356.43	351.84	370.64
Title XIX - Medicaid - SPD Members	759.39	743.07	758.87	759.67	756.02	736.98	717.78	734.16	740.65	743.39	749.37	764.45	772.58	747.50
Premium - MCO Tax	0.10	93.15	30.73	30.73	42.93	31.88	31.21	31.09	31.13	31.10	31.10	32.02	31.84	34.51
Interest/Dividends	0.65	0.81	1.01	0.95	0.83	0.77	0.74	1.02	1.10	1.56	1.10	1.02	1.61	1.02
Reinsurance Recoveries	0.16	0.13	0.88	0.00	(0.90)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COB/Subrogation Collections	39.48	12.01	14.56	8.83	12.11	17.28	13.93	19.54	11.56	14.57	15.30	13.49	22.53	16.51
Rate/Income Adjustments	7.82	0.06	(1.42)	(0.00)	8.50	(1.72)	(0.00)	8.50	(0.39)	(0.02)	(1.41)	(0.35)	4.44	2.39
Other Income (Expense)	(0.29)	(1.76)	0.00	0.00	(5.38)	0.16	0.00	0.19	(0.00)	0.00	(0.37)	(0.08)	0.00	(0.57)
TOTAL REVENUES	274.76	327.47	266.13	261.25	276.51	270.98	268.43	277.97	266.10	266.35	266.07	263.08	277.18	273.92
EXPENSES														
Medical Costs:														
Physician Services	53.66	53.47	50.60	49.92	48.48	52.53	53.45	54.75	55.17	57.18	62.78	60.17	57.97	54.67
Other Professional Services	10.41	10.04	7.85	10.36	12.16	11.24	9.47	10.39	10.28	10.71	13.62	12.11	12.49	10.87
Emergency Room	19.75	18.65	18.70	17.86	17.51	19.95	18.75	17.06	16.64	16.34	19.71	19.46	21.31	18.59
Inpatient	56.96	45.94	48.82	50.31	55.13	59.58	62.41	63.59	60.22	61.03	58.72	55.74	56.59	56.59
Reinsurance Expense	0.80	0.79	0.79	0.80	0.80	0.44	0.44	0.43	0.44	0.44	0.44	0.44	0.44	0.57
Outpatient Hospital	27.73	17.20	21.86	20.06	27.24	23.31	24.50	25.45	23.91	23.99	26.04	22.65	25.71	23.83
Other Medical	11.04	4.93	7.70	5.54	6.46	8.93	8.46	9.22	9.84	11.32	10.84	8.24	7.52	8.48
Pharmacy	37.95	34.89	32.83	34.78	34.54	34.59	32.09	37.71	33.79	36.70	37.38	37.28	39.79	35.73
Pay for Performance Quality Incentive	2.41	2.41	2.41	2.41	2.41	2.35	2.36	2.35	2.35	2.35	2.35	2.35	2.35	2.37
Expansion Risk Corridor Expense	0.00	4.56	3.65	0.59	1.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80
IBNR, Incentive, Paid Claims Adjustment	14.13	0.56	0.69	(1.90)	4.46	(0.60)	0.47	(2.44)	(0.96)	(3.09)	(11.29)	(0.12)	4.32	0.27
Total Medical Costs	234.85	193.44	195.90	190.73	210.95	212.33	212.40	218.52	211.67	216.98	220.60	218.33	228.50	212.76
GROSS MARGIN	39.92	134.03	70.24	70.53	65.56	58.65	56.04	59.46	54.44	49.37	45.47	44.75	48.67	61.16
Administrative:														
Compensation	6.55	6.85	6.93	7.33	7.46	7.10	6.53	7.52	6.84	7.89	7.73	7.58	8.20	7.28
Purchased Services	1.85	1.48	2.05	2.59	2.01	1.14	1.90	1.81	1.83	1.43	1.51	1.48	1.55	1.72
Supplies	0.01	0.30	0.27	0.18	0.23	0.28	0.15	0.36	0.41	0.37	0.13	0.27	0.55	0.27
Other Administrative Expenses	1.47	1.59	2.84	1.13	1.80	1.53	1.53	2.02	1.51	1.79	2.04	1.25	1.64	1.70
Administrative Expense Adjustment	0.00	(0.82)	0.00	0.00	(8.36)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.70)
Total Administrative Expenses	9.58	9.40	12.08	11.24	3.14	10.05	10.12	11.71	10.60	11.49	11.41	10.58	11.95	10.27
TOTAL EXPENSES	244.42	202.84	207.98	201.97	214.09	222.39	222.51	230.23	222.27	228.47	232.00	228.90	240.45	223.03
OPERATING INCOME (LOSS) BEFORE TAX	30.34	124.63	58.16	59.29	65.42	48.60	45.92	47.75	43.83	37.89	34.06	34.17	36.72	50.89
MCO TAX	0.10	93.15	30.70	30.73	42.93	31.88	29.12	29.96	29.87	29.83	29.78	32.02	32.49	34.00
OPERATING INCOME (LOSS) NET OF TAX	30.24	31.49	27.45	28.55	19.49	16.71	16.80	17.79	13.96	8.05	4.29	2.16	4.24	16.88
TOTAL NONOPERATING REVENUE (EXPENSES)	0.00	0.00	0.00	(0.94)	0.00	0.00	0.00	(0.10)	0.00	(0.05)	0.00	(0.10)	0.00	(1.04)
NET INCREASE (DECREASE) IN NET POSITION	30.24	31.49	27.45	27.61	19.49	16.71	16.80	17.69	13.96	8.00	4.29	2.06	4.24	15.84
MEDICAL LOSS RATIO	85.5%	82.6%	83.2%	82.7%	90.3%	88.8%	89.5%	88.5%	90.1%	92.2%	93.9%	94.5%	93.1%	88.9%
ADMINISTRATIVE EXPENSE RATIO	3.5%	4.0%	5.1%	4.9%	1.3%	4.2%	4.3%	4.7%	4.5%	4.9%	4.9%	4.6%	4.9%	4.3%

CURRENT MONTH			YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED AUGUST 31, 2017					
R E V E N U E S					
Title XIX - Medicaid - Family & Other					
18,402,922	19,667,559	(1,264,637)	151,180,331	153,095,741	(1,915,410)
2,328,810	2,114,859	213,951	16,046,575	16,670,064	(623,489)
139,264	220,458	(81,194)	770,776	1,741,089	(970,313)
195,250	65,582	129,668	925,224	517,938	407,286
90,812	94,652	(3,840)	748,549	737,578	10,971
21,157,058	22,163,110	(1,006,052)	169,671,455	172,762,410	(3,090,955)
Total Title XIX - Medicaid - Family & Other					
Title XIX - Medicaid - Expansion Members					
19,264,239	18,262,573	1,001,666	161,192,161	153,012,507	8,179,654
26,455	379,240	(352,785)	2,298,739	3,218,355	(919,616)
736,936	620,960	115,976	5,607,942	4,905,471	702,471
30,242	33,540	(3,298)	272,221	264,960	7,261
20,057,872	19,296,313	761,559	169,371,063	161,401,293	7,969,770
Total Title XIX - Medicaid - Expansion Members					
Title XIX - Medicaid - SPD Members					
10,139,092	10,061,108	77,984	77,534,277	78,307,431	(773,154)
162,474	523,633	(361,159)	2,104,069	4,136,135	(2,032,066)
366,190	155,432	210,758	1,497,781	1,227,741	270,040
10,667,756	10,740,173	(72,417)	81,136,127	83,671,307	(2,535,180)
Total Title XIX - Medicaid - SPD Members					

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED AUGUST 31, 2017				CURRENT MONTH		YEAR-TO-DATE	
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE	
2,637,450	3,387,186	749,736	PHYSICIAN SERVICES	22,916,068	26,752,792	3,836,724	
9,796,067	8,089,738	(1,706,329)	Primary Care Physician Services	76,736,486	63,897,832	(12,838,654)	
1,434,189	654,408	(779,781)	Referral Specialty Services	9,036,450	5,168,607	(3,867,843)	
9,300	9,175	(125)	Urgent Care & After Hours Advise	72,900	72,463	(437)	
			Hospital Admitting Team				
13,877,006	12,140,507	(1,736,499)	TOTAL PHYSICIAN SERVICES	108,761,904	95,891,694	(12,870,210)	
			OTHER PROFESSIONAL SERVICES				
239,716	247,436	7,720	Vision Service Capitation	1,911,798	1,954,297	42,499	
786,180	790,156	3,976	310 - Health Services - Utilization Management - UM Allocation *	5,348,425	6,279,911	931,486	
116,739	130,241	13,502	311 - Health Services - Quality Improvement - UM Allocation *	847,042	978,961	131,919	
67,200	79,850	12,650	312 - Health Services - Education - UM Allocation *	472,970	621,053	148,083	
90,689	91,173	484	313 - Health Services - Pharmacy - UM Allocation *	688,766	725,755	36,989	
44,575	44,427	(148)	314 - Health Homes - UM Allocation *	300,495	322,832	22,337	
65,553	68,256	2,703	616 - Disease Management - UM Allocation *	427,763	543,641	115,878	
678,877	221,014	(457,863)	Behavior Health Treatment	3,083,616	1,745,683	(1,337,933)	
87,624	90,300	2,676	Mental Health Services	1,090,578	713,246	(377,332)	
812,234	919,591	107,357	Other Professional Services	7,462,519	7,263,582	(198,937)	
2,989,387	2,682,444	(306,943)	TOTAL OTHER PROFESSIONAL SERVICES	21,633,972	21,148,960	(485,012)	
5,099,658	4,730,746	(368,912)	EMERGENCY ROOM	35,723,505	37,365,203	1,641,698	
13,546,637	13,595,795	49,158	INPATIENT HOSPITAL	114,445,460	107,389,325	(7,056,135)	
105,475	105,875	400	REINSURANCE EXPENSE PREMIUM	841,204	836,220	(4,984)	
6,154,715	5,651,743	(502,972)	OUTPATIENT HOSPITAL SERVICES	46,840,575	44,641,160	(2,199,415)	
			OTHER MEDICAL				
351,374	333,125	(18,249)	Ambulance	2,661,261	2,631,092	(30,169)	
305,183	365,373	60,190	Home Health Services & CBAS	2,948,829	2,885,994	(62,835)	
179,731	313,887	134,156	Utilization and Quality Review Expenses	1,143,145	2,519,104	1,375,959	
603,671	997,430	393,759	Long Term/SNF/Hospice	7,872,581	7,878,700	6,119	
-	240,625	240,625	Enhanced Medical Benefits	162,074	1,900,500	1,738,426	
360,248	286,601	(73,647)	Non-Medical Transportation	3,032,016	2,263,755	(768,261)	
1,800,207	2,537,042	736,835	TOTAL OTHER MEDICAL	17,819,906	20,079,145	2,259,239	
			PHARMACY SERVICES				
7,901,664	7,580,095	(321,569)	RX - Drugs & OTC	57,813,345	59,873,754	2,060,409	
982,856	1,365,051	382,195	RX - HEP-C	7,421,547	10,782,694	3,361,147	
600,068	493,131	(106,937)	Rx - DME	4,484,727	3,895,158	(589,569)	
40,745	(67,030)	(107,775)	RX - Pharmacy Rebates	(410,637)	(529,459)	(118,822)	
9,525,333	9,371,247	(154,086)	TOTAL PHARMACY SERVICES	69,308,982	74,022,147	4,713,165	
562,503	565,469	2,966	PAY FOR PERFORMANCE QUALITY INCENTIVE	4,504,245	4,466,175	(38,070)	
1,034,615	-	(1,034,615)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(3,315,169)	-	3,315,169	
54,695,536	51,380,867	(3,314,669)	Total Medical Costs	416,564,584	405,840,029	(10,724,555)	

