



**KERN HEALTH
SYSTEMS**

**FINANCE COMMITTEE
MEETING**

Friday, August 9, 2019

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, August 9, 2019

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, 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 June 7, 2019 -
APPROVE
- 4) Presentations by Brown Armstrong and Daniells Phillips Vaughan & Bock, to perform financial audit services for the next 3-5 calendar years beginning with calendar year 2019 (Fiscal Impact: None) –
**RECOMMEND ACCOUNTING FIRM TO PROVIDE FINANCIAL AUDIT SERVICES;
REFER TO KHS BOARD OF DIRECTORS**
- 5) Report on KHS investment portfolio for the second quarter ending June 30, 2019 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 6) Report on New Office Building Expenditures (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 7) Proposed Agreement with Commercial Cleaning Systems, Inc., for commercial janitorial services for 2900 Buck Owens Blvd., from September 6, 2019 through September 5, 2020 in an amount not to exceed \$144,000 (Fiscal Impact: \$144,000 annually; Budgeted) –
APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 8) Proposed Agreement with Coffey Communications, Inc., for the development, printing and mailing of the member newsletter in English and Spanish, from August 27, 2019 through August 27, 2020 in an amount not to exceed \$122,255.60 (Fiscal Impact: \$122,255.60 annually; Budgeted) –
APPROVE; REFER TO KHS BOARD OF DIRECTORS

- 9) Report on Kern Health Systems financial statements for May 2019 and June 2019 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 10) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for May 2019 and June 2019 and IT Technology Consulting Resources for the period ended April 30, 2019 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

ADJOURN TO FRIDAY, OCTOBER 4, 2019 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, June 7, 2019

8:00 A.M.

COMMITTEE RECONVENED

Members present: Deats, McGlew, Melendez

Members absent: 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

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Kern Health SystemsPage 2
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-
- CA-3) Minutes for KHS Finance Committee meeting on April 5, 2019 -
APPROVED
McGlew-Melendez: 3 Ayes; 1 Absent – Rhoades
- 4) Report on KHS investment portfolio for the first quarter ending March 31, 2019
(Fiscal Impact: None) – IRA COHEN, UBS FINANCIAL SERVICES, INC., HEARD;
RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Melendez: 3 Ayes; 1 Absent – 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, 2019 (Fiscal Impact: \$5,920,000 Estimated; Budgeted) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Melendez: 3 Ayes; 1 Absent – Rhoades
- 6) Proposed renewal and binding of insurance coverages for crime, excess crime,
property, general liability, excess liability, workers' compensation, fiduciary liability,
excess cyber insurance, managed care errors and omissions, earthquake insurance
and flood insurance from July 1, 2019 through June 30, 2020 (Fiscal Impact:
\$660,000 Estimated; Budgeted) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-McGlew: 3 Ayes; 1 Absent – Rhoades
- 7) Report on New Office Building Expenditures (Fiscal Impact: None) –
RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Melendez: 3 Ayes; 1 Absent – Rhoades
- 8) Proposed Agreement with Cotiviti, Inc., for Healthcare Effectiveness Data and
Information Set (HEDIS) software that is required to report annual health quality
metrics to the State of California, from November 1, 2019 through October 31, 2020
(Fiscal Impact: \$162,400 annually; Budgeted) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-McGlew: 3 Ayes; 1 Absent – Rhoades
- 9) Proposed Agreement with Spectrum Enterprise, for internet services for 2900 Buck
Owens Blvd, from June 13, 2019 through June 12, 2022 (Fiscal Impact: \$114,300;
Budgeted) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-McGlew: 3 Ayes; 1 Absent – Rhoades
- 10) Proposed Agreement with TPX Communications, for telephone and voice services
for 2900 Buck Owens Blvd, from July 1, 2019 through July 1, 2022 (Fiscal Impact:
\$210,577; Budgeted) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-McGlew: 3 Ayes; 1 Absent – Rhoades

SUMMARY
Finance Committee Meeting
Kern Health Systems

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- 11) Report on Kern Health Systems financial statements for February 2019, March 2019 and April 2019 (Fiscal Impact: None) –
RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-McGlew: 3 Ayes; 1 Absent – Rhoades

- 12) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for February 2019, March 2019 and April 2019 and IT Technology Consulting Resources for the period ended March 31, 2019 (Fiscal Impact: None) –
RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Melendez: 3 Ayes; 1 Absent – Rhoades

ADJOURN TO FRIDAY, AUGUST 9, 2019 AT 8:00 A.M.



To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 9, 2019

Re: Proposals to Provide Financial Audit Services

Background

In June 2019, Kern Health Systems (“KHS”) issued a Request for Proposal (“RFP”) to provide Financial Audit Services. Daniells Phillips Vaughan & Bock has been the external independent auditors for the past five years.

Discussion

KHS received proposals to provide financial audit services for the next 3-5 calendar years beginning with calendar year 2019 from the following accounting firms:

- 1) Daniells Phillips Vaughan & Bock
- 2) Brown Armstrong
- 3) Bakertilly

All three accounting firms were invited to make presentations and to answer questions at this month’s Finance Committee meeting (Bakertilly declined to attend the meeting and withdrew their bid). Attached is a Bid Matrix listing the proposed annual costs to perform the financial audit by each firm.

Requested Action

Recommend accounting firm to provide financial audit services for the next 3-5 calendar years beginning with calendar year 2019 to the KHS Board of Directors.

KHS Bid Matrix & Decision Detail

Description of Item: Financial Audit

Bid Matrix

Date: 6/25/2019

Vendor Name	Brown Armstrong	Daniells Phillips Vaughan & Bock	Bakertilly
Contact	Courtney Stoller	Nancy C. Belton	Ben Gleason
Date of Quote	6/24/2019	6/24/2019	6/24/2019
Cost	\$47,000	\$49,500	\$98,000
Additional Comments	Set price for next five years	Set price for next three years	Price will increase \$3,000 each year



To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 9, 2019

Re: Quarterly Review of Kern Health Systems Investment Portfolio

Background

The Kern Health Systems (“KHS”) Investment Policy stipulates the following order of investment objectives:

- Preservation of principal
- Liquidity
- Yield

The investment portfolios are designed to attain a market-average rate of return through economic cycles given an acceptable level of risk. KHS currently maintains the following investment portfolios:

Short-Term Portfolio (Under 1 year)

Funds held in this time frame are typically utilized to pay providers, meet operating expenses and fund capital projects. Additionally, extra liquidity is maintained in the event the State is late with its monthly capitation payment.

Long-Term Portfolio (1-5 years)

Funds held in this time frame are typically for reserves and to take advantage of obtaining higher yields.

Requested Action

Receive and File; Refer to KHS Board of Directors.

**Kern Health Systems
Investment Portfolio
June 30, 2019**

Short Term Portfolio (under 1 year)

Funds held in this time frame are typically utilized to pay providers, meet operating expenses, distribute pass-through monies waiting for additional approvals and/or support to be paid and monies owed to the State for MCO Taxes. Extra liquidity is maintained in the event the State is late with its monthly capitation payment.

<u>Description</u>		<u>Dollar Amount</u>	<u>% of Portfolio</u>	<u>Maximum Allowed Per Policy</u>	<u>Approximate Current Yield</u>	<u>Liquidity</u>	<u>Principal Fluctuation</u>
Wells Fargo - Cash	(1)	\$ 2,400,000	1.05%	100%	1.50%	1 Day	None
Morgan Stanley Money Market	(A)	\$ 20,300,000	8.88%	20%	1.99%	1 Day	None
Local Agency Investment Fund (LAIF)	(B)	\$ 64,700,000	28.30%	50%	2.37%	2 Days	None
US T-Bills at Wells Fargo	(1)	\$ 60,000,000	26.25%	100%	2.33%	1 Day	Subject to Interest Rate Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	\$ 8,000,000	3.50%		2.15%	3 Days	Subject to Interest Rate Fluctuations
Sub-Total		\$ 155,400,000	67.98%		2.28%		

Long Term Port Folio (1 - 5 years)

Funds held in this time frame are typically for reserves and to take advantage of obtaining higher yields.

UBS Managed Portfolio	(D)	\$ 69,000,000	30.18%		2.11%	3 Days	Subject to Interest Rate and Credit Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	\$ 4,200,000	1.84%		2.14%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 73,200,000	32.02%		2.11%		
Total Portfolio		\$ 228,600,000	100.00%		2.23%		

<u>Yield Curve</u>	<u>Yield Curve</u>			
	<u>Treasuries</u>	<u>AA Corporate Bonds</u>	<u>Corporate Bonds</u>	<u>CD's</u>
1 year	1.90%	2.12%	2.23%	1.95%
2 year	1.75%	2.03%	2.12%	2.00%
3 year	1.70%	2.00%	2.09%	2.00%
5 year	1.75%	2.23%	2.33%	2.15%

- (A) \$14.5 Billion money market fund managed by Morgan Stanley comprised of high -quality debt securities issued by the US Government.
 - (B) LAIF is part of a \$105.7 Billion Pooled Money Investment Account managed by the State Treasurer of CA. Majority of portfolio is comprised of Treasuries, CD's, Time Deposits and Commercial Paper.
 - (C) High quality diversified portfolio comprising certificate of deposits, commercial paper, corporate bonds and notes and municipal securities.
 - (D) High quality diversified portfolio comprising certificate of deposits, corporate bonds and notes, municipal securities and US Treasury Securities. Includes investments maturing in less than 1 year that will be re-invested for over 1 year at maturity.
-
- (1) Funds are utilized to pay providers, meet operating expenses, distribute pass-through monies waiting for additional approvals and/or support, amounts owed to the State for MCO Taxes, potential State premium recoupments and for amounts owed under the Expansion Risk Corridor. Extra liquidity is maintained in the event the State is late with its monthly capitation payment.
 - (2) Funds are primarily utilized to fund various Grant Programs and 2019 capital projects, which includes building a new office building.



UBS Client Review

as of July 1, 2019

Branch office:
9201 Camino Media
Suite 230
Bakersfield, CA 93311

Financial Advisor:
The Cohen Group
(661) 663-3233

Prepared for

Kern Health Systems

Accounts included in this review

Account	Name	Type
EB 02120	• BOND PORTFOLIO	• Portfolio Management Program
Risk profile:	Conservative	
Return Objective:	Current Income	

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Executive summary

as of July 01, 2019

Asset allocation review

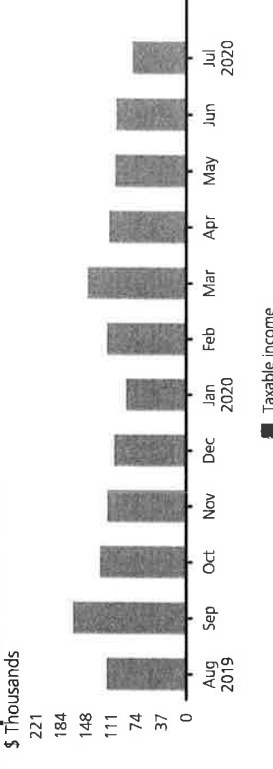
	Value on 07/01/2019 (\$)	% of portfolio
A Cash	89,207.71	0.13
Cash	89,207.71	0.13
B Fixed Income	68,875,593.11	99.87
US	68,875,593.11	99.87
C Equity	0.00	0.00
D Commodities	0.00	0.00
E Non-Traditional	0.00	0.00
F Other	0.00	0.00
Total Portfolio	\$68,964,800.82	100%

Balanced mutual funds represented in multiple asset classes based on Morningstar allocations



EB 02120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for
Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Expected cash flow



Total taxable income: \$1,412,253.26
Total expected cash flow: \$1,412,253.26
 Cash flows displayed account for known events such as maturities and mandatory puts.

Equity sector analysis

Portfolio does not contain applicable holdings - exhibit intentionally left blank.