* Medical costs per DMHC regulations

CURRENT MONTH		YEAR-TO-DATE	
ACTUAL	BUDGET	ACTUAL	BUDGET
	VARIANCE		VARIANCE
KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED JUNE 30, 2017			
PHYSICIAN SERVICES			
11.02	14.08	11.96	14.08
40.93	33.62	40.05	33.62
5.99	2.72	4.72	2.72
0.04	0.04	0.04	0.04
57.97	50.45	56.77	50.46
OTHER PROFESSIONAL SERVICES			
1.00	1.03	1.00	1.03
3.28	3.28	2.79	3.30
0.49	0.54	0.44	0.52
0.28	0.33	0.25	0.33
0.38	0.38	0.36	0.38
0.19	0.18	0.16	0.17
0.27	0.28	0.22	0.29
2.84	0.92	1.61	0.92
0.37	0.38	0.57	0.38
3.39	3.82	3.90	3.82
12.49	11.15	11.29	11.13
21.31	19.66	18.65	19.66
56.59	56.50	59.74	56.51
0.44	0.44	0.44	0.44
25.71	23.49	24.45	23.49
OTHER MEDICAL			
1.47	1.38	1.39	1.38
1.27	1.52	1.54	1.52
0.75	1.30	0.60	1.33
2.52	4.15	4.11	4.15
0.00	1.00	0.08	1.00
1.51	1.19	1.58	1.19
7.52	10.54	9.30	10.57
PHARMACY SERVICES			
33.01	31.50	30.18	31.50
4.11	5.67	3.87	5.67
2.51	2.05	2.34	2.05
0.17	(0.28)	(0.21)	(0.28)
39.79	38.95	36.18	38.95
2.35	2.35	2.35	2.35
4.32	0.00	(1.73)	0.00
228.50	213.53	217.43	213.54

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH AUGUST 31, 2017		JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	AUGUST 2017	YEAR TO DATE 2017
PHYSICIAN SERVICES										
Primary Care Physician Services	3,406,859	3,070,267	2,668,777	2,931,046	2,648,254	2,973,942	2,579,473	2,637,450	2,637,450	22,916,068
Referral Specialty Services	8,091,488	8,954,220	8,835,432	9,279,831	9,694,053	11,276,157	10,807,238	9,796,067	9,796,067	76,736,486
Urgent Care & After Hours Advise	835,481	651,650	1,642,609	1,085,290	1,443,578	915,798	1,027,855	1,434,189	1,434,189	9,036,450
Hospital Admitting Team	8,988	8,712	9,300	9,000	9,300	9,000	9,300	9,300	9,300	72,900
TOTAL PHYSICIAN SERVICES	12,342,816	12,684,849	13,156,118	13,305,167	13,797,185	15,174,897	14,425,866	13,877,006	13,877,006	108,761,904
OTHER PROFESSIONAL SERVICES										
Vision Service Capitation										
310 - Health Services - Utilization Management - UM Allocation *	234,491	234,963	238,174	240,308	241,148	241,282	241,716	239,716	239,716	1,911,798
311 - Health Services - Quality Improvement - UM Allocation *	659,425	596,974	655,378	585,083	693,556	694,688	677,141	786,180	786,180	5,348,425
312 - Health Services - Education - UM Allocation *	101,672	94,856	112,498	102,951	110,754	103,238	104,334	116,739	116,739	847,042
313 - Health Services - Pharmacy - UM Allocation *	55,993	51,352	57,865	54,139	62,598	67,046	56,777	67,200	67,200	472,970
314 - Health Homes - UM Allocation *	86,242	76,174	87,191	81,001	90,904	86,061	90,504	90,689	90,689	688,766
616 - Disease Management - UM Allocation *	19,018	28,633	40,290	48,254	40,895	40,488	38,342	44,575	44,575	300,495
Behavior Health Treatment	36,728	38,265	51,455	54,901	61,327	58,411	47,602	67,877	67,877	3,083,616
Mental Health Services	300,000	131,003	334,111	249,875	178,748	735,000	174,894	87,624	87,624	1,090,578
Other Professional Services	220,889	119,474	38,619	87,739	271,977	89,562	174,894	87,624	87,624	1,090,578
	927,583	875,268	880,636	975,044	832,946	1,173,903	984,905	812,234	812,234	7,462,519
TOTAL OTHER PROFESSIONAL SERVICES	2,642,041	2,246,962	2,496,217	2,479,295	2,584,649	3,292,395	2,903,026	2,989,387	2,989,387	21,633,972
EMERGENCY ROOM	4,687,780	4,450,889	4,100,250	4,012,665	3,942,442	4,764,752	4,665,069	5,099,658	5,099,658	35,723,505
INPATIENT HOSPITAL	13,999,552	14,812,384	15,281,823	14,524,702	14,725,286	14,193,273	13,361,803	13,546,637	13,546,637	114,445,460
REINSURANCE EXPENSE PREMIUM	103,176	103,384	103,399	105,736	107,515	106,164	106,355	105,475	105,475	841,294
OUTPATIENT HOSPITAL SERVICES	5,477,940	5,813,468	6,116,559	5,765,474	5,787,957	6,293,878	5,430,584	6,154,715	6,154,715	46,840,575
OTHER MEDICAL										
Ambulance	321,788	349,619	341,345	346,373	336,918	309,509	304,335	351,374	351,374	2,661,261
Home Health Services & CBAS	370,547	381,556	383,407	279,863	360,563	515,541	352,169	305,183	305,183	2,948,829
Utilization and Quality Review Expenses	67,616	115,998	142,141	133,334	155,745	141,184	207,396	179,731	179,731	1,143,145
Long Term/SNF/Hospice	1,022,042	820,073	961,497	1,172,612	1,443,187	1,061,036	788,463	603,671	603,671	7,872,581
Enhanced Medical Benefits	-	-	-	-	-	162,074	-	-	-	162,074
Non-Medical Transportation	315,831	340,260	386,323	441,238	432,820	431,464	322,832	360,248	360,248	3,032,016
TOTAL OTHER MEDICAL	2,097,824	2,007,506	2,214,713	2,373,420	2,730,233	2,620,808	1,975,195	1,800,207	1,800,207	17,819,906
PHARMACY SERVICES										
RX - Drugs & OTC	7,157,012	6,565,755	7,810,438	6,736,832	7,588,219	6,993,768	7,059,657	7,901,664	7,901,664	57,813,345
RX - HEP-C	561,061	672,985	971,345	944,297	787,421	1,429,338	1,072,244	982,856	982,856	7,421,547
Rx - DME	476,382	443,564	669,108	534,081	545,988	677,988	537,548	600,068	600,068	4,484,727
RX - Pharmacy Rebates	(66,000)	(66,000)	(387,768)	(66,000)	(66,000)	(66,000)	266,386	40,745	40,745	(410,637)
TOTAL PHARMACY SERVICES	8,128,455	7,616,304	9,063,123	8,149,210	8,855,628	9,035,094	8,935,835	9,525,333	9,525,333	69,308,982
PAY FOR PERFORMANCE QUALITY INCENTIVE	552,163	559,709	564,724	566,768	567,013	568,032	563,333	562,503	562,503	4,504,245
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(141,866)	111,013	(585,473)	(232,581)	(744,814)	(2,727,790)	(28,273)	1,034,615	1,034,615	(3,315,169)
Total Medical Costs	49,889,881	50,406,468	52,511,453	51,049,856	52,353,094	53,321,503	52,336,793	54,695,536	54,695,536	416,564,584

KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH AUGUST 31, 2017	JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	AUGUST 2017	YEAR TO DATE 2017
PHYSICIAN SERVICES									
Primary Care Physician Services	14.50	12.94	11.11	12.15	10.98	12.30	10.76	11.02	11.96
Referral Specialty Services	34.44	37.73	36.77	38.48	40.19	46.65	45.08	40.93	40.05
Urgent Care & After Hours Advise	3.56	2.75	6.84	4.50	5.98	3.79	4.29	5.99	4.72
Hospital Admitting Team	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
TOTAL PHYSICIAN SERVICES	52.53	53.45	54.75	55.17	57.18	62.78	60.17	57.97	56.77
OTHER PROFESSIONAL SERVICES									
Vision Service Capitation	1.00	0.99	0.99	1.00	1.00	1.00	1.01	1.00	1.00
310 - Health Services - Utilization Management - UM Allocation *	2.81	2.52	2.73	2.43	2.87	2.87	2.82	3.28	2.79
311 - Health Services - Quality Improvement - UM Allocation *	0.43	0.40	0.47	0.43	0.46	0.43	0.44	0.49	0.44
312 - Health Services - Education - UM Allocation *	0.24	0.22	0.24	0.22	0.26	0.28	0.24	0.28	0.25
313 - Health Services - Pharmacy - UM Allocation *	0.37	0.32	0.36	0.34	0.38	0.36	0.38	0.38	0.36
314 - Health Homes - UM Allocation *	0.08	0.12	0.17	0.20	0.17	0.17	0.16	0.19	0.16
616 - Disease Management - UM Allocation *	0.16	0.16	0.21	0.23	0.25	0.25	0.24	0.27	0.22
Behavior Health Treatment	1.28	0.55	1.39	1.04	0.74	3.04	1.99	2.84	1.61
Mental Health Services	0.94	0.50	0.16	0.36	1.13	0.37	0.73	0.37	0.57
Other Professional Services	3.95	3.69	3.66	4.04	3.45	4.86	4.11	3.39	3.90
TOTAL OTHER PROFESSIONAL SERVICES	11.24	9.47	10.39	10.28	10.71	13.62	12.11	12.49	11.29
EMERGENCY ROOM	19.95	18.75	17.06	16.64	16.34	19.71	19.46	21.31	18.65
INPATIENT HOSPITAL	59.58	62.41	63.59	60.22	61.03	58.72	55.74	56.59	59.74
REINSURANCE EXPENSE PREMIUM	0.44	0.44	0.43	0.44	0.45	0.44	0.44	0.44	0.44
OUTPATIENT HOSPITAL SERVICES	23.31	24.50	25.45	23.91	23.99	26.04	22.65	25.71	24.45
OTHER MEDICAL									
Ambulance	1.37	1.47	1.42	1.44	1.40	1.28	1.27	1.47	1.39
Home Health Services & CBAS	1.58	1.61	1.60	1.16	1.49	2.13	1.47	1.27	1.54
Utilization and Quality Review Expenses	0.29	0.49	0.59	0.55	0.65	0.58	0.87	0.75	0.60
Long Term/SNF/Hospice	4.35	3.46	4.00	4.86	5.98	4.39	3.29	2.52	4.11
Enhanced Medical Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.08
Non-Medical Transportation	1.34	1.43	1.61	1.83	1.80	1.79	1.35	1.51	1.58
TOTAL OTHER MEDICAL	8.93	8.46	9.22	9.84	11.32	10.84	8.24	7.52	9.30
PHARMACY SERVICES									
RX - Drugs & OTC	30.46	27.67	32.50	27.93	31.45	28.93	29.45	33.01	30.18
RX - HEP-C	2.39	2.84	4.04	3.92	3.26	5.91	4.47	4.11	3.87
Rx - DME	2.03	1.87	2.78	2.21	2.26	2.80	2.24	2.51	2.34
RX - Pharmacy Rebates	(0.28)	(0.28)	(1.61)	(0.27)	(0.27)	(0.27)	1.11	0.17	(0.21)
TOTAL PHARMACY SERVICES	34.59	32.09	37.71	33.79	36.70	37.38	37.28	39.79	36.18
PAY FOR PERFORMANCE QUALITY INCENTIVE	2.35	2.36	2.35	2.35	2.35	2.35	2.35	2.35	2.35
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(0.60)	0.47	(2.44)	(0.96)	(3.09)	(11.29)	(0.12)	4.32	(1.73)
Total Medical Costs	212.33	212.40	218.52	211.67	216.98	220.60	218.33	228.50	217.43

CURRENT MONTH		YEAR-TO-DATE	
ACTUAL	BUDGET	ACTUAL	BUDGET
VARIANCE		VARIANCE	
KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED AUGUST 31, 2017			
177,810	269,445	1,648,387	1,999,416
	91,635		351,029
129,600	156,422	994,089	1,159,645
	26,822		165,556
503,659	570,160	3,707,091	4,516,170
	66,501		809,079
174,702	212,501	901,694	1,700,006
	37,799		798,312
486,766	495,260	3,704,998	4,061,741
	8,494		356,743
71,003	83,913	508,025	668,614
	12,910		160,589
(1,402)	44,975	9,086	359,800
	46,377		350,714
8,453	3,931	9,456	31,438
	(4,522)		21,982
26,798	150	37,858	6,800
	(26,648)		(31,058)
88,846	79,550	677,476	678,860
	(9,296)		1,384
10,949	7,550	19,307	60,400
	(3,399)		41,093
-	-	102	150
	-		48
179,828	194,556	1,342,073	1,550,494
	14,728		208,421
424,970	501,103	3,108,464	3,994,351
	76,133		885,887
322,254	332,356	2,311,203	2,543,970
	10,102		232,767
51,024	52,062	396,959	402,139
	1,038		5,180
8,374	44,350	218,911	354,800
	35,976		135,889
53,431	56,140	394,849	447,733
	2,709		52,884
142,634	160,131	1,068,675	1,078,147
	17,497		9,472
2,859,699	3,264,555	21,058,703	25,614,673
	404,856		4,555,970

KERN HEALTH SYSTEMS MEDI-CAL		JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017	MAY 2017	JUNE 2017	JULY 2017	AUGUST 2017	YEAR TO DATE 2017
SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED AUGUST 31, 2017										
110 - Executive		279,907	177,920	209,756	191,067	192,888	255,274	163,765	177,810	1,648,387
210 - Accounting		110,185	137,255	124,511	103,181	126,637	140,068	122,652	129,600	994,089
220 - Management Information Systems (MIS)		408,164	408,429	469,937	432,868	512,776	498,673	472,585	503,659	3,707,091
225 - Infrastructure		3,723	152,258	173,666	83,611	126,901	100,980	85,853	174,702	901,694
230 - Claims		409,956	432,879	463,333	510,387	472,762	472,980	455,935	486,766	3,704,998
240 - Project Management		63,772	68,960	70,610	54,103	58,554	57,008	64,015	71,003	508,025
310 - Health Services - Utilization Management		159	2,491	(435)	280	1,637	178	6,178	(1,402)	9,086
311 - Health Services - Quality Improvement		500	15	-	-	488	-	-	8,453	9,456
312 - Health Services - Education		-	(66)	438	271	1,282	169	8,966	26,798	37,858.00
313- Pharmacy		85,960	79,829	90,520	80,420	88,218	83,335	80,348	88,846	677,476
314 - Health Homes		-	608	6,000	1,166	35	503	46	10,949	19,307
616 - Disease Management		33	-	-	-	-	69	-	-	102
320 - Provider Relations		136,674	143,067	186,675	164,456	206,559	167,646	157,168	179,828	1,342,073
330 - Member Services		364,293	349,583	382,981	378,129	415,875	409,866	382,767	424,970	3,108,464
340 - Corporate Services		263,501	243,425	320,028	291,136	281,586	284,593	304,680	322,254	2,311,203
360 - Audit & Investigative Services		73,998	40,824	45,501	36,418	49,395	50,015	49,784	51,024	396,959
410 - Advertising Media		19,017	3,800	46,065	25,789	56,200	15,998	43,668	8,374	218,911
420 - Sales/Marketing/Public Relations		47,664	55,567	49,579	44,462	48,882	53,183	42,081	53,431	394,849
510 - Human Resources		94,898	104,383	175,095	159,527	130,730	166,753	94,655	142,634	1,068,675
Total Department Expenses		2,362,404	2,401,227	2,814,260	2,557,271	2,771,405	2,757,291	2,535,146	2,859,699	21,058,703

**KERN HEALTH SYSTEMS
GROUP HEALTH PLAN - HFAM
BALANCE SHEET STATEMENT
AS OF AUGUST 31, 2017**

ASSETS	AUGUST 2017	JULY 2017	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,427,167	\$ 1,427,167	-
Interest Receivable	2,000	1,000	1,000
Prepaid Expenses & Other Current Assets	3,333	4,167	(834)
TOTAL CURRENT ASSETS	\$ 1,432,500	\$ 1,432,334	\$ 166

LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts Payable	6,615	6,615	-
Other Liabilities	353,849	353,849	-
TOTAL CURRENT LIABILITIES	\$ 360,464	\$ 360,464	\$ -

NET POSITION:			
Net Position- Beg. of Year	1,070,040	1,070,040	-
Increase (Decrease) in Net Position - Current Year	1,996	1,830	166
Total Net Position	\$ 1,072,036	\$ 1,071,870	\$ 166
TOTAL LIABILITIES AND NET POSITION	\$ 1,432,500	\$ 1,432,334	\$ 166

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED AUGUST 31, 2017	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
ENROLLMENT						
-	-	-	Members	-	-	-
REVENUES						
-	-	-	Premium	-	-	-
1,000	-	1,000	Interest	7,864	-	7,864
-	-	-	Other Investment Income	800	-	800
1,000	-	1,000	TOTAL REVENUES	8,664	-	8,664
EXPENSES						
-	-	-	Medical Costs	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-
-	-	-	Total Medical Costs	-	-	-
1,000	-	1,000	GROSS MARGIN	8,664	-	8,664
Administrative						
834	-	(834)	Management Fee Expense and Other Admin Exp	6,668	-	(6,668)
834	-	(834)	Total Administrative Expenses	6,668	-	(6,668)
834	-	(834)	TOTAL EXPENSES	6,668	-	(6,668)
166	-	166	OPERATING INCOME (LOSS)	1,996	-	1,996
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-
166	-	166	NET INCREASE (DECREASE) IN NET POSITION	1,996	-	1,996
0%	0%	0%	MEDICAL LOSS RATIO	0%	0%	0%
83%	0%	-83%	ADMINISTRATIVE EXPENSE RATIO	77%	0%	-77%

**KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT**

KERN HEALTH SYSTEMS

MEDI-CAL

	2017 MEMBER MONTHS											
	JAN'17	FEB'17	MAR'17	APR'17	MAY'17	JUN'17	JUL'17	AUG'17	SEP'17	OCT'17	NOV'17	DEC'17
ADULT AND FAMILY												
PA - FAMILY	36,123	36,255	36,565	35,376	34,185	34,130	34,024	34,925				
MN - FAMILY	0	0	0	0	0	0	0	1				
REFUGEE - FAMILY	1	1	0	2	2	4	4	9				
FOSTER CARE	493	498	508	536	594	608	588	749				
POVERTY-133/200%	2	2	2	2	0	1	1	1				
POVERTY-100%	0	0	0	0	0	0	0	0				
MI - CHILD	104,391	105,746	107,285	108,562	109,014	109,096	107,948	106,527				
CHILD-ACA	-127	430	405	415	422	426	316	379				
FAMILY - UNDER 19	20,203	20,297	19,877	19,885	20,312	20,627	20,456	20,632				
SUB-TOTAL ADULT & FAMILY	161,086	163,229	164,642	164,778	164,529	164,892	163,337	163,223	0	0	0	0

MEDI-CAL EXPANSION	
LHP Transition Pre-ACA	465
ACA Expansion Adult-Citizen	451,741
ACA Expansion CAL Fresh Adult	44
LHP Transition Pre-ACA	4,455
SUB-TOTAL MANDATORY	456,705

SDP MEMBERS	
SSI-AGED	1,430
MI - AGED	11,096
SSI - BLIND & DIS-ABLED	93,865
MI - BLIND & DIS-ABLED	2,664
SUB-TOTAL MANDATORY SPD	109,055

TOTAL MANDATORY	1,875,476
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OTHER MEMBERS	
BCCTP-TOBACCO SETTLEMENT	230

DUALS	
PA - FAMILY DUALS	195
PART D SSI-AGED	5,285
PART D MN - AGED	9,342
PART D SSI - BLIND & DIS-ABLED	16,774
PART D MN - BLIND & DIS-ABLED	6,178
PART D BCCTP-TOBACCO SETTLEMENT	13
PART D MI - ADULT	0
PART D MI - CHILD	3,207
SUB-TOTAL DUALS	40,994

TOTAL OTHERS	41,224
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TOTAL KAISER	60,619
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TOTAL MEDI-CAL MEMBERS	1,977,319
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	JAN'17	FEB'17	MAR'17	APR'17	MAY'17	JUN'17	JUL'17	AUG'17	SEP'17	OCT'17	NOV'17	DEC'17
	36,123	36,255	36,565	35,376	34,185	34,130	34,024	34,925				
	0	0	0	0	0	0	0	1				
	1	1	0	2	2	4	4	9				
	493	498	508	536	594	608	588	749				
	2	2	2	2	0	1	1	1				
	0	0	0	0	0	0	0	0				
	104,391	105,746	107,285	108,562	109,014	109,096	107,948	106,527				
	-127	430	405	415	422	426	316	379				
	20,203	20,297	19,877	19,885	20,312	20,627	20,456	20,632				
	161,086	163,229	164,642	164,778	164,529	164,892	163,337	163,223	0	0	0	0

	26	69	58	65	65	60	62	60				
	54,856	55,872	56,493	57,020	57,401	57,096	56,661	56,342				
	9	1	4	5	5	7	7	6				
	514	500	532	573	594	580	561	601				
	55,405	56,442	57,087	57,663	58,065	57,743	57,291	57,009	0	0	0	0

	158	185	191	194	174	162	193	173				
	1,338	1,359	1,388	1,357	1,322	1,443	1,443	1,446				
	11,702	11,623	11,814	11,701	11,631	11,984	11,852	11,808				
	326	393	346	325	288	317	288	381				
	13,524	13,560	13,539	13,577	13,415	13,856	13,776	13,808	0	0	0	0

TOTAL MANDATORY	230,015	233,231	235,268	236,018	236,009	236,491	234,404	234,040	0	0	0	0
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OTHER MEMBERS	
BCCTP-TOBACCO SETTLEMENT	29
	30
	27
	28
	26
	30
	29
	31

	31	17	15	21	15	37	31	28				
	615	628	625	673	666	677	704	697				
	1,127	1,116	1,134	1,173	1,229	1,194	1,164	1,205				
	2,067	2,011	2,081	2,085	2,128	2,102	2,149	2,151				
	762	780	740	751	735	772	818	820				
	1	1	1	2	2	2	2	2				
	0	0	0	0	0	0	0	0				
	316	360	417	427	472	411	415	389				
	4,919	4,913	5,013	5,132	5,247	5,195	5,283	5,292	0	0	0	0

TOTAL OTHERS	4,948	4,943	5,040	5,160	5,273	5,225	5,312	5,323	0	0	0	0
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TOTAL KAISER	7,103	7,365	7,466	7,619	7,714	7,745	7,796	7,811				
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TOTAL MEDI-CAL MEMBERS	242,066	245,539	247,774	248,797	248,996	249,461	247,512	247,174	0	0	0	0
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KERN HEALTH SYSTEMS

JULY AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T2704	MCG HEALTH LLC****	564,740.80	705,846.01	2017 MILLIMAN MAINTENANCE-LICENSE FEE- YEAR 3 OF 5	HE-UM
T1045	KAISER FOUNDATION HEALTH	363,031.83	2,426,549.10	EMPLOYEE HEALTH BENEFITS	VARIOUS
T1845	DEPARTMENT OF MANAGED HEALTH CARE*****	222,721.77	222,721.77	MCAL/HFAM ANNUAL ASSESSMENT FEES -- 1 INSTALLMENT OF 2	ADMINISTRATION
T2355	CALPERS*****	182,084.00	182,084.00	2017/2018 ANNUAL UNFUNDED ACCRUED LIABILITY	ADMINISTRATION
T4696	ZNALYTICS, LLC****	143,050.37	341,347.10	CONSULTING SERVICES	CAPITAL PROJECT IN PROCESS
T4350	COMPUTER ENTERPRISES INC. ****	139,237.60	373,933.40	2017 CONSULTING SERVICES	CAPITAL PROJECT IN
T4237	FLUIDEDGE CONSULTING	108,045.84	595,331.29	JUN. & JUL. CONSULTING SERVICES TO UPDATE STANDARD BUSINESS REPORTING.	VARIOUS
T4654	DELAWIE****	98,136.73	492,541.85	ARCHITECTURE SERVICES	CAPITAL PROJECT-NEW
T1960	LOCAL HEALTH PLANS OF CA. INC*****	96,810.36	96,810.36	2016/2017 FLAT YEARLY ASSESSMENT	ADMINISTRATION
T2726	ARGUS HEALTH SYSTEMS, INC.	83,259.21	660,772.21	JUNE PHARMACY AND CLAIMS PROCESSING	PHARMACY
T4695	EDIFECS, INC.	82,920.00	1,086,014.72	PERPETUAL LICENSES FOR EDI MANAGEMENT	CAPITAL PROJECT IN PROCESS
T4582	HEALTHX, INC*****	54,500.00	175,200.00	PROVIDER AND MEMBER PORTAL	CAPITAL PROJECT - MEMBER &
T1597	BAKERSFIELD MEMORIAL HOSP****	50,000.00	150,000.00	BMH DIABETIC CLINIC 2016-2017	HE-DISEASE MANAGEMENT