Credit quality of bond holdings

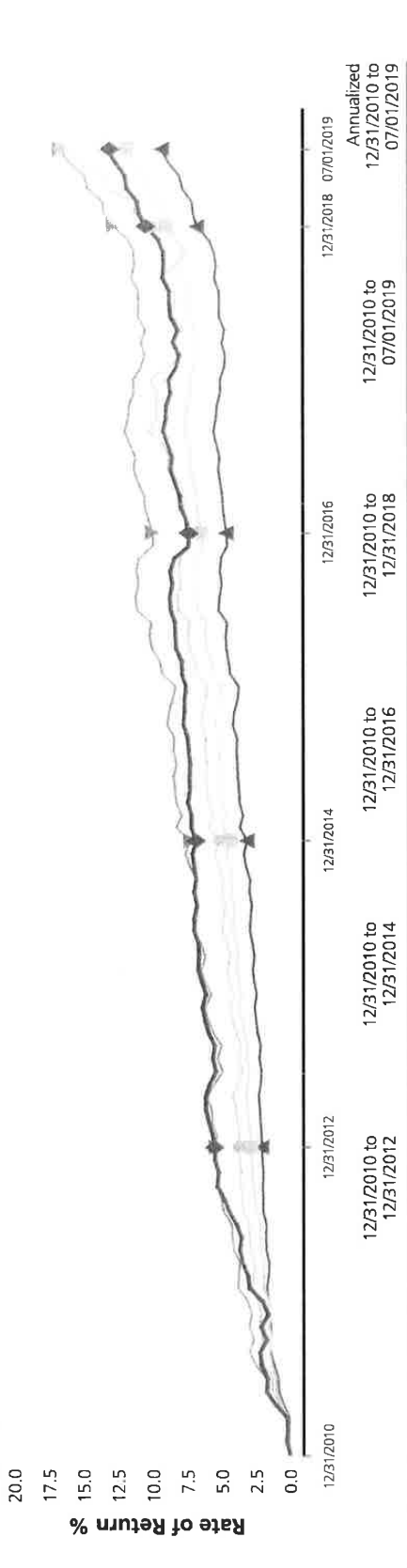
Effective credit rating	Issues	Value on 07/01/2019 (\$)	% of port.
A Aaa/AAA/AAA	16	36,666,869.10	53.26
B Aa/AA/AA	6	7,433,251.17	10.78
C A/A/A	18	23,038,292.38	33.45
D Baa/BBB/BBB	2	868,101.57	1.25
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	6	869,078.90	1.26
G Not rated	0	0.00	0.00
Total	48	\$68,875,593.11	100%





Cumulative performance

as of July 01, 2019



EB 02120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for: Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Benchmarks - Time-weighted returns

◆ Net Time-weighted ROR	5.50	6.82	7.36	10.51	13.13	1.46
● Barclays Agg Bond+	3.75	5.16	7.27	10.13	16.72	1.84
■ Barclays Govt/Credit 1-3Y	2.88	4.33	6.36	8.98	11.85	1.33
▴ Barclays Govt/Credit 1-5Y	5.44	7.25	9.99	12.92	16.83	1.85
▲ Barclays US Gov 1-3Y	2.08	3.12	4.60	6.73	9.27	1.05

+Additional benchmark information can be found on the benchmark composition page.
Past performance does not guarantee future results and current performance may be lower/higher than past data presented.
 Report created on: July 26, 2019



Bond summary

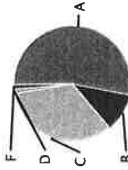
as of July 01, 2019

Bond overview

Total quantity	68,546,000
Total market value	\$68,519,269.99
Total accrued interest	\$356,323.12
Total market value plus accrued interest	\$68,875,593.11
Total estimated annual bond interest	\$1,474,871.50
Average coupon	2.17%
Average current yield	2.15%
Average yield to maturity	2.12%
Average yield to worst	2.11%
Average modified duration	1.65
Average effective maturity	1.82

Credit quality of bond holdings

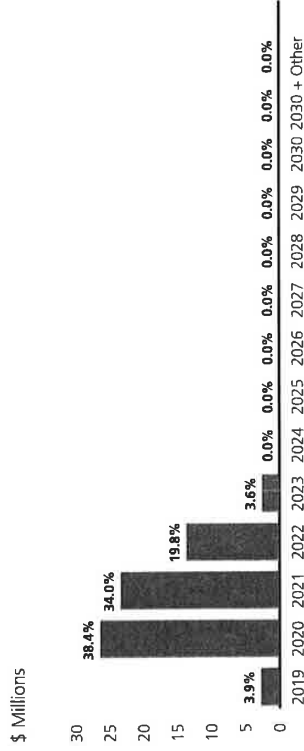
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Total	48	\$68,875,593.11	100%



Investment type allocation

Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
Certificates of deposit	869,078.90	0.00	869,078.90	1.26
Municipals	2,889,850.33	0.00	2,889,850.33	4.20
U.S. corporates	28,449,794.78	0.00	28,449,794.78	41.31
U.S. federal agencies	36,184,623.90	0.00	36,184,623.90	52.54
U.S. treasuries	482,245.20	0.00	482,245.20	0.70
Total	\$68,875,593.11	\$0.00	\$68,875,593.11	100%

Bond maturity schedule



Cash, mutual funds and some preferred securities are not included. ■ Effective maturity schedule

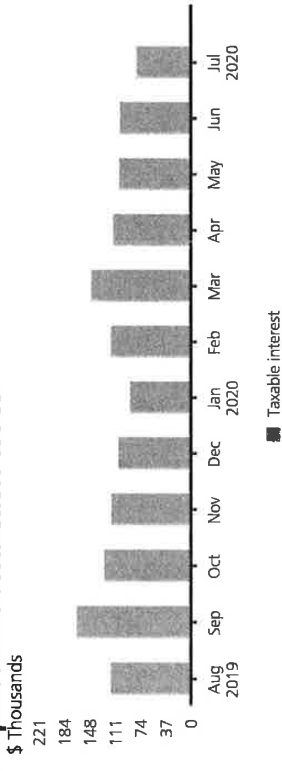
Includes all fixed income securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities. Report created on: July 26, 2019



EB 02120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for **Kern Health Systems**
 Risk profile: **Conservative**
 Return Objective: **Current Income**

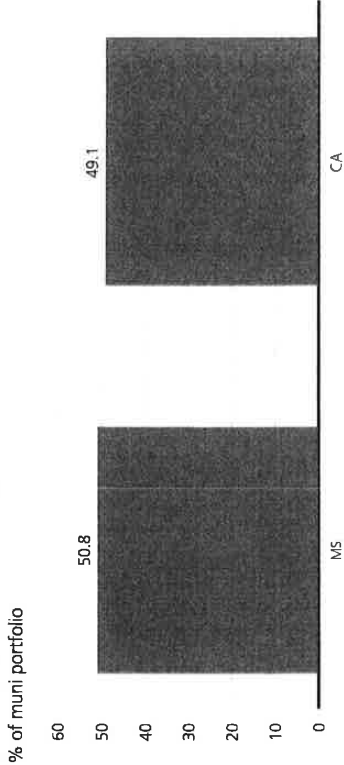
Bond summary - as of July 01, 2019 (continued)

Expected bond cash flow



Total taxable income: \$1,412,253.26
Total expected bond cash flow: \$1,412,253.26
 Cash flows displayed account for known events such as maturities and mandatory puts.

Municipal state exposure



Includes all fixed income securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
 Report created on: July 26, 2019



Bond holdings

as of July 01, 2019

Summary of bond holdings

Maturity Year	Issues	Quantity	Est. annual income (\$)	Current yield (%)	Yield to maturity (%)	Yield to worst (%)	Modified duration	Adjusted cost basis (\$)	Unrealized gain/loss (\$)	Mkt. value (\$)	% of bond portfolio maturing
2019	6	2,714,000	100,675.00	3.69%	2.34%	2.34%	0.23	2,725,706.31	-131.52	2,749,011.02	3.98%
2020	20	26,378,000	566,051.00	2.15%	2.14%	2.14%	0.99	26,307,217.62	61,115.69	26,484,035.69	38.48%
2021	14	23,365,000	433,693.00	1.86%	2.01%	2.00%	1.88	23,345,472.47	-44,663.62	23,418,434.89	34.01%
2022	7	13,589,000	310,702.50	2.28%	2.18%	2.13%	2.50	13,581,794.43	42,608.61	13,694,919.84	19.88%
2023	1	2,500,000	63,750.00	2.55%	2.55%	2.55%	3.33	2,489,625	10,525.00	2,529,191.67	3.65%
2024	0	0	0		NA	NA	NA				
2025	0	0	0		NA	NA	NA				
2026	0	0	0		NA	NA	NA				
2027	0	0	0		NA	NA	NA				
2028	0	0	0		NA	NA	NA				
2029	0	0	0		NA	NA	NA				
2030	0	0	0		NA	NA	NA				
2031	0	0	0		NA	NA	NA				
2032	0	0	0		NA	NA	NA				
2033	0	0	0		NA	NA	NA				
2034	0	0	0		NA	NA	NA				
2035	0	0	0		NA	NA	NA				
2036	0	0	0		NA	NA	NA				
2037	0	0	0		NA	NA	NA				
2038	0	0	0		NA	NA	NA				
2039	0	0	0		NA	NA	NA				
2040	0	0	0		NA	NA	NA				
2041	0	0	0		NA	NA	NA				
2042	0	0	0		NA	NA	NA				
2043	0	0	0		NA	NA	NA				
2044	0	0	0		NA	NA	NA				
2045	0	0	0		NA	NA	NA				
2046	0	0	0		NA	NA	NA				
2047	0	0	0		NA	NA	NA				
2048	0	0	0		NA	NA	NA				
2048 +	0	0	0		NA	NA	NA				
Other	0	0	0		NA	NA	NA				
Total	48	68,546,000	\$1,474,871.50	2.15%	2.12%	2.11%	1.65	\$68,449,815.83	\$69,454.16	\$68,875,593.11	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.

Report created on: July 26, 2019



EB 02120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for: Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Bond holdings - as of July 01, 2019 (continued)

Details of bond holdings

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%) YTW (%)	Modified duration	Adjusted cost basis (\$) Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$) Accr. interest (\$)	% of bond port.
Total Bond Portfolio		68,546,000	2.17%	04/27/2021	NA	\$1,474,871.50 2.15%	2.12% 2.11%	1.65 1.65	\$68,449,815.8 \$69,454.16	NA	\$68,519,269.99 \$68,875,593.11	100%
Maturing 2019												
FNMA NTS 01.125 % DUE 07/26/19 DTD 072616 FC 01262017 CUSIP: 3135G0M59	Aaa/AAA/AA+ NR/NR/NR	594,000	1.13%	07/26/2019		6,682.50 1.13%	2.18% 2.18%	0.06	593,109.00 451.44	99.926	593,560.44 2,877.19	0.87%
Initial Purchase Date: 08/02/2016 Original Maturity: 07/26/2019												
MORGAN STANLEY 05.625% 092319 DTD092309 FC032310 MMW+35BP CUSIP: 61747YCJ2	A3/A/BBB+ NR/NR/NR	750,000	5.63%	09/23/2019		42,187.50 5.59%	2.57% 2.57%	0.22	755,289.47 -166.97	100.683	755,122.50 11,484.38	1.10%
Initial Purchase Date: 08/28/2015 Original Maturity: 09/23/2019												
CALIFORNIA ST TAX BE/R/ 6.200 100119 DTD 101509 /CA CUSIP: 13063A7G3	Aaa/AA-/AA- Aaa/AA-/NR	400,000	6.20%	10/01/2019		24,800.00 6.14%	2.19% 2.19%	0.24	404,226.66 -274.66	100.988	403,952.00 6,200.00	0.59%
Initial Purchase Date: 12/30/2015 Original Maturity: 10/01/2019												
FHLMC MED TERM NTS 00.0000% DUE 100119 CUSIP: 3128X2SW6	Aaa/AAA/AA+ NR/NR/NR	485,000		10/01/2019			2.28% 2.28%	0.24	482,377.34 -132.14	99.432	482,245.20 0.00	0.70%
Initial Purchase Date: 06/03/2015 Original Maturity: 10/01/2019												
UNITED TECHNOLOGIES CORP 08.875% 111519 DTD111389 FC051590 DEB CUSIP: 913017ARO	Baa1/WD/BBB+ NR/NR/NR	250,000	8.88%	11/15/2019		22,187.50 8.67%	2.59% 2.59%	0.36	256,945.39 -1,177.89	102.307	255,767.50 2,835.07	0.37%
Initial Purchase Date: 09/08/2016 Original Maturity: 11/15/2019												
DISCOVER BK GREENW DE US RT 02.0500% MAT 12/30/19 FIXED RATE CD /DE CUSIP: 254673IR8	CD	235,000	2.05%	12/30/2019		4,817.50 2.05%	2.11% 2.11%	0.49	233,758.45 1,168.70	99.969	234,927.15 39.60	0.34%
Initial Purchase Date: 11/21/2018 Original Maturity: 12/30/2019												
Total 2019		2,714,000	4.53%	09/27/2019		\$100,675.00 3.69%	2.34% 2.34%	0.23	\$2,725,706.31 \$-131.52		\$2,725,574.79 \$23,436.23	3.98%