KERN·HEALTH SYSTEMS

JULY AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T2686	ALLIANT INSURANCE SERVICES INC	48,150.80	283,783.72	2017/2018 WORKERS COMPENSATION PREMIUM	ADMIN
T4193	TECHNOSOCIALWORK.COM	48,123.74	137,809.50	JUN. & JUL. OCR SERVICES AND PROFESSIONAL SERVICES FOR ICD-10 PROJECT	CLAIMS
T2413	TREK IMAGING INC*****	47,040.03	100,857.46	PROMOTIONS- MEMBER GIVEAWAYS	VARIOUS
T2961	SOLUTIONS BENCH, LLC*****	43,311.95	149,306.95	M-FILES LICENSES & MAINTENANCE	MIS INFRASTRUCTURE
T2933	SIERRA PRINTERS, INC.*****	42,800.24	110,973.82	PROVIDER DIRECTORIES, PREVENTIVE CARE GUIDES	VARIOUS
T2969	AMERICAN BUSINESS MACHINES INC*****	41,706.01	76,005.41	MONTHLY COPIER MAINTENANCE & HARDWARE- 3 NEW COPIERS	MIS INFRASTRUCTURE
T2918	STINSON'S*****	40,045.06	99,129.66	OFFICE SUPPLIES & EQUIP UNDER \$1,000	VARIOUS
T2584	UNITED STATES POSTAL SVC.- HASLER*****	40,000.00	110,000.00	POSTAGE-METERED	VARIOUS
T1071	CLINICA SIERRA VISTA*****	39,786.96	483,931.97	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T2469	DST HEALTH SOLUTIONS, INC*****	36,896.37	48,310.49	MHC SOFTWARE - LICENSE FEE, MAINTENANCE, AND SUPPORT	MIS INFRASTRUCTURE
T1272	COFFEY COMMUNICATIONS INC.*****	30,471.38	87,796.21	NEWSLETTER PUBLICATION/MAILING	VARIOUS
T4308	TRUXTUN PLACE PARTNERS	29,931.84	171,991.60	TRUXTUN- LEASE AND UTILITIES EXPENSE	CORPORATE SERVICES
T2707	ACT 1 PERSONNEL SERVICES, INC.	25,354.12	201,923.44	TEMPORARY HELP - 1 MIS, 1 HR, 3 CLAIMS, 1 UM, 1 PR, 1 MS.	VARIOUS

KERN • HEALTH SYSTEMS

JULY AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4686	CENTRIC HEALTH*****	23,175.00	81,111.54	COMMUNITY BENEFIT PROGRAM GRANT	COMMUNITY GRANTS
T1189	APPLE ONE INC.	19,462.42	118,507.54	TEMPORARY HELP - 1 PHARM, 1 CS, 3 CLAIMS	VARIOUS
T3011	OFFICE ALLY, INC.	17,852.00	114,742.75	JUNE EDI CLAIM PROCESSING	CLAIMS
T4585	DELANO UNION SCHOOL DISTRICT*****	17,500.00	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T4611	LAMONT SCHOOL DISTRICT*****	17,500.00	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T4546	LEVEL 3 COMMUNICATIONS, LLC	16,541.72	114,508.66	DISASTER RECOVERY, INTERNET, LONG DISTANCE CALLS	MIS INFRASTRUCTURE
T2837	TOYS/BABIES R US	16,079.11	43,230.24	WELL CHILD & PREGNANCY INCENTIVE PROGRAM	HEALTH EDUCATION
T4740	HEALTHCARE SCOUTS, INC*****	15,868.53	55,298.26	RECRUITMENT/DIRECT HIRE- MEMBER HEALTH EDUCATOR BERNARDO OCHOA	HUMAN RESOURCES
T4460	PAYSPAN, INC	15,619.95	94,801.41	JUNE EXTERNAL CLAIMS PAYMENT PROCESSING	FINANCE
T4467	MEDISOFTRX, LLC.	14,700.00	102,000.00	JUNE PROFESSIONAL SERVICES-HOME HEALTH PROJECT	CAPITAL PROJECT IN PROGRESS
T1861	CERIDIAN HCM, INC*****	14,477.25	83,492.37	JULY DAYFORCE MANAGEMENT	HUMAN RESOURCES
T4478	AMERICAN FIDELITY ASSURANCE CO.	13,153.04	82,325.19	JULY EMPLOYEE PAID VOLUNTARY INSURANCE	PAYROLL DEDUCTION
T4538	CHANGE HEALTHCARE SOLUTIONS	13,012.47	81,059.69	JUNE EDI CLAIM PROCESSING	CLAIMS

KERN • HEALTH SYSTEMS

JULY AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4708	HEALTH MANAGEMENT ASSOCIATES, INC*****	12,958.75	17,600.00	CONSULTING FEES	PROVIDER RELATIONS
T4733	UNITED STAFFING ASSOCIATES	12,391.50	28,246.69	TEMP HELP - 1 HOME HEALTH, 1 PM, 1 AIS	VARIOUS
T4168	RELAYHEALTH	12,212.97	91,674.02	MAY EDI CLAIM PROCESSING	CLAIMS
T2955	DELTA ELECTRIC INC.*****	11,941.92	29,555.29	BUILDING MAINTENANCE-INSTALLATION OF NEW CAMARAS	CORPORATE SERVICES
T2790	KERN COUNTY DEPT OF PUBLIC HEALTH*****	10,800.00	32,248.00	SPONSORSHIP - FLU SHOTS	MARKETING
		<u>2,977,403.64</u>			
	TOTAL VENDORS OVER \$10,000	2,977,403.64			
	TOTAL VENDORS UNDER \$10,000	346,377.16			
	TOTAL VENDOR EXPENSES-July	<u><u>3,323,780.80</u></u>			

Note:

*****New vendors over \$10,000 for the month of July

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH	2,426,549.10	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4695	EDIFICS, INC.	1,086,014.72	PERPETUAL LICENSES FOR EDI MANAGEMENT SOFTWARE SOLUTION	CAPITAL PROJECT IN PROCESS
T4699	ZeOMEGA, INC.	1,043,685.88	IMPLEMENTATION OF MEDICAL MANAGEMENT PLATFORM	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T1408	DELL MARKETING L.P.	961,096.14	HARDWARE- 15- LATITUDE E5470, 4 BROCADE 6510, 5 SMALL PRINTER, 5 DELL POWEREDGE M630, 5 POWEREDGE M630, 1 DELL M1000E CHASSIS ENCLOSURE, 20 OPTIPLEX 3040 W/ MONITORS, 12-23" MONITORS, 5-OPTIPLEX 3050, KHS VEEAM, SUPPORT & MAINTENANCE, MICROSOFT SYSTEM CENTER, 2ND YR MICROSOFT RENEWAL	MIS INFRASTRUCTURE & CAPITAL PROJECT IN PROCESS.
T2704	MCG HEALTH LLC	705,846.01	2017 MILLIMAN MAINTENANCE-LICENSE FEE- YEAR 3 OF 5	HE-UM
T2726	ARGUS HEALTH SYSTEMS, INC.	660,772.21	PHARMACY AND CLAIMS PROCESSING	PHARMACY
T4392	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	595,916.17	2017 QNXT ANNUAL MAINTENANCE, CONSULTING SERVICES, REGISTRATION	MIS INFRASTRUCTURE
T4237	FLUIDEDGE CONSULTING	595,331.29	CONSULTING SERVICES TO UPDATE STANDARD BUSINESS REPORTING.	VARIOUS
T4327	MCKESSON TECHNOLOGIES INC.	494,938.46	ANNUAL CLAIM CHECK SOFTWARE LICENSE & ADDTL COVERED LIVES FEES -----YR 2 OF 3	CLAIMS
T4654	DELAWIE	492,541.85	ARCHITECTURE SERVICES	CAPITAL PROJECT-NEW BUILDING
T1071	CLINICA SIERRA VISTA	483,931.97	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4350	COMPUTER ENTERPRISE INC.	373,933.40	2017 CONSULTING SERVICES	CAPITAL PROJECT IN PROGRESS
T4696	ZNALYTICS, LLC	341,347.10	CONSULTING SERVICES	CAPITAL PROJECT IN PROGRESS
T2686	ALLIANT INSURANCE SERVICES INC	283,783.72	2017/2018 WORKERS COMPENSATION PREMIUM	ADMIN
T3460	THE GUARDIAN LIFE INSURANCE CO.	281,132.17	VOLUNTARY LIFE AD&D, DENTAL INSURANCE	VARIOUS
T2167	PG&E	277,606.53	ANNUAL TRUE-UP FOR 2016 USAGE/UTILITIES	CORPORATE SERVICES
T2707	ACT 1 PERSONNEL SERVICES, INC.	235,584.52	TEMPORARY HELP	VARIOUS
T1845	DEPARTMENT OF MANAGED HEALTH CARE*****	222,721.77	MCAL/HFAM ANNUAL ASSESSMENT FEES -- 1 INSTALLMENT OF 2	ADMINISTRATION
T4308	TRUXTUN PLACE PARTNERS	201,923.44	TRUXTUN- LEASE AND UTILITIES EXPENSE	CORPORATE SERVICES
T4193	TECHNOSOCIALWORK.COM	185,933.24	OCR SERVICES AND PROFESSIONAL SERVICES FOR ICD-10 PROJECT	CLAIMS
T2355	CALPERS*****	182,084.00	2017/2018 ANNUAL UNFUNDED ACCRUED LIABILITY	ADMINISTRATION
T4582	HEALTHX, INC	175,200.00	PROVIDER AND MEMBER PORTAL	CAPITAL PROJECT - MEMBER & PROVIDER PORTAL
T1597	BAKERSFIELD MEMORIAL HOSP	150,000.00	BMH DIABETIC CLINIC 2016-4TH QUARTER & 2017 1ST QTR.	HE-DISEASE MANAGEMENT
T2961	SOLUTION BENCH, LLC	149,306.95		MIS INFRASTRUCTURE
T2597	FUSION STORM INC.	141,663.01	HARDWARE- 3 SERVERS, NEXT GENERATION SECURITY MANAGEMENT & SUPPORT, 24PORT WEB MNGT & SUPPORT, 4PORT BASE-T RJ45 INTERFACE CARD, JUNIPER CARE 3YR	MIS INFRASTRUCTURE
T1189	APPLE ONE INC.	118,507.54	TEMPORARY HELP	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T3011	OFFICE ALLY, INC.	114,742.75	EDI CLAIM PROCESSING	CLAIMS
T4546	LEVEL 3 COMMUNIATIONS, LLC	114,508.66	DISASTER RECOVERY, INTERNET, LONG DISTANCE CALLS	MIS INFRASTRUCTURE
T2933	SIERRA PRINTERS, INC.	110,973.82	PROVIDER DIRECTORIES	PROVIDER RELATIONS
T2584	UNITED STATES POSTAL SVC.-HASLER	110,000.00	POSTAGE-METERED	VARIOUS
T4467	MEDISOFTX, LLC.	102,000.00	PROFESSIONAL SERVICES-HOME HEALTH PROJECT	CAPITAL PROJECT IN PROGRESS
T2413	TREK IMAGING INC	100,857.46	PROMOTIONS GIVEAWAYS	VARIOUS
T2918	STINSON'S	99,129.66	OFFICE SUPPLIES & EQUIP UNDER \$1,000	VARIOUS
T3473	PACIFIC HEALTH CONSULTING GROUP	99,000.00	CONSULTING SERVICES	PROJECT MANAGEMENT
T1960	LOCAL HEALTH PLANS OF CA, INC*****	96,810.36	2016/2017 FLAT YEARLY ASSESSMENT	ADMINISTRATION
T4460	PAYSPAN, INC	94,801.41	EXTERNAL CLAIMS PAYMENT PROCESSING	FINANCE
T4168	RELAYHEALTH	91,674.02	EDI CLAIM PROCESSING	CLAIMS
T4165	SHI INTERNATIONAL CO.	90,230.19	VMWARE VSPHERE SUPPORT/SUBSCRIPTION, 2017 PORTFOLIO MAINTENANCE, CISCO UNIFIED COMMUNICATIONS SOFTWARE/MAINTENANCE	MIS INFRASTRUCTURE & CAPITAL PROJECT IN PROCESS.
T1272	COFFEY COMMUNICATIONS INC.	87,796.21	NEWSLETTER PUBLICATION/MAILING	VARIOUS
T1861	CEREDIAN BENEFITS SERVICES	83,492.37	DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4478	AMERICAN FIDELITY ASSURANCE CO.	82,325.19	EMPLOYEE PAID VOLUNTARY INSURANCE	PAYROLL DEDUCTION
T4686	CENTRIC HEALTH	81,111.54	COMMUNITY BENEFIT PROGRAM GRANT	COMMUNITY GRANTS