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Bond holdings - as of July 01, 2019 (continued)

Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%) YTW (%)	Modified duration	Adjusted cost basis (\$) Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$) Accr. interest (\$)	% of bond port.
Maturing 2020											
A3/A/A NR/NR/NR	850,000	2.10%	01/10/2020		17,850.00 2.10%	2.36% 2.36%	0.51	847,195.00 1,674.50	99.867	848,869.50 8,478.75	1.24%
CATERPILLAR FINL SVCS 02.100% 011020 DTD011217 FC071017 CALL@MW+12.5BP CUSIP: 14912L6Y2 Initial Purchase Date: 04/29/2019 Original Maturity: 01/10/2020											
CD	100,000	2.00%	02/04/2020		2,000.00 2.00%	2.14% 2.14%	0.58	99,161.77 755.23	99.917	99,917.00 805.48	0.15%
GOLDMAN SACHS BANK NY US RT 02.0000% MAT 02/04/20 FIXED RATE CD /NY CUSIP: 38148JKC4 Initial Purchase Date: 09/14/2018 Original Maturity: 02/04/2020											
CD	240,000	2.45%	02/18/2020		5,880.00 2.45%	2.15% 2.15%	0.62	239,664.00 782.40	100.186	240,446.40 2,190.90	0.35%
BANK OF AMERICA NA NC US RT 02.4500% MAT 02/18/20 FIXED RATE CD /NC CUSIP: 06051VB54 Initial Purchase Date: 09/14/2018 Original Maturity: 02/18/2020											
CD	140,000	2.50%	02/24/2020		3,500.00 2.49%	2.16% 2.16%	0.63	139,790.00 516.60	100.219	140,306.60 1,227.40	0.20%
MORGAN STANLEY BK UT US RT 02.5000% MAT 02/24/20 FIXED RATE CD /UT CUSIP: 61747M5F4 Initial Purchase Date: 09/14/2018 Original Maturity: 02/24/2020											
Aaa/AAA/AA+	1,750,000	1.50%	03/23/2020	09/23/2019 100.00	26,250.00 1.51%	2.02% 2.02%	0.71	1,748,250.00 -4,847.50	99.623	1,743,402.50 7,145.83	2.54%
FNMA NTS 01.500 % DUE 03/23/20 DTD 03/23/16 FC 09/23/2016 CUSIP: 3136G3CC7 Initial Purchase Date: 03/01/2016 Original Maturity: 03/23/2020											
A2/A-/A- NR/NR/NR	750,000	2.25%	04/21/2020		16,875.00 2.25%	2.32% 2.32%	0.79	739,950.00 9,645.00	99.946	749,595.00 3,281.25	1.09%
BK OF AMER CORP NTS B/E 02.250% 04/21/20 DTD042115 FC102115 CUSIP: 06051GFN4 Initial Purchase Date: 11/16/2018 Original Maturity: 04/21/2020											
A3/A-/A- NR/NR/NR	2,000,000	5.15%	04/30/2020		103,000.00 5.03%	2.34% 2.34%	0.80	2,059,942.24 -14,022.24	102.296	2,045,920.00 17,452.78	2.99%
NBCUNIVERSAL MEDIA LLC 05.150% 04/30/20 DTD043011 CALL@MW+25BP CUSIP: 63946BAD2 Initial Purchase Date: 09/08/2016 Original Maturity: 04/30/2020											

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Bond holdings - as of July 01, 2019 (continued)

	Effective rating/ Underlying rating (Mdv/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$/ YTM (%) / YTW (%) / duration	Adjusted cost basis (\$/ Unreal. gl (\$)	Market price (\$)	Mkt. value (\$/ Accr. interest (\$)	% of bond port.
Maturing 2020										
QUALCOMM INC NTS B/E 02.250%	AZ/NR/A-	2,879,000	2.25%	05/20/2020		64,777.50	2,882,710.93	99.991	2,878,740.89	4.20%
052020 DTD052015 FC112015	NR/NR/NR					2.25%	-3,970.04		7,377.44	
CUSIP: 747525AD5										
Initial Purchase Date: 02/22/2017										
Original Maturity: 05/20/2020										
AMERICAN EXPRESS CRD 02.375%	AZ/A/A-	900,000	2.38%	05/26/2020	04/25/2020	21,375.00	889,414.07	100.013	900,117.00	1.31%
052620 DTD052615 FC112615	NR/NR/NR				100.00	2.37%	10,702.93		2,078.13	
CORP NTS										
CUSIP: 0258M0DT3										
Initial Purchase Date: 08/03/2018										
Original Maturity: 05/26/2020										
CITIBANK NA NTS B/E 02.100%	Aa3/A+/A+	550,000	2.10%	06/12/2020	05/12/2020	11,550.00	539,005.50	99.840	549,120.00	0.80%
061220 DTD061217 FC121217	NR/NR/NR				100.00	2.10%	10,114.50		609.58	
CUSIP: 17325FAE8										
Initial Purchase Date: 07/17/2018										
Original Maturity: 06/12/2020										
SYNCHRONY BANK UT US RT	CD	99,000	2.15%	06/19/2020		2,128.50	98,522.82	99.828	98,829.72	0.14%
02.1500% MAT 06/19/20 FIXED						2.15%	306.90		69.98	
RATE CD /UT										
CUSIP: 87165FHL1										
Initial Purchase Date: 03/06/2019										
Original Maturity: 06/19/2020										
FHLMC MED TERM NTS 01.500 %	Aaa/AAA/AAA+	3,500,000	1.50%	06/29/2020	09/29/2019	52,500.00	3,500,000.00	99.658	3,488,030.00	5.09%
DUE 062920 DTD 062916 FC	NR/NR/NR				100.00	1.51%	-11,970.00		291.67	
12292016										
CUSIP: 3134G9LQ8										
Initial Purchase Date: 06/03/2016										
Original Maturity: 06/29/2020										
WELLS FARGO BK NA SD US RT	CD	50,000	2.80%	06/29/2020		1,400.00	50,145.29	100.622	50,311.00	0.07%
02.8000% MAT 06/29/20 FIXED						2.78%	165.71		7.67	
RATE CD /SD										
CUSIP: 949763RW8										
Initial Purchase Date: 03/06/2019										
Original Maturity: 06/29/2020										
INTEL CORP NTS B/E 02.450%	A1/A+/A+	1,750,000	2.45%	07/29/2020		42,875.00	1,734,110.00	100.289	1,755,057.50	2.56%
072920 DTD072915 FC012916	NR/NR/NR					2.44%	20,947.50		18,102.78	
CALL@MMW+15BP										
CUSIP: 458140AQ3										
Initial Purchase Date: 10/29/2018										
Original Maturity: 07/29/2020										
AMAZON COM INC NTS B/E	A3/A+/A+	2,500,000	1.90%	08/21/2020		47,500.00	2,479,925.00	99.709	2,492,725.00	3.64%
01.900% 082120 DTD022118	NR/NR/NR					1.91%	12,800.00		17,152.78	
FC082118 CALL@MMW+7.5BP										
CUSIP: 023135AT3										
Initial Purchase Date: 05/02/2019										
Original Maturity: 08/21/2020										

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Bond holdings - as of July 01, 2019 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2020											
FNMA NTS 01.350 % DJE 08/24/20	Aaa/AAA/AA+	3,500,000	1.35%	08/24/2020	08/24/2019	47,250.00	1.87%	3,498,250.00	99.416	3,479,560.00	5.08%
DTD 08/24/16 FC 02/24/2017	NR/NR/NR				100.00	1.36%	-18,690.00			16,668.75	
CUSIP: 3136G3W92											
Initial Purchase Date: 08/02/2016											
Original Maturity: 08/24/2020											
JP MORGAN CHASE & CO	A2/A+-A-	1,000,000	2.55%	10/29/2020	09/29/2020	25,500.00	2.43%	994,430.00	100.148	1,001,480.00	1.46%
02.550% 102920 DTD102915	NR/NR/NR				100.00	2.55%	7,050.00			4,391.67	
FC042916 NTS B/E											
CUSIP: 46625HNX4											
Initial Purchase Date: 11/04/2015											
Original Maturity: 10/29/2020											
BOEING CO B/E 01.650% 103020	A2/A+	2,000,000	1.65%	10/30/2020	09/30/2020	33,000.00	2.29%	1,969,800.00	99.168	1,983,360.00	2.89%
DTD102915 FC043016	NR/NR/NR				100.00	1.66%	13,560.00			5,591.67	
CALL@MW+10BP											
CUSIP: 097023BM6											
Initial Purchase Date: 05/03/2019											
Original Maturity: 10/30/2020											
PNC BK NTS B/E 02.450% 110520	A2/A+	320,000	2.45%	11/05/2020	10/05/2020	7,840.00	2.31%	316,736.00	100.186	320,595.20	0.47%
DTD110315 FC050516	NR/NR/NR				100.00	2.45%	3,859.20			1,219.56	
CUSIP: 69353REU8											
Initial Purchase Date: 01/29/2019											
Original Maturity: 11/05/2020											
VISA INC NTS B/E 02.200% 121420	Aa3/NR/AA-	1,500,000	2.20%	12/14/2020	11/14/2020	33,000.00	2.11%	1,480,215.00	100.130	1,501,950.00	2.19%
DTD121415 FC061416	NR/NR/NR				100.00	2.20%	21,735.00			1,558.33	
CALL@MW+10BP											
CUSIP: 92826CAB8											
Initial Purchase Date: 04/05/2018											
Original Maturity: 12/14/2020											
Total 2020		26,378,000	2.15%	07/12/2020		\$566,051.00	2.14%	\$26,307,217.6		\$26,368,333.31	38.48%
						2.15%	2.14%	\$61,115.69		\$115,702.38	
Maturing 2021											
ANHEUSER BUSCH INBEV FIN	Baa1/BBB/A-	600,000	2.65%	02/01/2021	01/01/2021	15,900.00	2.34%	591,840.00	100.479	602,874.00	0.88%
02.650% 020121 DTD012516	NR/NR/NR				100.00	2.64%	11,034.00			6,625.00	
FC080116 CALL@MW+20BP											
CUSIP: 035242A15											
Initial Purchase Date: 05/16/2018											
Original Maturity: 02/01/2021											

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Bond holdings - as of July 01, 2019 (continued)