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	81,059.69	EDI CLAIM PROCESSING	CLAIMS
TT4452	WELLS FARGO 3500 2469	77,663.87	CREDIT CARD-TRAINING REGISTRATION, LODGING EXPENSES, AND MISCELLANEOUS PURCHASES	VARIOUS
T4664	TURNOR THE. LLC	76,686.27	HARDWARE - 2 NIMBLE STORAGE EXPANSION	CAPITAL PROJECT IN PROGRESS-CM/DM
T2969	AMERICAN BUSINES MACHINES INC	76,005.41	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	58,476.00	2017 ACAP DUES	ADMINISTRATION
T4740	HEALTHCARE SCOUTS, INC	55,298.26	RECRUITMENT/DIRECT HIRE-DISEASE MANAGEMENT RN S. COLLINS & C. BARNETT CLINICAL INTAKE COORDINATOR RN I	HUMAN RESOURCES
T4396	KAISER FOUNDATION HEALTH-DMHO	50,879.31	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4537	BURKE, WILLIAMS & SORENSEN, LLP	49,138.01	LEGAL FEES	CAPITAL PROJECT-NEW BUILDING
T4678	XEROX STATE HEALTHCARE, LLC	48,975.00	CONSULTING SERVICES	PROVIDER RELATIONS
T2469	DST HEALTH SOLUTIONS, INC.	48,310.49	MHC SOFTWARE - LICENSE FEE, MAINTENANCE, AND SUPPORT & ADJUSTED CLINICAL GROUP SYSTEM	MIS INFRASTRUCTURE
T3084	KERN COUNTY-COUNTY COUNSEL	47,976.60	LEGAL FEES	ADMINISTRATION
T4405	SMARTERP SOLUTIONS, INC.	47,305.84	2017 CONSULTING FEES	CAPITAL PROJECTS IN PROCESS
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	47,250.00	2016 AUDIT FEES	ADMINISTRATION
T4653	FORMS ON FIRE, INC.	44,865.75	SOFTWARE SUBSCRIPTION/MAINTENANCE & SUPPORT	HE-QI
T2837	TOYS/BABIES R US	43,230.24	WELL CHILD & PREGNANCY INCENTIVE PROGRAM	HEALTH EDUCATION

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4694	KELLY SERVICES, INC.	41,176.14	TEMP HELP 1- QI, DIRECT HIRE FEES- GARNOT DEAL FOR SYSTEM CONFIGURATION SUPERVISOR	VARIOUS
T4688	VANGUARD MEDICAL CORPORATION	40,386.09	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4737	TEKSYSTEMS, INC.	39,198.72	DIRECT HIRE- K. YEBUAH, DATA ANALYTICS AND REPORTING, SUPERVISOR	HUMAN RESOURCES
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	37,800.00	DAILY AND MONTHLY PASSES GET BUS PASSES	MEMBER SERVICES
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	36,500.00	SPONSORSHIP	MARKETING
T4634	EXECUTIVE STAFFING SOLUTIONS	34,000.00	RECRUITMENT FEES	HUMAN RESOURCES
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	33,519.00	2017 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T4646	LOOKINGPOINT, INC.	33,337.57	CONSULTING SERVICES	CAPITAL PROJECT IN PROCESS
T4609	GREGORY D. BYNUM AND ASSOCIATES, INC	33,266.58	NEW BUILDING DEVELOPMENT OVERHEAD FEES	CAPITAL PROJECT-NEW BUILDING
T2676	WEST COAST MAINTENANCE	32,433.80	JANITORIAL SERVICES	CORPORATE SERVICES
T2790	KERN COUNTY DEPT OF PUBLIC HEALTH	32,248.00	FLU CLINIC SPONSORSHIPS	MARKETING
T4386	STACY POEHLMAN	31,955.00	PROFESSIONAL SERVICES	PROVIDER RELATIONS
T4503	VISION SERVICE PLAN	30,925.80	EMPLOYEE BENEFITS-VISION	VARIOUS
T4561	SRI & SHARMA, LLC	30,625.00	PARKING SPACE RENTAL	CORPORATE SERVICES
T4479	BAKERSFIELD PEDIATRICS, A MEDICAL GROUP	30,100.26	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS & 2016 SPRING HEALTH FAIR SPONSORSHIP	COMMUNITY GRANTS



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2446	AT&T MOBILITY	30,043.03	CELLULAR PHONE	MIS INFRASTRUCTURE
T4603	ECFIRST.COM	30,042.29	PROFESSIONAL SERVICES -INFORMATION SYSTEM SECURITY	CAPITAL PROJECT IN PROCESS
T2955	DELTA ELECTRIC INC.	29,555.29	BUILDING MAINTENANCE	CORPORATE SERVICES
T4059	KERN VALLEY HEALTH CARE DISTRICT	29,474.45	2015-2016 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T2755	VELOCITY PARTNERS, LLC	29,376.00	CONSULTING FEES FOR CLAIMS WORKFLOW, UM REMOTE NURSE, QI WORKFLOW, MEMBERSHIP, AUDIT, AND CORE PROJECT	MIS INFRASTRUCTURE
T4563	SPH ANALYTICS	28,627.95	2017 MEMBER/PROVIDER SATISFACTION	MEMBER SERVICES
T4433	MICRO-DYN MEDICAL SYSTEMS, INC.	28,580.00	APR-DRG GROUPER SOFTWARE/LICENSE	MIS INFRASTRUCTURE
T4733	UNITED STAFFING ASSOCIATES	28,246.69	TEMPORARY HELP	VARIOUS
T3986	JACQUELYN S. JANS	26,280.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	MARKETING
T2941	KERN PRINT SERVICES INC.	26,092.24	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T1032	THE BAKERSFIELD CALIFORNIAN	25,844.20	EMPLOYMENT AD	HUMAN RESOURCES
T2441	POPPYROCK DESIGNS	25,032.00	MATERIAL DESIGN	VARIOUS
T1183	MILLIMAN USA	25,024.50	CY2015 RDT CONSULTING - ACTUARIAL	ADMINISTRATION
T4683	CLAUDIA M. BACA	24,818.01	CONSULTING SERVICES	PROJECT MANAGEMENT

KERN • HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4501	ALLIED UNIVERSAL SECURITY SERVICES	23,790.00	BUILDING SECURITY & PATROLING SERVICES	CORPORATE SERVICES
T2562	CACTUS SOFTWARE LLC	23,010.00	ANNUAL CACTUS LICENSE & CONSULTING FEES	MIS INFRASTRUCTURE
T4707	SHAFTER PEDIATRICS	22,904.43	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS & 2016 SPRING HEALTH FAIR SPONSORSHIP	COMMUNITY GRANTS
T4685	NATIONAL GIFT CARD CORP	22,572.02	HOME HEALTH INCENTIVE PROGRAM	HOME HEALTH
T4698	INFINITY COMMUNICATIONS & CONSULTING, INC.	22,500.00	TECHNICAL BUILDING ARCHITECTURAL CONSULTING	CAPITAL PROJECT-NEW BUILDING
T1128	HALL LETTER SHOP, INC	22,313.64	NEW MEMBER LETTER/ENVELOPES, MEMBER HANDBOOKS, CLINICAL CARE MANUAL FOR HH	VARIOUS
T4294	J. SERVICES JANITORIAL	22,265.00	MAINTENANCE-JANITORIAL SERVICES	CORPORATE SERVICES
T4497	SKILLSOFT CORPORATION	20,836.93	YEAR 2 OF 3 -LICENSE FEE FOR ONLINE TRAINING	HUMAN RESOURCES
T4183	LAMAR ADVERTISING OF BAKERSFIELD	20,000.00	OUTDOOR ADVERTISEMENT-BILLBOARDS	ADVERTISING
T1180	LANGUAGE LINE SERVICES INC.	19,374.50	INTERPRETATION SERVICES	MEMBER SERVICES
T4384	PINNACLE PRIMARY CARE, INC.	18,480.22	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T2234	HASMIUKH AMIN MD	18,101.75	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4674	STOCKDALE PLAZA OWNERS ASSOCIATION INC	18,000.00	PARKING SPACE RENTAL	CORPORATE SERVICES
T4228	THE SSI GROUP, LLC	17,706.60	EDI CLAIM PROCESSING	CLAIMS

KERN • HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4708	HEALTH MANAGEMENT ASSOCIATES, INC*****	17,600.00	CONSULTING FEES	PROVIDER RELATIONS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T3990	SPARKLETT'S INC.	17,591.91	DRINKING WATER, WATER COOLER RENTALS	CORPORATE SERVICES
T4585	DELANO UNION SCHOOL DISTRICT*****	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T4611	LAMONT SCHOOL DISTRICT*****	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T4778	CLINICA LA VICTORIA A MEDICAL CORP	16,700.00	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS & 2016 SPRING HEALTH FAIR SPONSORSHIP	COMMUNITY GRANTS
T4594	MEDVERSANT TECHNOLOGIES, LLC*****	16,500.00	CONSULTING SERVICES	PROVIDER RELATIONS
T4768	HEALTHCARE SUPPORT STAFFING, INC	16,224.00	DIRECT HIRE- ANDREA TYSON UM MEDICAL CLAIMS & DISPUTES REVIEW RN	HUMAN RESOURCES
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.*****	16,017.73	CONSULTING SERVICES	MIS INFRASTRUCTURE
T4587	MCINTOSH & ASSOCIATE	15,670.85	FEBRUARY/MARCH PROFESSIONAL SERVICES	CAPITAL PROJECT-NEW BUILDING
T1347	ADVANCED DATA STORAGE	15,090.32	OFF SITE STORAGE SERVICES	CORPORATE SERVICES
T3449	CDW GOVERNMENT	14,308.63	HARDWARE- 10 CISCO PHONES, 7 APPLE IPAD/TABLES, CABLE, 7 APPLE IPAD/TABLES, 3 MICROSOFT ERGONOMIC, PROJECTOR, 2 CANON SCANNERS, 1 DELL LATITUDE E5440	MIS INFRASTRUCTURE
T4690	RONNIE CLAIBORNE A PROFESSIONAL CORPORATION	14,284.55	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS & 2016 SPRING HEALTH FAIR SPONSORSHIP	COMMUNITY GRANTS
T4544	BARNERS WEALTH MANAGEMENT GROUP	14,126.00	RETIREMENT PLAN CONSULTANT	ADMINISTRATION
T2840	ATALASOFT, INC.	14,040.00	SOFTWARE SUPPORT & MAINTENANCE FOR DOTIMAGE	MIS INFRASTRUCTURE
T4425	PRO RESTORATION SERVICES INC.	13,726.05	BUILDING IMPROVEMENT - STRUCTURAL REPAIRS	CORPORATE SERVICES