Underlying (Mg)/Fitch/S&P	Effective rating/ (Mg)/Fitch/S&P	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)	YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. gf (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2021													
FFCB BOND 01.470 % DUE 02/17/21	Aaa/AAA/AA+	4,500,000	1.47%	02/17/2021		66,150.00	1.88%	1.88%	1.59	4,496,625.00	99.349	4,470,705.00	6.52%
DTD 081716 FC 02172017	NR/NR/NR					1.48%				-25,920.00		24,622.50	
CUSIP: 3133EGRN7													
Initial Purchase Date: 08/12/2016													
Original Maturity: 02/17/2021													
FHLMC MED TERM NTS 01.500 %	Aaa/AAA/AA+	3,525,000	1.50%	03/30/2021	09/30/2019	52,875.00	1.91%	1.91%	1.70	3,524,118.75	99.295	3,500,148.75	5.11%
DUE 033021 DTD 093016 FC	NR/NR/NR				100.00	1.51%	1.91%			-23,970.00		13,365.63	
CUSIP: 3134GAEEO													
Initial Purchase Date: 09/08/2016													
Original Maturity: 03/30/2021													
GENL DYNAMICS CORP NTS	A2/WDA/A+	1,000,000	3.00%	05/11/2021		30,000.00	2.13%	2.13%	1.79	994,790.00	101.576	1,015,760.00	1.48%
03.000% 051121 DTD051118	NR/NR/NR					2.95%	2.13%			20,970.00		4,166.67	
FC111118 CALL@MW+10BP													
CUSIP: 369550BE7													
Initial Purchase Date: 10/30/2018													
Original Maturity: 05/11/2021													
BURLINGTON NTHN SANTA FE	A3/NR/A+	1,000,000	4.10%	06/01/2021	03/01/2021	41,000.00	2.69%	2.49%	1.58	1,030,934.66	102.622	1,026,220.00	1.50%
04.100% 060121 DTD051911	NR/NR/NR				100.00	4.00%				-4,714.66		3,416.67	
CALL@MW +15BP CORP NTS													
CUSIP: 12189LAD3													
Initial Purchase Date: 02/22/2017													
Original Maturity: 06/01/2021													
PRIZER INC NTS B/E 01.950%	A1/A+AA	1,070,000	1.95%	06/03/2021		20,865.00	2.13%	2.13%	1.87	1,065,645.10	99.667	1,066,436.90	1.56%
060321 DTD060316 FC120316	NR/NR/NR					1.96%	2.13%			791.80		1,622.83	
CALL@MW+10BP													
CUSIP: 717081DX8													
Initial Purchase Date: 06/14/2019													
Original Maturity: 06/03/2021													
FNMA NTS 01.530 % DUE 072821	Aaa/AAA/AA+	3,750,000	1.53%	07/28/2021	07/28/2019	57,375.00	1.81%	1.81%	2.01	3,750,000.00	99.438	3,728,925.00	5.44%
DTD 072816 FC 07282017	NR/NR/NR				100.00	1.54%				-21,075.00		24,384.38	
CUSIP: 3136G3S97													
Initial Purchase Date: 08/02/2016													
Original Maturity: 07/28/2021													
FHLB NTS 01.550 % DUE 090121	Aaa/NR/AA+	500,000	1.55%	09/01/2021		7,750.00	1.88%	1.88%	2.10	499,375.00	99.294	496,470.00	0.72%
DTD 090116 FC 03012017	NR/NR/NR					1.56%	1.88%			-2,905.00		2,583.33	
CUSIP: 3130A9BJ9													
Initial Purchase Date: 09/08/2016													
Original Maturity: 09/01/2021													
LOS ANG CAL TAX SR A	A2/NR/NR	1,000,000	2.15%	09/01/2021		21,500.00	2.17%	2.17%	2.09	994,250.00	99.967	999,670.00	1.46%
2.150 090121 DTD 122116/CA	A-a2/NR/NR					2.15%	2.17%			5,420.00		7,166.67	
CUSIP: 544351KQ1													
Initial Purchase Date: 12/23/2016													
Original Maturity: 09/01/2021													

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Bond holdings - as of July 01, 2019 (continued)

Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2021										
A1/AAA- NR/NRNR	1,425,000	1.90%	09/15/2021	08/15/2021 100.00	27,075.00 1.91%	2.17% 2.17%	1,399,934.25 16,829.25	99.422	1,416,763.50 7,972.08	2.07%
ORACLE CORP NTS B/E 01.9000% 091521 DTD070716 FC031517 CALL@MW+15BP CUSIP: 68389XBKO Initial Purchase Date: 05/03/2019 Original Maturity: 09/15/2021										
A1/NR/AA- NR/NRNR	1,000,000	1.85%	09/20/2021	08/20/2021 100.00	18,500.00 1.86%	2.14% 2.14%	993,660.00 160.00	99.382	993,820.00 5,190.28	1.45%
CISCO SYSTEMS INC B/E 01.850% 092021 DTD092016 FC032017 CALL@MW+10BP CUSIP: 17275RBJ0 Initial Purchase Date: 09/15/2017 Original Maturity: 09/20/2021										
Aaa/NR/AA+ NR/NRNR	2,290,000	1.52%	09/23/2021		34,808.00 1.54%	2.06% 2.06%	2,289,150.00 -25,736.90	98.839	2,263,413.10 9,475.51	3.30%
FHLB BOND 01.520 % DUE 092321 DTD 092316 FC 03232017 CUSIP: 3130A9FB2 Initial Purchase Date: 09/27/2016 Original Maturity: 09/23/2021										
Aaa/NR/AA+ NR/NRNR	255,000	1.60%	09/27/2021		4,080.00 1.61%	2.01% 2.01%	255,000.00 -2,289.90	99.102	252,710.10 1,065.33	0.37%
FHLB BOND 01.600 % DUE 092721 DTD 092716 FC 03272017 CUSIP: 3130A9JZ5 Initial Purchase Date: 09/27/2016 Original Maturity: 09/27/2021										
Aa2/AAA Aa2/AA/NR	1,450,000	2.47%	11/01/2021		35,815.00 2.44%	1.96% 1.96%	1,460,149.71 6,742.79	101.165	1,466,892.50 5,969.17	2.14%
MISSISSIPPI ST TAX SR G BE/R/ 2.470 110121 DTD 120815 /MS CUSIP: 605581GN1 Initial Purchase Date: 02/22/2017 Original Maturity: 11/01/2021										
Total 2021										
	23,365,000	1.86%	06/16/2021		\$433,693.00 1.86%	2.01% 2.00%	\$23,345,472.4 \$-44,663.62		\$23,300,808.85 \$117,626.04	34.01%
Maturing 2022										
Aa1/NR/AA+ NR/NRNR	2,000,000	2.50%	02/09/2022	01/09/2022 100.00	50,000.00 2.47%	2.08% 2.07%	2,003,126.23 18,033.77	101.058	2,021,160.00 19,722.22	2.95%
APPLE INC NTS B/E 02.500% 020922 DTD020917 FC080917 CALL@MW+10BP CUSIP: 037833CM0 Initial Purchase Date: 02/22/2017 Original Maturity: 02/09/2022										

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	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / Modified duration	Adjusted cost basis (\$)/ Unreal. gl (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2022											
PEPSICO INC NTS B/E 02.250% 050222 DTD050217 FC110217 CALL@MW+10BP CUSIP: 713448DT2 Initial Purchase Date: 05/16/2017 Original Maturity: 05/02/2022	A1/AA+ NR/NR/NR	1,089,000	2.25%	05/02/2022	04/02/2022 100.00	24,502.50 2.24%	2.64 2.09%	1,087,301.16 6,446.88	100.436	1,093,748.04 4,015.69	1.60%
QUALCOMM INC NTS B/E 03.000% 052022 DTD052015 FC112015 CALL@MW+15BP CUSIP: 747525AE3 Initial Purchase Date: 09/15/2017 Original Maturity: 05/20/2022	A2/NR/A- NR/NR/NR	1,000,000	3.00%	05/20/2022		30,000.00 2.95%	2.74 2.39%	1,017,467.04 -637.04	101.683	1,016,830.00 3,416.67	1.48%
FHLB NTS 02.000 % DUE 090122 DTD 090117 FC 03012018 CUSIP: 3130ACD84 Initial Purchase Date: 09/26/2017 Original Maturity: 09/01/2022	Aaa/NR/AA+ NR/NR/NR	3,000,000	2.00%	09/01/2022		60,000.00 2.00%	3.03 2.00%	2,988,750.00 11,280.00	100.001	3,000,030.00 20,000.00	4.38%
FFCB BOND 02.100 % DUE 092622 DTD 092617 FC 03262018 CUSIP: 3133EHXZ4 Initial Purchase Date: 09/26/2017 Original Maturity: 09/26/2022	Aaa/AAA/AA+ NR/NR/NR	2,000,000	2.10%	09/26/2022		42,000.00 2.10%	3.09 2.10%	1,999,000.00 1,060.00	100.003	2,000,060.00 11,083.33	2.92%
FFCB BOND 02.160 % DUE 101122 DTD 101117 FC 04112018 CUSIP: 3133EHE58 Initial Purchase Date: 10/17/2017 Original Maturity: 10/11/2022	Aaa/NR/AA+ NR/NR/NR	2,500,000	2.16%	10/11/2022		54,000.00 2.17%	3.13 2.28%	2,495,150.00 -4,575.00	99.623	2,490,575.00 12,000.00	3.63%
FHLB BOND 02.510 % DUE 122922 DTD 122917 FC 06292018 CUSIP: 3130AD6W7 Initial Purchase Date: 01/26/2018 Original Maturity: 12/29/2022	Aaa/NR/AA+ NR/NR/NR	2,000,000	2.51%	12/29/2022	09/29/2019 100.00	50,200.00 2.51%	0.24 2.10%	1,991,000.00 11,000.00	100.100	2,002,000.00 278.89	2.92%
Total 2022		13,589,000	2.29%	08/13/2022		\$310,702.50 2.28%	2.18% 2.13%	\$13,581,794.4 \$42,608.61		\$13,624,403.04 \$70,516.80	19.88%
Maturing 2023											
FFCB BOND 02.550 % DUE 011723 DTD 011718 FC 07172018 CUSIP: 3133EH7C1 Initial Purchase Date: 01/26/2018 Original Maturity: 01/17/2023	Aaa/AAA/AA+ NR/NR/NR	2,500,000	2.55%	01/17/2023		63,750.00 2.55%	3.33 2.55%	2,489,625.00 10,525.00	100.006	2,500,150.00 -29,041.67	3.65%
Total 2023		2,500,000	2.55%	01/17/2023		\$63,750.00 2.55%	3.33 2.55%	\$2,489,625.00 \$10,525.00		\$2,500,150.00 \$29,041.67	3.65%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.



EB 02120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for
 Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Bond holdings - as of July 01, 2019 (continued)

Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
	68,546,000	2.17%	04/27/2021	NA	\$1,474,871.50 2.15%	1.65 2.12%	\$68,449,815.8 \$69,454.16	NA	\$68,519,269.99 \$356,323.12	100%
Total Bond Portfolio									\$68,875,593.11	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.

Report created on: July 26, 2019



EB 02120 • BOND PORTFOLIO • Portfolio Management Program
Prepared for **Kern Health Systems**
Risk profile: Conservative
Return Objective: Current Income

Additional information about your portfolio

as of July 01, 2019

Inception to date net time-weighted returns^(annualized > 1 year)

Account	Performance Start date	ITD Start date to	
EB 02120	12/08/2008	07/01/2019	2.65%

Benchmark composition

Account EB 02120

Blended Index

Start - 05/15/2017: 50% Barclays US Gov 1-3Y; 50% Barclays Govt/Credit 1-5Y
05/15/2017 - 05/31/2018: 100% Barclays Agg Bond
05/31/2018 - Current: 100% Barclays Agg Bond



Disclosures applicable to accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS FS accounts statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports. You should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

UBS FS offers a number of investment advisory programs to clients, acting in our capacity as an investment adviser, including fee-based financial planning, discretionary account management, non-discretionary investment advisory programs, and advice on the selection of investment managers and mutual funds offered through our investment advisory programs. When we act as your investment adviser, we will have a written agreement with you expressly acknowledging our investment advisory relationship with you and describing our obligations to you. At the beginning of our advisory relationship, we will give you our Form ADV brochure(s) for the program(s) you selected that provides detailed information about, among other things, the advisory services we provide, our fees, our personnel, our other business activities and financial industry affiliations and conflicts between our interests and your interests.

In our attempt to provide you with the highest quality information available, we have compiled this report using data obtained from recognized statistical sources and authorities in the financial industry. While we believe this information to be reliable, we cannot make any representations regarding its accuracy or completeness. Please keep this guide as your Wealth Review.

Please keep in mind that most investment objectives are long term. Although it is important to evaluate your portfolio's performance over multiple time periods, we believe the greatest emphasis should be placed on the longer period returns.

Please review the report content carefully and contact your Financial Advisor with any questions.

Client Accounts: This report may include all assets in the accounts listed and may include eligible and ineligible assets in a fee-based program. Since ineligible assets are not considered fee-based program assets, the inclusion of such securities will distort the actual performance of your accounts and does not reflect the performance of your accounts in the fee-based program. As a result, the performance reflected in this report can vary substantially from the individual account

performance reflected in the performance reports provided to you as part of those programs. For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, prorated according to the number of calendar days in the billing period. When shown on a report, the risk profile and return objectives describe your overall goals for these accounts. For each account you maintain, you choose one return objective and a primary risk profile. If you have questions regarding these objectives or wish to change them, please contact your Financial Advisor to update your accounts records.

Performance: This report presents account activity and performance depending on which inception type you've chosen. The two options are: (1) All Assets (Since Performance Start). This presents performance for all assets since the earliest possible date; (2) Advisory Assets (Advisory Strategy Start) for individual advisory accounts. This presents Advisory level performance since the latest Strategy Start date; if an account that has never been managed is included in the consolidated report, the total performance of that unmanaged account will be included since inception.