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4640	REGAL CINEMEDIA CORP*****	13,624.00	MEMBER INCENTIVE PROGRAM	HE-QI
T4385	EARLA E. QUISIDO MD DBA CLINICA DEL PUEBLO	13,590.90	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4732	COFFEE SURGERY CENTER, LLC	12,929.50	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4747	SYED ALAM, M.D. INC.	12,500.00	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T2796	TELERIK INC*****	12,497.29	DEV/CRAFT DEVELOPER LICENSE/SUBSCRIPTION	MIS INFRASTRUCTURE
T3010	CORE BUSINESS INTERIORS	12,344.48	FURNITURE---(3) DESK FOR TRUXTUN, (16) CHAIRS, (1) STAND WORKSTATION	CORPORATE SERVICES
T2938	SAP AMERICA, INC	12,308.32	2017/2018 BUSINESS OBJECTS ANNUAL MAINTENANCE	MIS INFRASTRUCTURE
T1644	BRIGHT HOUSE NETWORK	12,257.05	INTERNET SERVICES	MIS INFRASTRUCTURE
T1022	UNUM LIFE INSURANCE CO. ****	11,596.88	EMPLOYEE LONG TERM AND LIFE INSURANCE	PAYROLL DEDUCTION
T4742	SIERRA WEST CONSULTING GROUP, INC.	11,240.00	SCHIMATIC DESIGN PHASE	CAPITAL PROJECT-NEW BUILDING
T4417	KAISER FOUNDATION HEALTH PLAN*****	11,237.94	EMPLOYEE HEALTH BENEFITS	HE-UM
T3378	CARRIER CORPORATION	10,736.19	BUILDING MAINTENANCE	CORPORATE SERVICES
T3065	CAREERBUILDER, LLC	10,500.00	EMPLOYEE RECRUITMENT - JOB POSTING	HUMAN RESOURCES
T4239	COAST TO COAST COMPUTER*****	10,471.70	OFFICE SUPPLIES - TONERS	CORPORATE SERVICES
T4268	TRENDWAY CORPORATION	10,398.30	3RD FLOOR ADD ON WALLS-HE & CLAIMS	CORPORATE SERVICES
T2787	SAGE SOFTWARE, INC	10,395.00	SAGE 300 ACCOUNTING SOFTWARE	FINANCE



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4739	SECURITAS SECURITY SERVICES USA, INC.*****	10,241.52	SECURITY SERVICES	CORPORATE SERVICES
T4297	PREGMATIC WORKS SOFTWARE	10,203.75	BixPRESS SOFTWARE LICENSE, SUPPORT, & MAINTENANCE	CAPITAL PROJECT IN PROCESS
T4749	ST. JOHN CRITICAL CARE MEDICAL GROUP INC.	10,111.42	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4748	HANY AZIZ, M.D. INC.	10,027.86	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T2844	MARCH OF DIMES	10,000.00	2017 MARCH OF DIMES SPONSORSHIP	VARIOUS
		<u>16,952,381.41</u>		
	TOTAL VENDORS OVER \$10,000	16,952,381.41		
	TOTAL VENDORS UNDER \$10,000	660,385.54		
	TOTAL VENDOR EXPENSES-July	<u>17,612,766.95</u>		

Note:

*****New vendors over \$10,000 for the month of July



AUGUST AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH	363,133.48	2,789,682.58	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4654	DELAWIE	241,772.11	734,313.96	ARCHITECTURE SERVICES	CAPITAL PROJECT-NEW
T2726	DST PHARMACY SOLUTIONS, INC	80,078.54	740,850.75	JULY PHARMACY AND CLAIMS PROCESSING	PHARMACY
T4237	FLUIDEDGE CONSULTING	70,785.58	666,116.87	JUL. & AUG. CONSULTING SERVICES TO UPDATE STANDARD BUSINESS REPORTING.	VARIOUS
T4350	COMPUTER ENTERPRISES INC.	64,949.60	438,883.00	2017 CONSULTING SERVICES	CAPITAL PROJECT IN
T2292	CITY OF BAKERSFIELD****	52,581.00	57,649.09	UTILITES-GARBAGE/SEWER FEES, PLAN FEES COMMERCIAL NEW BUILDING	VARIOUS
T4695	EDIFECS, INC.	42,720.00	1,128,734.72	PERPETUAL LICENSES FOR EDI MANAGEMENT	CAPITAL PROJECT IN PROCESS
T4483	PREMIER VALLEY MEDICAL GROUP****	40,000.00	40,000.00	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4733	UNITED STAFFING ASSOCIATES	36,942.92	65,189.61	TEMP HELP - 1 HOME HEALTH, 1 PM, 1 AIS, BENEFIT MANAGER DIRECT HIRE	VARIOUS
T4582	HEALTHX, INC	36,500.00	211,700.00	PROVIDER AND MEMBER PORTAL	CAPITAL PROJECT - MEMBER &
T2413	TREK IMAGING INC	35,918.96	136,776.42	PROMOTIONS - MEMBER GIVEAWAYS	VARIOUS
T4308	TRUXTUN PLACE PARTNERS	31,418.37	233,341.81	TRUXTUN- LEASE AND UTILITIES EXPENSE	CORPORATE SERVICES
T4193	TECHNOSOCIALWORK.COM	27,331.83	213,265.07	JUL. & AUG. OCR SERVICES AND PROFESSIONAL SERVICES FOR ICD-10 PROJECT	CLAIMS

KERN HEALTH SYSTEMS

AUGUST AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T2961	SOLUTIONS BENCH, LLC	26,547.15	175,854.10	M-FILES LICENSES & MAINTENANCE	MIS INFRASTRUCTURE
T1272	COFFEY COMMUNICATIONS INC.	24,646.80	112,443.01	NEWSLETTER PUBLICATION/MAILING	VARIOUS
T1189	APPLE ONE INC.	24,250.73	142,758.27	TEMPORARY HELP - 1 PHARM, 1 CS, 1 CLAIMS, 2 UM, 1 MS	VARIOUS
T3449	CDW GOVERNMENT****	23,976.08	38,284.71	HARDWARE: 2- PROJECTOR LAMPS FOR MIS, 900 LICENSES WEBSense, 3- ERGO KEYBOARD	MIS INFRASTRUCTURE
T4168	RELAYHEALTH	23,152.71	114,826.73	JUN. & JUL. EDI CLAIM PROCESSING	CLAIMS
T4738	AMERICAN LOGISTICS COMPANY****	22,360.61	22,360.61	JUL. 2017 MEDICAL/NON MEDICAL TRANSPORTATION MEMBER BENEFIT	MEMBER SERVICES
T2707	ACT 1 PERSONNEL SERVICES, INC.	21,309.37	223,232.81	TEMPORARY HELP - 1 MIS, 1 PR, 1 MS.	VARIOUS
T3378	CARRIER CORPORATION****	18,016.85	28,753.04	BUILDING MAINTENANCE - DX AC UNIT REPLACEMENT	CORPORATE SERVICES
T4798	KERN HIGH SCHOOL DISTRICT****	17,500.00	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T4802	KERN COUNTY SUPERINTENDENT OF SCHOOLS****	17,500.00	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T1071	CLINICA SIERRA VISTA	16,745.31	500,677.28	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4546	LEVEL 3 COMMUNICATIONS, LLC	16,348.25	130,856.91	DISASTER RECOVERY, INTERNET, LONG DISTANCE CALLS	MIS INFRASTRUCTURE

KERN • HEALTH SYSTEMS

AUGUST AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T3011	OFFICE ALLY, INC.	15,620.50	130,363.25	JUNE EDI CLAIM PROCESSING	CLAIMS
T2837	TOYS/BABIES R US	15,079.26	58,309.50	WELL CHILD & PREGNANCY INCENTIVE PROGRAM	HEALTH EDUCATION
T4016	FIRST DATABANK, INC*****	14,770.00	14,770.00	NATIONAL DRUG CODE SOFTWARE	MIS INFRASTRUCTURE
T4467	MEDISOFTRX, LLC.	14,700.00	116,700.00	JUL. PROFESSIONAL SERVICES-HOME HEALTH PROJECT	CAPITAL PROJECT IN PROGRESS
T4609	GREGORY D. BYNUM AND ASSOCIATES*****	14,506.33	47,772.91	NEW BUILDING DEVELOPMENT OVERHEAD FEES	CAPITAL PROJECT-NEW BUILDING
T4610	EVERBRIDGE, INC*****	13,950.00	13,950.00	TEXTING SOLUTION FOR HEALTH EDUCATION AND DISEASE MANAGEMENT MEMBERS	MIS INFRASTRUCTURE
T4396	KAISER FOUNDATION HEALTH-DHMO*****	12,890.75	63,770.06	EMPLOYEE HEALTH BENEFIT	VARIOUS
T1128	HALL LETTER SHOP, INC. *****	12,119.84	34,433.48	NEW MEMBER PKT, VACCINE POSTERS, MEMBERSHIP CARDS, BOOKLET ENVELOPES, WELLNESS REWAR LETTER	VARIOUS
T4460	PAYSPAN, INC	11,509.64	106,311.05	JULY EXTERNAL CLAIMS PAYMENT PROCESSING	FINANCE

KERN HEALTH SYSTEMS

AUGUST AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4685	NATIONAL GIFT CARD CORP****	10,519.94	33,091.96	HOME HEALTH INCENTIVE PROGRAM	HOME HEALTH
T4538	CHANGE HEALTHCARE SOLUTIONS	10,125.49	91,185.18	JULY EDI CLAIM PROCESSING	CLAIMS
		<u>1,522,278.00</u>			
	TOTAL VENDORS OVER \$10,000	1,522,278.00			
	TOTAL VENDORS UNDER \$10,000	234,316.58			
	TOTAL VENDOR EXPENSES-Aug.	<u><u>1,756,594.58</u></u>			

Note:
****New vendors over \$10,000 for the month of August



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH	2,789,682.58	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4695	EDIFICS, INC.	1,128,734.72	PERPETUAL LICENSES FOR EDI MANAGEMENT SOFTWARE SOLUTION	CAPITAL PROJECT IN PROCESS
T4699	ZeOMEGA, INC.	1,049,777.67	IMPLEMENTATION OF MEDICAL MANAGEMENT PLATFORM	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T1408	DELL MARKETING L.P.	966,145.86	HARDWARE- 15- LATITUDE E5470, 4 BROCADE 6510, 5 SMALL PRINTER, 5 DELL POWEREDGE M630, 5 POWEREDGE M630, 1 DELL M1000E CHASSIS ENCLOSURE, 20 OPTIPLEX 3040 W/ MONITORS, 12-23" MONITORS, 5-OPTIPLEX 3050, KHS VEEAM, SUPPORT & MAINTENANCE, MICROSOFT SYSTEM CENTER, 2ND YR MICROSOFT RENEWAL	MIS INFRASTRUCTURE & CAPITAL PROJECT IN PROCESS.
T2726	ARGUS HEALTH SYSTEMS, INC.	740,850.75	PHARMACY AND CLAIMS PROCESSING	PHARMACY
T4654	DELAWIE	734,313.96	ARCHITECTURE SERVICES	CAPITAL PROJECT-NEW BUILDING
T2704	MCG HEALTH LLC	705,846.01	2017 MILLIMAN MAINTENANCE-LICENSE FEE- YEAR 3 OF 5	HE-UM
T4237	FLUIDEDGE CONSULTING	666,116.87	CONSULTING SERVICES TO UPDATE STANDARD BUSINESS REPORTING.	VARIOUS
T4392	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	596,916.17	2017 QNXT ANNUAL MAINTENANCE, CONSULTING SERVICES, REGISTRATION	MIS INFRASTRUCTURE
T1071	CLINICA SIERRA VISTA	500,677.28	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4327	MCKESSON TECHNOLOGIES INC.	494,938.46	ANNUAL CLAIM CHECK SOFTWARE LICENSE & ADDTL COVERED LIVES FEES -----YR 2 OF 3	CLAIMS