Time-weighted Returns for accounts / SWP sleeves (Monthly periods): The report displays a time weighted rate of return (TWR) that is calculated using the Modified Dietz Method. This calculation uses the beginning and ending portfolio values for the month and weighs each contribution/withdrawal based upon the day the cash flow occurred. Periods greater than one month are calculated by linking the monthly returns. The TWR gives equal weighting to every return regardless of amount of money invested, so it is an effective measure for returns on a fee based account. All periods shown which are greater than 12 months are annualized. This applies to all performance for all assets before 09/30/2010. Advisory assets before 1/31/2010 and SWP sleeves before 04/30/2018.

Time-weighted Returns for accounts / SWP sleeves (Daily periods): The report displays a time weighted rate of return (TWR) that is calculated by dividing the portfolio's daily gain/loss by the previous day's closing market value plus the net value of cash flows that occurred during the day, if it was positive. The TWR gives equal weighting to every return regardless of amount of money invested, so it is an effective measure for returns on a fee based account. Periods greater than one day are calculated by linking the daily returns. All periods shown which are greater than 12 months are annualized. For reports generated prior to 01/26/2018, the performance calculations used the account's end of day value on the performance inception (listed in the report under the column "ITD") and all cash flows were posted at end of day. As a result of the change, the overall rate of return (TWR) and beginning market value displayed can vary from prior generated reports. This applies to all performance for all assets on or after

09/30/2010. Advisory assets on or after 1/31/2010, SWP sleeves on or after 04/30/2018 as well as all Asset Class and Security level returns.

Money-weighted returns: Money-weighted return (MWR) is a measure of the rate of return for an asset or portfolio of assets. It is calculated by finding the daily Internal Rate of Return (IRR) for the period and then compounding this return by the number of days in the period being measured. The MWR incorporates the size and timing of cash flows, so it is an effective measure returns on a portfolio.

Annualized Performance: All performance periods greater than one year are calculated (unless otherwise stated) on an annualized basis, which represents the return on an investment multiplied or divided to give a comparable one year return.

Cumulative Performance: A cumulative return is the aggregate amount that an investment has gained or lost over time, independent of the period of time involved.

Net of Fees and Gross of Fees Performance: Performance is presented on a "net of fees" and "gross of fees" basis, where indicated. Net returns do not reflect Program and wrap fees prior to 10/31/10 for accounts that are billed separately via invoice through a separate account billing arrangement. Gross returns do not reflect the deduction of fees, commissions or other charges. The payment of actual fees and expenses will reduce a client's return. The compound effect of such fees and expenses should be considered when reviewing returns. For example, the net effect of the deduction of fees on annualized performance, including the compounded effect over time, is determined by the relative size of the fee and the account's investment performance. It should also be noted that where gross returns are compared to an index, the index performance also does not reflect any transaction costs, which would lower the performance results. Market index data maybe subject to review and revision.

Benchmark/Major Indices: The past performance of an index is not a guarantee of future results. Any benchmark is shown for informational purposes only and relates to historical performance of market indices and not the performance of actual investments. Although most portfolios use indices as benchmarks, portfolios are actively managed and generally are not restricted to investing only in securities in the index. As a result, your portfolio holdings and performance may vary substantially from the index. Each index reflects an unmanaged universe of securities without any deduction for advisory fees or other expenses that would reduce actual returns, as well as the reinvestment of all income and dividends. An actual investment in the securities included in the index would require an investor to incur transaction costs, which would lower the performance results. Indices are not actively managed and investors

cannot invest directly in the indices. Market index data may be subject to review and revision. Further, there is no guarantee that an investor's account will meet or exceed the stated benchmark. Index performance information has been obtained from third parties and should not be relied upon as the basis of an investment or liquidation decision. UBS FS accounts statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports. You should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise.

Blended Index - For Advisory accounts, Blended Index is designed to reflect the asset categories in which your account is invested. For Brokerage accounts, you have the option to select any benchmark from the list.

For certain products, the blended index represents the investment style corresponding to your client target allocation. If you change your client target allocation, your blended index will change in step with your change to your client target allocation.

Blended Index 2 - 8 - are optional indices selected by you which may consist of a blend of indexes. For advisory accounts, these indices are for informational purposes only. Depending on the selection, the benchmark selected may not be an appropriate basis for comparison of your portfolio based on it's holdings.

Custom Time Periods: If represented on this report, the performance start date and the performance end date have been selected by your Financial Advisor in order to provide performance and account activity information for your account for the specified period of time only. As a result only a portion of your account's activity and performance information is presented in the performance report, and, therefore, presents a distorted representation of your account's activity and performance.

Net Deposits/Withdrawals: When shown on a report, this information represents the net value of all cash and securities contributions and withdrawals, program fees (including wrap fees) and other fees added to or subtracted from your accounts from the first day to the last day of the period. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS FS price on the day securities are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate accounts billing arrangement. When shown on Client summary and/or Portfolio review report, program fees (including wrap fees) may not be included in net deposits/withdrawals.

PACE Program fees paid from sources other than your PACE account are treated as a contribution. A PACE



Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

Program Fee rebate that is not reinvested is treated as a withdrawal.

Dividends/Interest: Dividend and interest earned, when shown on a report, does not reflect your account's tax status or reporting requirements. Use only official tax reporting documents (i.e. 1099) for tax reporting purposes. The classification of private investment distributions can only be determined by referring to the official year-end tax-reporting document provided by the issuer.

Change in Accrued Interest: When shown on a report, this information represents the difference between the accrued interest at the beginning of the period from the accrued interest at the end of the period.

Change in Value: Represents the change in value of the portfolio during the reporting period, excluding additions/withdrawals, dividend and interest income earned and accrued interest. Change in Value may include programs fees (including wrap fees) and other fees.

Fees: Fees represented in this report include program and wrap fees. Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement are not included in this report.

Performance Start Date Changes: The Performance Start Date for accounts marked with a '*' have changed. Performance figures of an account with a changed Performance Start Date may not include the entire history of the account. The new Performance Start Date will generate performance returns and activity information for a shorter period than is available at UBS FS. As a result, the overall performance of these accounts may generate better performance than the period of time that would be included if the report used the inception date of the account. UBS FS recommends reviewing performance reports that use the inception date of the account because reports with longer time frames are usually more helpful when evaluating investment programs and strategies. Performance reports may include accounts with inception dates that precede the new Performance Start Date and will show performance and activity information from the earliest available inception date. The change in Performance Start Date may be the result of a performance gap due to a zero-balance that prevents the calculation of continuous returns from the inception of the account. The Performance Start Date may also change if an account has failed one of our performance data integrity tests. In such instances, the account will be labeled as "Review Required" and performance prior to that failure will be restricted. Finally, the Performance Start Date will change if you have explicitly requested a performance restart. Please contact your Financial Advisor for additional details

regarding your new Performance Start Date.

Closed Account Performance: Accounts that have been closed may be included in the consolidated performance report. When closed accounts are included in the consolidated report, the performance report will only include information for the time period the account was active during the consolidated performance reporting time period.

Portfolio: For purposes of this report, "portfolio" is defined as all of the accounts presented on the cover page or the header of this report and does not necessarily include all of the client's accounts held at UBS FS or elsewhere.

Percentage: Portfolio (in the "% Portfolio / Total" column) includes all holdings held in the account(s) selected when this report was generated. Broad asset class (in the "% Broad Asset Class" column) includes all holdings held in that broad asset class in the account(s) selected when this report was generated.

Tax lots: This report displays security tax lots as either one line item (i.e., lumped tax lots) or as separate tax lot level information. If you choose to display security tax lots as one line item, the total cost equals the total value of all tax lots. The unit cost is an average of the total cost divided by the total number of shares. If the shares were purchased in different lots, the unit price listed does not represent the actual cost paid for each lot. The unrealized gain/loss value is calculated by combining the total value of all tax lots plus or minus the total market value of the security.

If you choose to display tax lot level information as separate line items on the Portfolio Holdings report, the tax lot information may include information from sources other than UBS FS. The firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS FS. As a result this information may not be accurate and is provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. See your monthly statement for additional information.

Pricing: All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS FS accounts statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to

be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

Cash: Cash on deposit at UBS Bank USA is protected by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 in principal and accrued interest per depositor for each ownership type. Deposits made in an individual's own name, joint name, or individual retirement account are each held in a separate type of ownership. Such deposits are not guaranteed by UBS FS. More information is available upon request.

Mutual Fund Asset Allocation: If the option to unbundle balanced mutual funds is selected and if a fund's holdings data is available, mutual funds will be classified by the asset class, subclass, and style breakdown of their underlying holdings. Where a mutual fund or ETF contains equity holdings from multiple equity sectors, this report will proportionately allocate the underlying holdings of the fund to those sectors measured as a percentage of the total fund's asset value as of the date shown.

This information is supplied by Morningstar, Inc. on a daily basis to UBS FS based on data supplied by the fund which may not be current. Mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these funds. If a fund's underlying holding data is not available, it will be classified based on its corresponding overall Morningstar classification. All data is as of the date indicated in the report.

All pooled investment vehicles (such as mutual funds, closed end mutual funds, and exchange traded funds) incorporate internal management and operation expenses, which are reflected in the performance returns. Please see relevant fund prospectus for more information. Please note, performance for mutual funds is inclusive of multiple share classes.

Variable Annuity Asset Allocation: If the option to unbundle a variable annuity is selected and if a variable annuity's holdings data is available, variable annuities will be classified by the asset class, subclass, and style breakdown for their underlying holdings. Where a variable annuity contains equity holdings from multiple equity sectors, this report will proportionately allocate the underlying holdings of the variable annuity to those sectors measured as a percentage of the total variable annuity's asset value as of the date shown.

This information is supplied by Morningstar, Inc. on a weekly basis to UBS FS based on data supplied by the

variable annuity which may not be current. Portfolio holdings of variable annuities change on a regular (often daily) basis. Accordingly, any analysis that includes variable annuities may not accurately reflect the current composition of these variable annuities. If a variable annuity's underlying holding data is not available, it will remain classified as an annuity. All data is as of the date indicated in the report.

Equity Style: The Growth, Value and Core labels are determined by Morningstar. If an Equity Style is undclassified, it is due to non-availability of data required by Morningstar to assign it a particular style.

Equity Capitalization: Market Capitalization is determined by Morningstar. Equity securities are classified as Large Cap, Mid Cap or Small Cap by Morningstar. Unclassified securities are those for which no capitalization is available on Morningstar.

Equity Sectors: The Equity sector analysis may include a variety of accounts, each with different investment and risk parameters. As a result, the overweighting or underweighting in a particular sector or asset class should not be viewed as an isolated factor. In making investment/liquidation decisions, but should be assessed on an account by account basis to determine the overall impact on the account's portfolio.

Classified Equity: Classified equities are defined as those equities for which the firm can confirm the specific industry and sector of the underlying equity instrument.

Estimated Annual Income: The Estimated Annual Income is calculated by summing the previous four dividend rates per share and multiplying by the quantity of shares held in the selected account(s) as of the End Date of report.

Current Yield: Current yield is defined as the estimated annual income divided by the total market value.

Bond Rating: These ratings are obtained from independent industry sources and are not verified by UBS FS. Securities without rating information are left blank. Rating agencies may discontinue ratings on high yield securities.

NR: When NR is displayed under bond rating column, no ratings are currently available from that rating agency.

High Yield: This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or sell a high yield fixed income security, please contact your financial advisor or representative and do not make



Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

any investment decision based on this report.

Credit/Event Risk: Investments are subject to event risk and changes in credit quality of the issuer. Issuers can experience economic situations that may have adverse effects on the market value of their securities.

Interest Rate Risk: Bonds are subject to market value fluctuations as interest rates rise and fall. If sold prior to maturity, the price received for an issue may be less than the original purchase price.

Reinvestment Risk: Since most corporate issues pay interest semiannually, the coupon payments over the life of the bond can have a major impact on the bond's total return.

Call Provisions: When evaluating the purchase of a corporate bond, one should be aware of any features that may allow the issuer to call the security. This is particularly important when considering an issue that is trading at a premium to its call price, since the return may be negatively impacted if the issue is redeemed. Should an issue be called, investors may be faced with an earlier than anticipated reinvestment decision, and may be unable to reinvest their principal at equally favorable rates.

Effective Maturity: Effective maturity is the expected redemption due to pre-refunding, puts, or maturity and does not reflect any sinking fund activity, optional or extraordinary calls. Securities without a maturity date are left blank and typically include Preferred Securities, Mutual Funds and Fixed Income UITS.

Yields: Yield to Maturity and Yield to Worst are calculated to the worst call.

Accrued Interest: Interest that has accumulated between the most recent payment and the report date may be reflected in market values for interest bearing securities.

Bond Averages: All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

Tax Status: "Taxable" includes all securities held in a taxable account that are subject to federal and/or state or local taxation. "Tax-exempt" includes all securities held in a taxable account that are exempt from federal, state and local taxation. "Tax-deferred" includes all securities held in a tax-deferred account, regardless of the status of the security.

Taxability unknown: Taxability unknown items may include, but not be limited to, Money Market interest, ordinary interest, and ordinary dividends. The value shown for interest bearing securities that have been deposited or received in your account includes accrued

interest, where applicable.

Cash Flow: This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, changes in the value of the underlying securities and interest rate fluctuations. The effect of a call on any security's and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated — but prior to the report run ("As of") date — are not reflected in this report. In determining the potential cash flows, UBS FS relies on information obtained from third party services it believes to be reliable. UBS FS does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Although UBS FS generally updates this information as it is received, the Firm does not provide any assurances that the information listed is accurate as of the Record Date. Cash flows for mortgage-backed, asset-backed, factored, and other pass-through securities are based on the assumptions that the current face amount, principal pay-down, interest payment and payment frequency remain constant. Calculations may include principal payments, are intended to be an estimate of future projected interest, cash flows and do not in any way guarantee accuracy.

Expected Cash Flow reporting for Puerto Rico Income Tax Purposes: Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS FS nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

Bond sensitivity analysis: This analysis uses Modified Duration which approximates the percentage price change of a security for a given change in yield. The higher the modified duration of a security, the higher its risk. For callable securities, modified duration does not

address the impact of changing interest rates on a bond's expected cash flow as a result of a call or prepayment.

Gain/Loss: The gain/loss information may include calculations based upon non-UBS FS cost basis information. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS FS. In addition, if this report contains positions with unavailable cost basis, the gain/loss for these positions are excluded in the calculation for the Gain/Loss. As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

The account listing may or may not include all of your accounts with UBS FS. The accounts included in this report are listed under the "Accounts included in this review" shown on the first page or listed at the top of each page. If an account number begins with " @ " this denotes assets or liabilities held at other financial institutions. Information about these assets, including valuation, account type and cost basis, is based on the information you provided to us, or provided to us by third party data aggregators or custodians at your direction. We have not verified, and are not responsible for, the accuracy or completeness of this information.

Account name(s) displayed in this report and labels used for groupings of accounts can be customizable "nicknames", chosen by you to assist you with your recordkeeping or may have been included by your financial advisor for reference purposes only. The names used have no legal effect, are not intended to reflect any strategy, product, recommendation, investment objective or risk profile associated with your accounts or any group of accounts, and are not a promise or guarantee that wealth, or any financial results, can or will be achieved. All investments involve the risk of loss, including the risk of loss of the entire investment.

For more information about account or group names, or to make changes, contact your Financial Advisor.

Account changes: At UBS, we are committed to helping you work toward your financial goals. So that we may continue providing you with financial advice that is consistent with your investment objectives, please consider the following two questions:

- 1) Have there been any changes to your financial situation or investment objectives?
- 2) Would you like to implement or modify any restrictions regarding the management of your account? If the answer to either question is "yes," it is important that you contact your Financial Advisor as soon as

possible to discuss these changes. For MAC advisory accounts, please contact your investment manager directly if you would like to impose or change any investment restrictions on your account.

ADV disclosure: A complimentary copy of our current Form ADV Disclosure Brochure that describes the advisory program and related fees is available through your Financial Advisor. Please contact your Financial Advisor if you have any questions.

Important information for former Piper Jaffray and McDonald Investments clients: As an accommodation to former Piper Jaffray and McDonald Investments clients, these reports include performance history for their Piper Jaffray accounts prior to August 12, 2006 and McDonald Investments accounts prior to February 9, 2007, the date the respective accounts were converted to UBS FS. UBS FS has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

For insurance, annuities, and 529 Plans, UBS FS relies on information obtained from third party services it believes to be reliable. UBS FS does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Information for insurance annuities, and 529 Plans that has been provided by a third party service may not reflect the quantity and market value as of the previous business day. When available, an "as of" date is included in the description.

Investors outside the U.S. are subject to securities and tax regulations within their applicable jurisdiction that are not addressed in this report. Nothing in this report shall be construed to be a solicitation to buy or offer to sell any security, product or service to any non-U.S. investor, nor shall any such security, product or service be solicited, offered or sold in any jurisdiction where such activity would be contrary to the securities laws or other local laws and regulations or would subject UBS to any registration requirement within such jurisdiction.

Performance History prior to the account's inception at UBS Financial Services, Inc. may have been included in this report and is based on data provided by third party sources. UBS Financial Services Inc. has not independently verified this information nor does UBS Financial Services Inc. guarantee the accuracy or validity of the information.

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Kern Health Systems

Account Number: EBXXX20

Filtered by: Entry Date 04/01/2019-06/30/2019, Call/Redemption

Your Financial Advisor
THE COHEN GROUP
Phone: 561-663-2100/561-663-8022

Entry Date	Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
06/06/19	06/06/19	CALL REDEMPTION	FFCB BOND 02.730 % DUE 021422	FA6MIQ6	-900,000.000	REDEMPTION	900,000.00
05/02/19	05/02/19	CALL REDEMPTION	FHLB BOND 03.050 % DUE 110220	FC0E60	-3,250,000.000	REDEMPTION	3,250,000.00
05/01/19	05/01/19	CALL REDEMPTION	CALIFORNIA ST TAX BE/R	652VN5	-2,500,000.000	REDEMPTION	2,500,000.00
04/22/19	04/22/19	CALL REDEMPTION	E I DU PONT DE NEMOURS 04.250% 040121 DTD032511	6242K5	-250,000.000	REDEMPTION	257,991.89
04/22/19	04/22/19	CALL REDEMPTION	E I DU PONT DE NEMOURS 03.625% 011521 DTD092310	6209E5	-400,000.000	REDEMPTION	407,018.83
04/05/19	04/05/19	CALL REDEMPTION	FFCB BOND 01.030 % DUE 040519	F06GM0	-5,000,000.000	REDEMPTION	5,000,000.00

Filtered by: Entry Date 04/01/2019-06/30/2019, Bought

Entry Date	Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
06/14/19	06/18/19	BOUGHT	PFIZER INC NTS B/E 01.950% 060321 DTD060316	825DQ4	1,070,000.000	\$99.593	-1,066,514.48
05/03/19	05/07/19	BOUGHT	BOEING CO B/E 01.650% 103020 DTD102915	661FZ4	2,000,000.000	\$98.490	-1,970,441.67
05/03/19	05/07/19	BOUGHT	ORACLE CORP NTS B/E 01.900% 091521 DTD070716	813C11	1,425,000.000	\$98.241	-1,403,845.08
05/02/19	05/06/19	BOUGHT	AMAZON COM INC NTS B/E 01.900% 082120 DTD022118	677TE3	2,500,000.000	\$99.197	-2,489,820.83
04/29/19	05/01/19	BOUGHT	CATERPILLAR FINL SVCS 02.100% 011020 DTD011217	671DGG9	850,000.000	\$99.670	-852,698.75

This report is provided for informational purposes with your consent. Your UBS Financial Services Inc. ("UBSFS") accounts statements and confirmations are the official record of your holdings, balances, transactions and security values. UBSFS does not provide tax or legal advice. You should consult with your attorney or tax advisor regarding your personal circumstances. Rely only on year-end tax forms when preparing your tax return. Past performance does not guarantee future results and current performance may be lower or higher than past performance data presented. Past performance for periods greater than one year are presented on an annualized basis. UBS official reports are available upon request.

As a firm providing wealth management services to clients, UBS Financial Services Inc. offers both investment advisory services and brokerage services. Investment advisory services and brokerage services are separate and distinct, differ in material ways and are governed by different laws and separate arrangements. It is important that clients understand the ways in which we conduct business and that they carefully read the agreements and disclosures that we provide to them about the products or services we offer. For more information visit our website at ubs.com/workingwithus.

The information is based upon the market value of your account(s) as of the close of business on **June 30, 2019**, is subject to daily market fluctuation and in some cases may be rounded for convenience.

Your UBS account statements and trade confirmation are the official records of your accounts at UBS. We assign index benchmarks to our asset allocations, strategies in our separately managed accounts and discretionary programs based on our understanding of the allocation, strategy, the investment style and our research. The benchmarks included in this report can differ from those assigned through our research process. As a result, you may find that the performance comparisons may differ, sometimes significantly, from that presented in performance reports and other materials that are prepared and delivered centrally by the Firm. Depending upon the composition of your portfolio and your investment objectives, the indexes used in this report may not be an appropriate measure for comparison purposes, and as such, are represented for illustration only. Your portfolio holdings and performance may vary significantly from the index. Your financial advisor can provide additional information about how benchmarks within this report were selected.

You have discussed the receipt of this individually customized report with your Financial Advisor and understand that it is being provided for informational purposes only. If you would like to revoke such consent, and no longer receive this report, please notify your Financial Advisor and/or Branch Manager.



Wells Fargo Bank, N.A.
 707 WILSHIRE BOULEVARD
 LOS ANGELES CA 90017
 JONATHAN CHUANG
 1-213-614-2206

Bank Account Statement
Wells Fargo Bank, N.A.

Statement Period
06/01/2019 - 06/30/2019

KERN HEALTH SYSTEMS **Account Number**
 9700 STOCKDALE HWY 1AB84780

Account Value Summary USD

This summary does not reflect the value of unpriced securities. Repurchase agreements are reflected at par value.

	Amount Last Statement Period	Amount This Statement Period	% Portfolio
Cash	\$ 0.00	\$ 0.00	0%
Money Market Mutual Funds	28,580,583.19	20,266,381.00	22%
Bonds	56,313,073.38	72,202,396.85	78%
Stocks	0.00	0.00	0%
Total Account Value	\$ 84,893,656.57	\$ 92,468,777.85	100%
Value Change Since Last Statement Period		\$ 7,575,121.28	
Percent Increase Since Last Statement Period			9%
Value Last Year-End		\$ 96,963,495.64	
Percent Decrease Since Last Year-End			5%

Income Summary USD

	This Period	Year-To-Date
Interest	\$ 3,061.45	\$ 299,153.83
Dividends/Capital Gains	0.00	0.00
Money Market Mutual Funds Dividends	60,865.37	285,823.90
Other	0.00	0.00
Income Total	\$ 63,926.82	\$ 584,977.73

Interest Charged USD

Description	This Period
Debit Interest For June 2019	0.00
Total Interest Charged	\$ 0.00

Money Market Mutual Funds Summary USD

Description	Amount
Opening Balance	\$ 28,580,583.19
Deposits and Other Additions	105,183,120.15
Distributions and Other Subtractions	(113,558,187.71)
Dividends Reinvested	60,865.37
Change in Value	0.00
Closing Balance	\$ 20,266,381.00

Safekeeping

Important Information

This statement is provided to customers of Wells Fargo Securities, LLC ("WFS"), broker dealer 0250. Statements are provided monthly for accounts with transactions and/or security positions. The account statement contains a list of securities held in safekeeping by WFS as of the statement date and provides details of purchase and sale transactions, the receipt and disbursement of cash and securities, and other activities relating to the account during the statement period.

For WFS customers who choose to maintain a safekeeping account at Wells Fargo Bank, N.A. ("Bank"), this statement is accompanied by a separate Bank safekeeping statement. The Bank safekeeping statement, if applicable, contains a list of securities held in safekeeping by the Bank as of the statement date.

Pricing: Security and brokered certificate of deposit ("CD") prices shown on the statement are obtained from independent vendors or internal pricing models. While we believe the prices are reliable, we cannot guarantee their accuracy. For exchange-listed securities, the price provided is the closing price at month end. For unlisted securities, it is the "bid" price at month end. The price of CDs that mature in one year or less are shown at last price traded. The price of CDs that mature in greater than one year and of other instruments that trade infrequently are estimated using similar securities for which prices are available. Prices on the statement may not necessarily be obtained when the asset is sold.

Brokered CD Pricing: Like bonds, brokered CDs are subject to price fluctuation and the value of a CD, if sold prior to maturity, may be less than at the time of its purchase. Significant loss of principal could result. While WFS generally makes a market in CDs it underwrites, the secondary market for CDs that it does not underwrite may be very limited. In those cases, WFS will use its best efforts to help investors find a buyer.