KERN • HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4350	COMPUTER ENTERPRISE INC.	438,883.00	2017 CONSULTING SERVICES	CAPITAL PROJECT IN PROGRESS
T4696	ZNALYTICS, LLC	345,549.96	CONSULTING SERVICES	CAPITAL PROJECT IN PROCESS
T2686	ALLIANT INSURANCE SERVICES INC	287,131.72	2017/2018 INSURANCE RENEWALS	ADMIN
T3460	THE GUARDIAN LIFE INSURANCE CO.	281,132.17	VOLUNTARY LIFE AD&D, DENTAL INSURANCE	VARIOUS
T2167	PG&E	277,634.26	ANNUAL TRUE-UP FOR 2016 USAGE/UTILITIES	CORPORATE SERVICES
T2707	ACT 1 PERSONNEL SERVICES, INC.	256,893.89	TEMPORARY HELP	VARIOUS
T4308	TRUXTUN PLACE PARTNERS	233,341.81	TRUXTUN- LEASE AND UTILITIES EXPENSE	CORPORATE SERVICES
T1845	DEPARTMENT OF MANAGED HEALTH CARE	222,721.77	MCAL/HFAM ANNUAL ASSESSMENT FEES -- 1 INSTALLMENT OF 2	ADMINISTRATION
T4193	TECHNOSOCIALWORK.COM	213,265.07	OCR SERVICES AND PROFESSIONAL SERVICES FOR ICD-10 PROJECT	CLAIMS
T4582	HEALTHX, INC	211,700.00	PROVIDER AND MEMBER PORTAL	CAPITAL PROJECT - MEMBER & PROVIDER PORTAL ADMINISTRATION
T2355	CALPERS	182,084.00	2017/2018 ANNUAL UNFUNDED ACCRUED LIABILITY	MIS INFRASTRUCTURE
T2961	SOLUTION BENCH, LLC	175,854.10	M-FILES LICENSES & MAINTENANCE	HE-DISEASE MANAGEMENT
T1597	BAKERSFIELD MEMORIAL HOSP	150,000.00	BMH DIABETIC CLINIC 2016-4TH QUARTER & 2017 1ST QTR.	VARIOUS
T1189	APPLE ONE INC.	142,758.27	TEMPORARY HELP	MIS INFRASTRUCTURE
T2597	FUSION STORM INC.	141,663.01	HARDWARE- 3 SERVERS, NEXT GENERATION SECURITY MANAGEMENT & SUPPORT, 24PORT WEB MNGT & SUPPORT, 4PORT BASE-T RJ45 INTERFACE CARD, JUNIPER CARE 3YR	VARIOUS
T2413	TREK IMAGING INC	136,776.42	PROMOTIONS - MEMBER GIVEAWAYS	VARIOUS



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4546	LEVEL 3 COMMUNIATIONS, LLC	130,856.91	DISASTER RECOVERY, INTERNET, LONG DISTANCE CALLS	MIS INFRASTRUCTURE
T3011	OFFICE ALLY, INC.	130,363.25	EDI CLAIM PROCESSING	CLAIMS
T4467	MEDISOFTX, LLC.	116,700.00	PROFESSIONAL SERVICES-HOME HEALTH PROJECT	CAPITAL PROJECT IN PROGRESS
T4168	RELAYHEALTH	114,826.73	EDI CLAIM PROCESSING	CLAIMS
T2933	SIERRA PRINTERS, INC.	114,626.83	PROVIDER DIRECTORIES	PROVIDER RELATIONS
T1272	COFFEY COMMUNICATIONS INC.	112,443.01	NEWSLETTER PUBLICATION/MAILING	VARIOUS
T2584	UNITED STATES POSTAL SVC.-HASLER	110,000.00	POSTAGE-METERED	VARIOUS
T2918	STINSON'S	106,683.59	OFFICE SUPPLIES & EQUIP UNDER \$1,000	VARIOUS
T4460	PAYSPAN, INC	106,311.05	EXTERNAL CLAIMS PAYMENT PROCESSING	FINANCE
T3473	PACIFIC HEALTH CONSULTING GROUP	99,000.00	CONSULTING SERVICES	PROJECT MANAGEMENT
T1960	LOCAL HEALTH PLANS OF CA. INC	96,810.36	2016/2017 FLAT YEARLY ASSESSMENT	ADMINISTRATION
T4165	SHI INTERNATIONAL CO.	92,070.31	VMMARE VSPPHERE SUPPORT/SUBSCRIPTION, 2017 PORTFOLIO MAINTENANCE, CISCO UNIFIED COMMUNICATIONS SOFTWARE/MAINTENANCE	MIS INFRASTRUCTURE & CAPITAL PROJECT IN PROGRESS.
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	91,185.18	EDI CLAIM PROCESSING	CLAIMS
TT4452	WELLS FARGO 3500 2469	84,413.34	CREDIT CARD-TRAINING REGISTRATION, LODGING EXPENSES, AND MISCELLANEOUS PURCHASES	VARIOUS
T1861	CEREDIAN BENEFITS SERVICES	83,492.37	DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4478	AMERICAN FIDELITY ASSURANCE CO.	82,325.19	EMPLOYEE PAID VOLUNTARY INSURANCE	PAYROLL DEDUCTION
T4686	CENTRIC HEALTH	81,111.54	COMMUNITY BENEFIT PROGRAM GRANT	COMMUNITY GRANTS



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2969	AMERICAN BUSINESS MACHINES INC	77,129.34	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T4664	TURNORTHE. LLC	76,686.27	HARDWARE - 2 NIMBLE STORAGE EXPANSION	CAPITAL PROJECT IN PROGRESS-CM/DM
T4733	UNITED STAFFING ASSOCIATES	65,189.61	TEMPORARY HELP	VARIOUS
T4396	KAISER FOUNDATION HEALTH-DMHO	63,770.06	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	58,476.00	2017 ACAP DUES	ADMINISTRATION
T2837	TOYS/BABIES R US	58,309.50	WELL CHILD & PREGNANCY INCENTIVE PROGRAM	HEALTH EDUCATION
T2292	CITY OF BAKERSFIELD*****	57,649.09	UTILITES-GARBAGE/SEWER FEES, PLAN FEES COMMERCIAL NEW BUILDING	VARIOUS
T4740	HEALTHCARE SCOUTS, INC	55,298.26	RECRUITMENT/DIRECT HIRE-DISEASE MANAGEMENT RN S. COLLINS & C. BARNETT CLINICAL INTAKE COORDINATOR RN I	HUMAN RESOURCES
T4537	BURKE, WILLIAMS & SORENSEN, LLP	53,890.01	LEGAL FEES	CAPITAL PROJECT-NEW BUILDING
T4678	XEROX STATE HEALTHCARE, LLC	48,975.00	CONSULTING SERVICES	PROVIDER RELATIONS
T2469	DST HEALTH SOLUTIONS, INC.	48,310.49	MHC SOFTWARE - LICENSE FEE, MAINTENANCE, AND SUPPORT & ADJUSTED CLINICAL GROUP SYSTEM	MIS INFRASTRUCTURE
T3084	KERN COUNTY-COUNTY COUNSEL	47,976.60	LEGAL FEES	ADMINISTRATION
T4609	GREGORY D. BYNUM AND ASSOCIATES, INC	47,772.91	NEW BUILDING DEVELOPMENT OVERHEAD FEES	CAPITAL PROJECT-NEW BUILDING
T4405	SMARTERP SOLUTIONS, INC.	47,305.84	2017 CONSULTING FEES	CAPITAL PROJECTS IN PROCESS



Year to Date AP Vendor Report
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Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	47,250.00	2016 AUDIT FEES	ADMINISTRATION
T4653	FORMS ON FIRE, INC.	44,865.75	SOFTWARE SUBSCRIPTION/MAINTENANCE & SUPPORT	HE-QI
T4694	KELLY SERVICES, INC.	41,176.14	TEMP HELP 1- QI, DIRECT HIRE FEES- GARNOT DEAL FOR SYSTEM CONFIGURATION SUPERVISOR	VARIOUS
T4688	VANGUARD MEDICAL CORPORATION	40,386.09	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4483	PREMIER VALLEY MEDICAL GROUP*****	40,000.00	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4737	TEKSYSTEMS, INC.	39,198.72	DIRECT HIRE- K. YEBUAH, DATA ANALYTICS AND REPORTING, SUPERVISOR	HUMAN RESOURCES
T3449	CDW GOVERNMENT	38,284.71	HARDWARE AND LICENSES	MIS INFRASTRUCTURE
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	37,840.00	DAILY AND MONTHLY PASSES GET BUS PASSES	MEMBER SERVICES
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	36,572.00	SPONSORSHIP & BOARD MEETING LUNCH	MARKETING
T4386	STACY POEHLMAN	36,085.00	PROFESSIONAL SERVICES	PROVIDER RELATIONS
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	35,194.00	2017 ANNUAL DUES ASSESSMENT & ANNUAL CONFERENCE REGISTRATION	ADMINISTRATION
T4561	SRI & SHARMA, LLC	35,000.00	PARKING SPACE RENTAL	CORPORATE SERVICES
T2446	AT&T MOBILITY	34,629.84	CELLULAR PHONE	MIS INFRASTRUCTURE
T4059	KERN VALLEY HEALTH CARE DISTRICT	34,474.45	2015-2016 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1128	HALL LETTER SHOP, INC	34,433.48	NEW MEMBER LETTER/ENVELOPES, MEMBER HANDBOOKS, CLINICAL CARE MANUAL FOR HH, NEW MEMBER PKT.	VARIOUS
T4634	EXECUTIVE STAFFING SOLUTIONS	34,000.00	RECRUITMENT FEES	HUMAN RESOURCES
T4646	LOOKINGPOINT, INC.	33,337.57	CONSULTING SERVICES	CAPITAL PROJECT IN PROCESS
T4685	NATIONAL GIFT CARD CORP	33,091.96	HOME HEALTH INCENTIVE PROGRAM	HOME HEALTH
T2676	WEST COAST MAINTENANCE	32,433.80	JANITORIAL SERVICES	CORPORATE SERVICES
T2790	KERN COUNTY DEPT OF PUBLIC HEALTH	32,248.00	FLU CLINIC SPONSORSHIPS	MARKETING
T4503	VISION SERVICE PLAN	30,925.80	EMPLOYEE BENEFITS-VISION	VARIOUS
T2955	DELTA ELECTRIC INC.	30,835.29	BUILDING MAINTENANCE	CORPORATE SERVICES
T4707	SHAFTER PEDIATRICS	30,250.23	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS & 2016 SPRING HEALTH FAIR SPONSORSHIP	COMMUNITY GRANTS
T4479	BAKERSFIELD PEDIATRICS, A MEDICAL GROUP	30,100.26	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS & 2016 SPRING HEALTH FAIR SPONSORSHIP	COMMUNITY GRANTS
T3986	JACQUELYN S. JANS	30,060.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	MARKETING
T4603	ECFIRST.COM	30,042.29	PROFESSIONAL SERVICES -INFORMATION SYSTEM SECURITY	CAPITAL PROJECT IN PROCESS
T4294	J. SERVICES JANITORIAL	29,775.00	MAINTENANCE-JANITORIAL SERVICES	CORPORATE SERVICES
T2755	VELOCITY PARTNERS, LLC	29,376.00	CONSULTING FEES FOR CLAIMS WORKFLOW, UM REMOTE NURSE, QI WORKFLOW, MEMBERSHIP, AUDIT, AND CORE PROJECT	MIS INFRASTRUCTURE