SIPC: WFS is a member of the Securities Investor Protection Corporation ("SIPC"). In the event of insolvency or liquidation of WFS, securities held in safekeeping at WFS are covered by SIPC against the loss, but not investment risk, up to a maximum of \$500,000 per customer, which includes a \$250,000 limit on claims for cash held in the account. SIPC protection does not provide any protection whatsoever against investment risk, including the loss of principal on an investment. This coverage does not apply to securities held in safekeeping by the Bank. Additional information about SIPC, including a SIPC brochure, may be obtained by visiting www.sipc.org or by calling SIPC at 1-202-371-8300.

FINRA BrokerCheck Program: WFS is a member of the Financial Industry Regulatory Authority (FINRA). Under its BrokerCheck program, FINRA provides certain information regarding the disciplinary history of broker/dealers and their associated persons. Information can be obtained from the FINRA BrokerCheck program hotline number (1-800-289-9999) or the FINRA website (www.finra.org). A brochure describing the FINRA BrokerCheck program will be furnished upon written request.

Free Credit Balances: Any customer free credit balances may be used in the business of WFS subject to limitation of 17 CFR Section 240 § 15c(3)-3 under the Securities Exchange Act of 1934. In the course of normal business operations, a customer has the right to receive delivery of the following: any free credit balances to which he or she is entitled, any fully paid securities to which he or she is entitled, and any securities purchased on margin upon full payment of indebtedness to WFS.

Equity Order Routing: WFS will generally route equity and listed options orders taking into consideration among other factors, the quality and speed of execution, as well as the credits, cash or other payments it may receive from any exchange, broker-dealer or market center. This may not be true if a customer has directed or placed limits on any orders. Whenever possible, WFS will route orders in an attempt to obtain executions at prices equal or superior to the nationally displayed best bid or offer. WFS will also attempt to obtain the best execution regardless of any compensation it may receive. The nature and source of credits and payments WFS receives in connection with specific orders will be furnished to a customer upon request. WFS prepares quarterly reports describing its order routing practices for non-directed orders routed to a particular venue for execution. A printed copy of this report along with other compliance and regulatory information is available upon written request or by visiting: <https://www.wellsfargo.com/com/securities/regulatory>.

Equity Extended Hours Trading: See important information relating to equities trading before and after regular trading hours at: www.wellsfargo.com/com/securities/regulatory.

Equity Open Orders: Open orders will remain in effect until executed or canceled by you. Failure to cancel an open order may result in the transaction being executed for your account. WFS has no responsibility to cancel an open order at its own initiative.

Dividend Reinvestment: In any dividend reinvestment transaction, WFS acted as agent. Additional information regarding transactions of this nature will be furnished to a customer upon written request.

Account Transfers: A fee will be charged to customers transferring their existing WFS account to another broker/dealer or any other financial institution.

Non-deposit investment products recommended, offered or sold by WFS, including mutual funds, are not federally insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC"), the Federal Reserve System or any other agency; are not bank deposits; are not obligations of, or endorsed or guaranteed in any way by any bank or WFS; and are subject to risk, including the possible loss of principal, that may cause the value of the investment and investment return to fluctuate.

When the investment is sold, the value may be higher or lower than the amount originally invested. WFS is a subsidiary of Wells Fargo & Company, is not a bank or thrift, and is separate from any other affiliated bank or thrift. WFS is a registered broker-dealer and member of FINRA. No affiliate of WFS is responsible for the securities sold by WFS.

Mutual Funds: The distributor of Wells Fargo Funds is affiliated with WFS/Wells Fargo Securities, LLC.

Institutional Prime and Institutional Tax Exempt money market mutual funds are required to price and transact at a net asset value ("NAV") per share that fluctuates based upon the pricing of the underlying portfolio of securities and this requirement may impact the value of those fund shares. Additionally, Institutional Prime and Institutional Tax Exempt funds may be subject to redemption fees and/or gates that can affect the availability of funds invested.

Mutual funds are sold by prospectus, which includes more complete information on risks, charges, expenses and other matters of interest. Investors should read the prospectus carefully before investing.

Financial Statements: WFS financial statements are available upon request.

Trade Confirmations: Investment purchases and sales are subject to the terms and conditions stated on the trade confirmation relating to that transaction. In the event of a conflict between the trade confirmation and this statement, the trade confirmation will govern.

Listed Options: Commissions and other charges related to the execution of listed option transactions have been included in confirmations of such transactions that have been previously furnished and are available upon request. Promptly advise your WFS sales representative of any material change in your investment objectives or financial situation.

Customer Complaints and Reporting Discrepancies: Customer complaints, statement reporting inaccuracies or discrepancies should be promptly reported in writing to:

Customer Service
90 South 7th Street
5th Floor, MAC N9305-05F
Minneapolis, MN 55402
wfscustomerservice@wellsfargo.com

Customers may also report complaints, inaccuracies or discrepancies by calling 1-800-645-3751 option 5. International callers should call 1-877-856-8878. To further protect their rights, including rights under the Securities Investor Protection Act, customers should also re-confirm in writing to the above address any oral communications with WFS relating to the inaccuracies or discrepancies.

Wells Fargo Bank, N.A. Institutional Deposit: Funds invested in the institutional Deposit are on deposit at Wells Fargo Bank, N.A., and balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to the full amount allowable by law. Institutional Deposit balances are not insured by the Securities Investor Protection Corporation ("SIPC"). For further details, see the Institutional Deposit Product Description.

KERN HEALTH SYSTEMS
Account Number: 1AB84780

Statement Ending: June 30, 2019

Portfolio Holdings *Security positions held with Wells Fargo Bank N.A.*

Security ID	Description	Maturity Date	Coupon	Current Par / Original Par	Market Price*	Market Value	Original Par Pledged**	Callable
Bonds USD								
912796VJ5	UNITED STATES TREASURY BILL	07/02/19	0.000%	20,000,000.000	99.9946	19,998,920.00		
912796RW1	UNITED STATES TREASURY BILL	07/05/19	0.000%	25,000,000.000	99.9783	24,994,582.75		
912796VK2	UNITED STATES TREASURY BILL	07/09/19	0.000%	15,000,000.000	99.9570	14,993,550.00		
29101BUB6	EMERSON ELECTRIC CO 4(2) DISCOUNTED COMMERCIAL PAPER	07/11/19	0.000%	3,000,000.000	99.9152	2,997,457.41		
02665WBE0	AMERICAN HONDA FINANCE	07/12/19	1.200%	1,000,000.000	99.9536	999,535.83		N
0258M0DP1	AMERICAN EXPRESS CREDIT	08/15/19	2.250%	4,000,000.000	99.9774	3,999,095.88		N
43815HAB3	HAROT 2018-3 A2	12/21/20	2.670%	1,224,037.900 2,000,000.000	100.1250	1,225,567.58		
17305EGB5	CCCIT 2017-A3 A3	04/07/22	1.920%	3,000,000.000	99.7896	2,993,687.40		N
				72,224,037.900		72,202,396.85	0.00	

*See important information regarding security pricing on Page 2.

**Total amount that is pledged to or held for another party or parties. Refer to the Pledge Detail Report for more information.

Daily Account Activity

Your investment transactions during this statement period.

Transaction / Trade Date	Settlement / Effective Date	Activity	Security ID	Description	Par / Quantity	Price	Principal Amount	Income Amount	Debit / Credit Amount
Transaction Activity USD									
05/31/19	06/04/19	Security Receipt	17305EGB5	CCCIT 2017-A3 A3	3,000,000.00	99.5703125	(2,987,109.38)	(9,120.00)	(2,996,229.38)
05/30/19	06/04/19	Security Receipt	912796VJ5	UNITED STATES TREASURY BILL	20,000,000.00	99.8242220	(19,964,844.44)	0.00	(19,964,844.44)
06/05/19	06/05/19	Security Receipt	912796VG1	UNITED STATES TREASURY BILL	10,000,000.00	99.9194720	(9,991,947.22)	0.00	(9,991,947.22)
06/05/19	06/06/19	Security Receipt	912796VF3	UNITED STATES TREASURY BILL	15,000,000.00	99.9690280	(14,995,354.17)	0.00	(14,995,354.17)
06/05/19	06/06/19	Security Receipt	912796VH9	UNITED STATES TREASURY BILL	15,000,000.00	99.8823060	(14,982,345.83)	0.00	(14,982,345.83)
06/10/19	06/11/19	Security Receipt	912796VK2	UNITED STATES TREASURY BILL	15,000,000.00	99.8238330	(14,973,575.00)	0.00	(14,973,575.00)
06/13/19	06/13/19	Security Receipt	29101BUB6	EMERSON ELECTRIC CO 4(2)	3,000,000.00	99.8195560	(2,994,586.67)	0.00	(2,994,586.67)
06/17/19	06/18/19	Security Receipt	50000ETT1	KOCH INDUSTRIES INC DISCOUNTED	3,000,000.00	99.9420000	(2,998,260.00)	0.00	(2,998,260.00)
06/25/19	06/27/19	Security Receipt	0258M0DP1	AMERICAN EXPRESS CREDIT	4,000,000.00	99.9970000	(3,999,860.00)	(33,000.00)	(4,032,860.00)

Income / Payment Activity USD

06/04/19	06/04/19	Matured	912796VE6	UNITED STATES TREASURY BILL			20,000,000.00		20,000,000.00
06/11/19	06/11/19	Matured	912796VF3	UNITED STATES TREASURY BILL			15,000,000.00		15,000,000.00
06/14/19	06/14/19	Matured	63866CTE4	NATIONWIDE LIFE INS CO 4(2)			3,000,000.00		3,000,000.00



Statement Ending: June 30, 2019

KERN HEALTH SYSTEMS
Account Number: 1AB84780

Daily Account Activity (Continued)

Your investment transactions during this statement period.

Transaction / Trade Date	Settlement / Effective Date	Activity	Security ID	Description	Par / Quantity	Price	Principal Amount	Income Amount	Debit / Credit Amount
Income / Payment Activity USD									
06/17/19	06/17/19	Matured	50000ETH7	KOCH INDUSTRIES INC DISCOUNTED			3,000,000.00		3,000,000.00
06/18/19	06/18/19	Matured	45113VTJ9	IBM CREDIT LLC 4(2) DISCOUNTED			3,000,000.00		3,000,000.00
06/18/19	06/18/19	Matured	912796VG1	UNITED STATES TREASURY BILL			10,000,000.00		10,000,000.00
06/21/19	06/21/19	Paydown	43815HAB3	HAROT 2018-3 A2			151,893.70		151,893.70
06/21/19	06/21/19	Interest	43815HAB3	HAROT 2018-3 A2				3,061.45	3,061.45
06/25/19	06/25/19	Matured	912796VH9	UNITED STATES TREASURY BILL			15,000,000.00		15,000,000.00
06/27/19	06/27/19	Matured	50000ETT1	KOCH INDUSTRIES INC DISCOUNTED			3,000,000.00		3,000,000.00

Cash Activity USD

Transaction / Trade Date	Settlement / Eff. Date	Activity	Description	Debit Amount / Disbursements	Credit Amount / Receipts
06/04/19	06/04/19	ACH/DDA Transaction	DESIGNATED DDA	8,000,000.00	
06/05/19	06/05/19	ACH/DDA Transaction	DESIGNATED DDA	3,600,000.00	
06/05/19	06/05/19	ACH/DDA Transaction	DESIGNATED DDA		15,000,000.00
06/05/19	06/05/19	ACH/DDA Transaction	DESIGNATED DDA		36,000,000.00
06/06/19	06/06/19	ACH/DDA Transaction	DESIGNATED DDA		15,000,000.00
06/08/19	06/08/19	ACH/DDA Transaction	DESIGNATED DDA		2,000,000.00
06/11/19	06/11/19	ACH/DDA Transaction	DESIGNATED DDA	7,000,000.00	
06/12/19	06/12/19	ACH/DDA Transaction	DESIGNATED DDA	5,000,000.00	
06/13/19	06/13/19	ACH/DDA Transaction	DESIGNATED DDA	3,000,000.00	
06/17/19	06/17/19	ACH/DDA Transaction	DESIGNATED DDA	5,000,000.00	
06/18/19	06/18/19	ACH/DDA Transaction	DESIGNATED DDA	8,000,000.00	
06/19/19	06/19/19	ACH/DDA Transaction	DESIGNATED DDA	7,000,000.00	
06/21/19	06/21/19	ACH/DDA Transaction	DESIGNATED DDA		6,000,000.00
06/25/19	06/25/19	ACH/DDA Transaction	DESIGNATED DDA	5,000,000.00	
06/28/19	06/28/19	ACH/DDA Transaction	DESIGNATED DDA	15,000,000.00	