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1183	MILLIMAN USA	29,345.50	CY2015 RDT CONSULTING - ACTUARIAL	ADMINISTRATION
T2941	KERN PRINT SERVICES INC.	28,955.84	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T3378	CARRIER CORPORATION	28,753.04	BUILDING MAINTENANCE	CORPORATE SERVICES
T4563	SPH ANALYTICS	28,627.95	2017 MEMBER/PROVIDER SATISFACTION	MEMBER SERVICES
T4433	MICRO-DYN MEDICAL SYSTEMS, INC.	28,580.00	APR-DRG GROUPER SOFTWARE/LICENSE	MIS INFRASTRUCTURE
T2441	POPPYROCK DESIGNS	28,032.00	MATERIAL DESIGN	VARIOUS
T1032	THE BAKERSFIELD CALIFORNIAN	27,629.56	EMPLOYMENT AD	HUMAN RESOURCES
T4501	ALLIED UNIVERSAL SECURITY SERVICES	27,262.00	BUILDING SECURITY & PATROLING SERVICES	CORPORATE SERVICES
T1180	LANGUAGE LINE SERVICES INC.	25,003.81	INTERPRETATION SERVICES	MEMBER SERVICES
T4683	CLAUDIA M. BACA	24,818.01	CONSULTING SERVICES	PROJECT MANAGEMENT
T2562	CACTUS SOFTWARE LLC	23,010.00	ANNUAL CACTUS LICENSE & CONSULTING FEES	MIS INFRASTRUCTURE
T4690	RONNIE CLAIBORNE A PROFESSIONAL CORPORATION	22,975.05	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS & 2016 SPRING HEALTH FAIR SPONSORSHIP	COMMUNITY GRANTS
T4183	LAMAR ADVERTISING OF BAKERSFIELD	22,500.00	OUTDOOR ADVERTISEMENT-BILLBOARDS	ADVERTISING
T4698	INFINITY COMMUNICATIONS & CONSULTING, INC.	22,500.00	TECHNICAL BUILDING ARCHITECTURAL CONSULTING	CAPITAL PROJECT-NEW BUILDING
T4738	AMERICAN LOGISTICS COMPANY*****	22,360.61	JUL. 2017 MEDICAL/NON MEDICAL TRANSPORTATION MEMBER BENEFIT	MEMBER SERVICES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4384	PINNACLE PRIMARY CARE, INC.	22,062.26	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4497	SKILLSOFT CORPORATION	20,836.93	YEAR 2 OF 3 -LICENSE FEE FOR ONLINE TRAINING	HUMAN RESOURCES
T4228	THE SSI GROUP, LLC	20,588.40	EDI CLAIM PROCESSING	CLAIMS
T2234	HASMUKH AMIN MD	20,400.75	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4674	STOCKDALE PLAZA OWNERS ASSOCIATION INC	20,250.00	PARKING SPACE RENTAL	CORPORATE SERVICES
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	20,017.73	CONSULTING SERVICES	MIS INFRASTRUCTURE
T3990	SPARKLETTS INC.	19,849.45	DRINKING WATER, WATER COOLER RENTALS	CORPORATE SERVICES
T4708	HEALTH MANAGEMENT ASSOCIATES, INC	17,600.00	CONSULTING FEES	PROVIDER RELATIONS
T1347	ADVANCED DATA STORAGE	17,568.85	OFF SITE STORAGE SERVICES	CORPORATE SERVICES
T4585	DELANO UNION SCHOOL DISTRICT	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T4611	LAMONT SCHOOL DISTRICT	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T4798	KERN HIGH SCHOOL DISTRICT*****	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION
T4802	KERN COUNTY SUPERINTENDENT*****	17,500.00	WELLNESS PROGRAM GRANT	HEALTH EDUCATION



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4778	CLINICA LA VICTORIA A MEDICAL CORP	16,700.00	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS & 2016 SPRING HEALTH FAIR SPONSORSHIP	COMMUNITY GRANTS
T4594	MEDVERSANT TECHNOLOGIES, LLC	16,500.00	CONSULTING SERVICES	PROVIDER RELATIONS
T4768	HEALTHCARE SUPPORT STAFFING, INC	16,224.00	DIRECT HIRE- ANDREA TYSON UM MEDICAL CLAIMS & DISPUTES REVIEW RN	HUMAN RESOURCES
T4587	MCINTOSH & ASSOCIATE	15,670.85	FEBRUARY/MARCH PROFESSIONAL SERVICES	CAPITAL PROJECT-NEW BUILDING
T4385	EARLA E. QUISIDO MD DBA CLINICA DEL PUEBLO	15,512.68	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4016	FIRST DATABANK, INC*****	14,770.00	NATIONAL DRUG CODE SOFTWARE SUBSCRIPTION LICENSE	MIS INFRASTRUCTURE
T4544	BARNERS WEALTH MANAGEMENT GROUP	14,126.00	RETIREMENT PLAN CONSULTANT	ADMINISTRATION
T2840	ATALASOFT, INC.	14,040.00	SOFTWARE SUPPORT & MAINTENANCE FOR DOTIMAGE	MIS INFRASTRUCTURE
T4610	EVERBRIDGE, INC*****	13,950.00	TEXTING SOLUTION FOR HEALTH EDUCATION AND DISEASE MANAGEMENT MEMBERS	MIS INFRASTRUCTURE
T4739	SECURITAS SECURITY SERVICES USA, INC.	13,870.32	SECURITY SERVICES	CORPORATE SERVICES
T1644	BRIGHT HOUSE NETWORK	13,853.92	INTERNET SERVICES	MIS INFRASTRUCTURE
T4425	PRO RESTORATION SERVICES INC.	13,726.05	BUILDING IMPROVEMENT - STRUCTURAL REPAIRS	CORPORATE SERVICES
T1022	UNUM LIFE INSURANCE CO.	13,678.48	EMPLOYEE LONG TERM AND LIFE INSURANCE	PAYROLL DEDUCTION
T4640	REGAL CINEMEDIA CORP	13,624.00	MEMBER INCENTIVE PROGRAM	HE-QI

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4732	COFFEE SURGERY CENTER, LLC	12,929.50	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4663	DEVELOPMENT DIMENSIONS INTERNATIONAL, INC.*****	12,820.54	TRAINING MATERIAL	HUMAN RESOURCES
T4747	SYED ALAM, M.D. INC.	12,500.00	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T2796	TELERIK INC	12,497.29	DEVCFRAFT DEVELOPER LICENSE/SUBSCRIPTION	MIS INFRASTRUCTURE
T3010	CORE BUSINESS INTERIORS	12,344.48	FURNITURE---(3) DESK FOR TRUXTUN, (16) CHAIRS, (1) STAND WORKSTATION	CORPORATE SERVICES
T2938	SAP AMERICA, INC	12,308.32	2017/2018 BUSINESS OBJECTS ANNUAL MAINTENANCE	MIS INFRASTRUCTURE
T4239	COAST TO COAST COMPUTER	11,514.17	OFFICE SUPPLIES - TONERS	CORPORATE SERVICES
T4742	SIERRA WEST CONSULTING GROUP, INC.	11,240.00	SCHIMATIC DESIGN PHASE	CAPITAL PROJECT-NEW BUILDING
T4417	KAISER FOUNDATION HEALTH PLAN	11,237.94	EMPLOYEE HEALTH BENEFITS	HE-UM
T4230	COFFEE BREAK SERVICE, INC.*****	11,048.30	MISC. SUPPLIES-COFFEE, CREAMER, WATER	CORPORATE SERVICES
T3065	CAREERBUILDER, LLC	10,500.00	EMPLOYEE RECRUITMENT - JOB POSTING	HUMAN RESOURCES
T1263	THE GAS COMPANY*****	10,424.25	UTILITIES	CORPORATE SERVICES
T4268	TRENDWAY CORPORATION	10,398.30	3RD FLOOR ADD ON WALLS-HE & CLAIMS	CORPORATE SERVICES
T2787	SAGE SOFTWARE, INC	10,395.00	SAGE 300 ACCOUNTING SOFTWARE	FINANCE
T4297	PREGMATIC WORKS SOFTWARE	10,203.75	BIXPRESS SOFTWARE LICENSE, SUPPORT, & MAINTENANCE	CAPITAL PROJECT IN PROCESS



Year to Date AP Vendor Report
Amount over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4749	ST. JOHN CRITICAL CARE MEDICAL GROUP INC.	10,111.42	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T4748	HANY AZIZ, M.D. INC.	10,027.86	2016-2017 PROVIDER RECRUITMENT & RETENTION GRANTS	COMMUNITY GRANTS
T2844	MARCH OF DIMES	10,000.00	2017 MARCH OF DIMES SPONSORSHIP	VARIOUS
		<u>18,661,489.96</u>		
	TOTAL VENDORS OVER \$10,000	18,661,489.96		
	TOTAL VENDORS UNDER \$10,000	707,871.57		
	TOTAL VENDOR EXPENSES-August	<u>19,369,361.53</u>		

Note:

*****New vendors over \$10,000 for the month of August.

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
January							
Velocity Partners	\$48,672.00	Yes	IT	Richard Pruitt	(2) Two remote technical resources to support ZeOmega	1/1/2017	3/31/2017
CEI	\$54,818.40	Yes	IT	Richard Pruitt	2,008 Professional services hours	1/1/2017	12/31/2017
West Coast Maintenance	\$83,820.00	Yes	CS	Alonso Hurtado	Janitorial Services	1/1/2017	12/31/2017
Jacquelyn S. Jans	\$45,360.00	Yes	MK	Louie Hurriria	Marketing and Corporate Image Consulting	1/1/2017	12/31/2017
Poppyrock Designs	\$36,000.00	Yes	MK	Louie Hurriria	Graphic design services	1/1/2017	12/31/2017
Skillssoft	\$62,510.79	Yes	HR	Anita Martin	Online training for employees	1/31/2017	1/30/2019
February							
Solution Bench	\$52,250.00	Yes	IT	Richard Pruitt	40 Concurrent licenses, 1 server test and 10 concurrent licenses	2/24/2017	2/23/2018
Solution Bench	\$32,100.00	Yes	IT	Richard Pruitt	30 Scanfinity licenses	2/24/2017	2/23/2018
March							
LifeSigns, Inc.	\$45,000.00	Yes	HE	Isabel Silva	ASL interpretation services	3/2/2017	3/1/2018
SPH Analytics	\$43,010.00	No	PR	Emily Duran	2017 Member Survey and 2016 Provider Satisfaction Survey	3/2/2017	3/27/2018
May							
J Services	\$61,000.00	Yes	CS	Alonso Hurtado	Janitorial services for Stockdale and Truxtun	5/8/2017	12/31/2017
DPV&B	\$49,000.00	Yes	ACCT	Robin Plumb	Financial auditing services	5/4/2017	5/3/2018
Sierra Printers	\$30,960.85	Yes	PR	Emily Duran	Provider directories	5/4/2017	5/3/2018
Language Line Services	\$56,000.00	Yes	MS	Nate Scott	Translation services	5/29/2017	5/28/2018
June							
Solution Bench	\$30,008.00	Yes	IT	Richard Pruitt	10 Test licenses and 1 UAT server with 10 licenses	6/15/2017	6/14/2018
July							
Medversant	\$66,750.00	Yes	PR	Emily Duran	Provider Directory Solution to comply with SB 137	7/1/2017	6/30/2018
Deil	\$81,108.05	Yes	IT	Richard Pruitt	PowerEdge blade servers (5) M630	7/22/2017	7/22/2021
Bakersfield Californian	\$33,000.00	Yes	HR	Anita Martin	Marketing advertising and job postings	7/8/2017	7/7/2018
Symplr	\$48,750.00	Yes	IT	Richard Pruitt	SaaS Software license and consulting services for three years.	7/6/2017	7/5/2020
Spectrum	\$34,164.00	Yes	IT	Richard Pruitt	Stockdale internet services with 14 Static IP Addresses	7/1/2017	6/30/2020
ABM	\$35,107.87	Yes	IT	Richard Pruitt	Purchase of three new multi-functional printers	7/6/2017	9/30/2018
Milliman	\$96,500.00	Yes	PR	Emily Duran	Data analytics for KHS' strategic plan on Value-Based Payment	7/6/2017	7/5/2018
August							
Milliman	\$88,000.00	Yes	ACCT	Robin Plumb	Actuarial Services	8/1/2017	7/31/2018