Money Market Fund Activity

Morgan Stan TreasSvc 8314	Dividend paid this period	7 day* simple yield	30 day* simple yield
*As of June 30, 2019			
USD	60,865.37	2.130%	2.180%

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	28,580,583.19		28,580,583.19000

KERN HEALTH SYSTEMS
Account Number: 1AB84780

Money Market Fund Activity (Continued)

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
06/03/19	Reinvest	60,865.37000			60,865.37	28,641,448.56000
06/04/19	Redemption	(2,961,073.82000)		(2,961,073.82)		25,680,374.74000
06/04/19	Redemption	(8,000,000.00000)		(8,000,000.00)		17,680,374.74000
06/05/19	Purchase	36,000,000.00000		36,000,000.00		53,680,374.74000
06/05/19	Purchase	15,000,000.00000		15,000,000.00		68,680,374.74000
06/05/19	Redemption	(3,600,000.00000)		(3,600,000.00)		65,080,374.74000
06/05/19	Redemption	(9,991,947.22000)		(9,991,947.22)		55,088,427.52000
06/06/19	Redemption	(29,977,700.00000)		(29,977,700.00)		25,110,727.52000
06/06/19	Purchase	15,000,000.00000		15,000,000.00		40,110,727.52000
06/06/19	Purchase	2,000,000.00000		2,000,000.00		42,110,727.52000
06/11/19	Purchase	26,425.00000		26,425.00		42,137,152.52000
06/11/19	Redemption	(7,000,000.00000)		(7,000,000.00)		35,137,152.52000
06/12/19	Redemption	(5,000,000.00000)		(5,000,000.00)		30,137,152.52000
06/13/19	Redemption	(3,000,000.00000)		(3,000,000.00)		27,137,152.52000
06/13/19	Redemption	(2,994,586.67000)		(2,994,586.67)		24,142,565.85000
06/14/19	Purchase	3,000,000.00000		3,000,000.00		27,142,565.85000
06/17/19	Purchase	3,000,000.00000		3,000,000.00		30,142,565.85000
06/17/19	Redemption	(5,000,000.00000)		(5,000,000.00)		25,142,565.85000
06/18/19	Purchase	10,001,740.00000		10,001,740.00		35,144,305.85000
06/18/19	Redemption	(8,000,000.00000)		(8,000,000.00)		27,144,305.85000
06/19/19	Redemption	(7,000,000.00000)		(7,000,000.00)		20,144,305.85000
06/21/19	Purchase	154,955.15000		154,955.15		20,299,261.00000
06/21/19	Purchase	6,000,000.00000		6,000,000.00		26,299,261.00000
06/25/19	Purchase	15,000,000.00000		15,000,000.00		41,299,261.00000
06/25/19	Redemption	(5,000,000.00000)		(5,000,000.00)		36,299,261.00000
06/27/19	Redemption	(1,032,880.00000)		(1,032,880.00)		35,266,381.00000
06/28/19	Redemption	(15,000,000.00000)		(15,000,000.00)		20,266,381.00000
	Ending Balance		1.0000	20,266,381.00		20,266,381.00000

Safekeeping



**CALIFORNIA STATE TREASURER
FIONA MA, CPA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
06/24/19	2.41	2.44	166
06/25/19	2.40	2.44	167
06/26/19	2.41	2.44	168
06/27/19	2.41	2.44	169
06/28/19	2.40	2.44	174
06/29/19	2.40	2.44	174
06/30/19	2.39	2.44	173
07/01/19	2.40	2.40	180
07/02/19	2.40	2.40	180
07/03/19	2.39	2.40	182
07/04/19	2.39	2.40	182
07/05/19	2.39	2.40	182
07/06/19	2.39	2.40	182
07/07/19	2.39	2.39	182
07/08/19	2.39	2.39	179
07/09/19	2.39	2.39	179
07/10/19	2.39	2.39	178
07/11/19	2.38	2.39	179
07/12/19	2.38	2.39	179
07/13/19	2.38	2.39	179
07/14/19	2.38	2.39	179
07/15/19	2.38	2.39	176
07/16/19	2.38	2.39	178
07/17/19	2.38	2.39	179
07/18/19	2.37	2.39	180
07/19/19	2.37	2.39	179
07/20/19	2.37	2.39	179
07/21/19	2.37	2.39	179
07/22/19	2.37	2.38	179
07/23/19	2.37	2.38	177
07/24/19	2.37	2.38	178

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

Quarter Ending 06/30/19

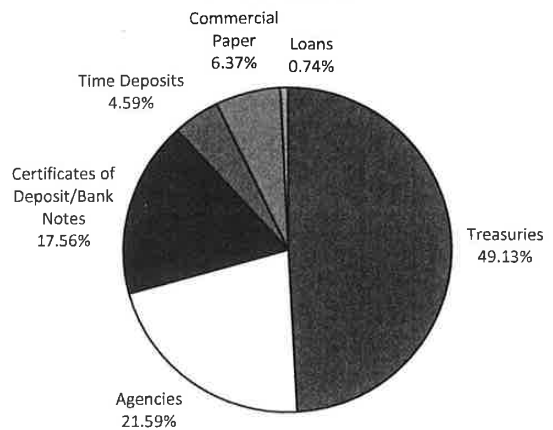
Apportionment Rate: 2.57
 Earnings Ratio: .00007028813234525
 Fair Value Factor: 1.001711790
 Daily: 2.39%
 Quarter to Date: 2.44%
 Average Life: 173

PMIA Average Monthly Effective Yields

June 2019 2.428
 May 2019 2.449
 Apr 2019 2.445

**Pooled Money Investment Account
Portfolio Composition**

06/30/19
\$105.7 billion



Percentages may not total 100% due to rounding

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1)

Based on data available as of 07/24/2019



To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 9, 2019

Re: Report on New Office Building Expenditures

Background

At the February 14th, 2019 Kern Health Systems Board of Directors Meeting, the Board requested updated summaries of amounts paid relating to the new office building (Attached).

Discussion

The attached document has a total building contract amount of \$29,964,935.63 for the work to be performed by the KHS contractor SC Anderson, Inc. Work completed less retainage as of 5/31/19 is \$25,499,653.05. The balance of work to be completed including retainage amounts owed is \$4,465,282.58.

Included in the attachment is an itemized description of amounts complete and paid through May 31, 2019 as well as an itemized listing of the balance and retainage amounts to finish the building.

Requested Action

Receive and file; for informational purposes only.

AIA Document G702™ – 1992

Application and Certificate for Payment

TO OWNER: KERN HEALTH SYSTEMS
9700 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

PROJECT: KERN HEALTH SYSTEMS
2900 BUCK OWENS BLVD
BAKERSFIELD, CA 93308

FROM CONTRACTOR: SC ANDERSON, INC.
2160 Mars Court
Bakersfield, CA 93308

VIA ARCHITECT:

APPROVED FOR PAYMENT

BY: *[Signature]*

APPROVED FOR PAYMENT

BY: *[Signature]*

APPLICATION NO: 01170843-00016

PERIOD TO: 5/31/2019

CONTRACT FOR: OWNER
ARCHITECT
CONTRACTOR
FIELD
OTHER

CONTRACT DATE:

PROJECT NOS: 01.17084.3

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. AIA Document G703™, Continuation Sheet, is attached.

1. ORIGINAL CONTRACT SUM \$ 27,822,583.00
2. NET CHANGE BY CHANGE ORDERS \$ 2,142,352.63
3. CONTRACT SUM TO DATE (Line 1 ± 2) \$ 29,964,935.63
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703) \$ 26,841,840.21
5. RETAINAGE:
 - a. 5 % of Completed Work
(Columns D + E on G703) \$ 1,342,087.16
 - b. _____ % of Stored Material
(Column F on G703) \$ _____

Total Retainage (Lines 5a + 5b, or Total in Column I of G703) \$ 1,342,087.16
6. TOTAL EARNED LESS RETAINAGE \$ 25,499,653.05
(Line 4 minus Line 5 Total)
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT \$ 23,880,168.14
(Line 6 from prior Certificate)
8. CURRENT PAYMENT DUE \$ 1,619,484.91
9. BALANCE TO FINISH, INCLUDING RETAINAGE
(Line 3 minus Line 6) \$ 4,465,282.58

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: S.C. Anderson, Inc.
By: *[Signature]* Date: 6/12/19

State of: California
County of: Kern
Subscribed and sworn to before me this _____ day of See Attached

Notary Public:
My commission expires: _____

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 1,619,484.91
(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT: *[Signature]*
By: *[Signature]* Date: 6/20/19

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$ 2,063,740.38	\$ (8,110.77)
Total approved this month	\$ 8,672,302.00	\$
TOTAL	\$ 2,150,463.40	\$ (8,110.77)
NET CHANGES by Change Order	\$ 2,142,352.63	

CAUTION: You should sign an original AIA Contract Document, on which this text appears in RED. An original assures that changes will not be obscured.

AIA Document G702™ – 1992. Copyright © 1953, 1963, 1965, 1971, 1978, 1983 and 1992 by The American Institute of Architects. All rights reserved. WARNING: This AIA™ Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA™ Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. Purchasers are permitted to reproduce ten (10) copies of this document when completed. To report copyright violations of AIA Contract Documents, e-mail The American Institute of Architects' legal counsel, copyright@aia.org.

REQUEST FOR PAYMENT DETAIL

Project: 01.17084.3 / KERN HEALTH SYSTEMS Invoice: 3702501599 Draw: 01170843-00016 Period Ending Date: 5/31/2019

Item ID	Description	Total Contract Amount	Previously Completed Work	Work Completed This Period	Presently Stored Materials	Completed And Stored To Date	% Comp	Balance To Finish	Retainage Balance
015723	SWPPP	43,555.00	30,020.16	626.20		30,646.36	70.36	12,908.64	1,532.31
017423	FINAL CLEAN	39,200.00						39,200.00	
017833	PAYMENT AND PERFORMANCE	143,280.00	143,280.00			143,280.00	100.00		7,164.00
017837	GENERAL LIABILITY INSURANC	55,864.00	55,864.00			55,864.00	100.00		2,793.20
022113	SITE SURVEY	30,880.00	22,268.96			22,268.96	72.11	8,611.04	1,113.45
024199	DEMOLITION	42,022.00	35,718.70			35,718.70	85.00	6,303.30	1,785.94
031113	CONCRETE	2,106,700.00	1,724,270.00	108,900.00		1,833,170.00	87.02	273,530.00	91,658.50
042099	MASONRY	49,600.00						49,600.00	
051223	STRUCTURAL STEEL	2,971,400.00	2,925,500.00			2,925,500.00	98.46	45,900.00	146,275.01
057099	SHEET METAL/DECORATIVE PA	549,550.00	531,827.00			531,827.00	96.77	17,723.00	26,591.35
062023	DOORS-FRAMES-HARDWARE-L	45,166.00	20,850.00	5,750.00		26,600.00	58.89	18,566.00	1,330.00
062099	FINISH/ROUGH CARPENTRY	21,417.00	5,410.00	7,303.10		12,718.10	59.38	8,698.90	635.91
064023	ARCHITECTURAL WOODWORK	249,580.00	32,461.50	115,606.50		148,068.00	59.33	101,512.00	7,403.42
066116	SOLID SURFACE TOPS	170,559.00	55,452.00	66,932.00		122,384.00	71.75	48,175.00	6,119.20
072099	THERMAL INSULATION	94,550.00	94,550.00			94,550.00	100.00		4,727.50
075399	PVC ROOFING	394,466.00	386,966.00			386,966.00	98.10	7,500.00	19,348.30
077200	ROOF HATCH AND LADDER	4,443.00	4,443.00			4,443.00	100.00		222.15
077235	SMOKE CONTAINMENT CURTAIN	49,027.00	735.00	32,713.00		33,448.00	68.22	15,579.00	1,672.40
081113	DOORS-FRAMES-HARDWARE	167,022.00	163,681.56			163,681.56	98.00	3,340.44	8,184.08
083323	OVERHEAD COILING DOOR	8,674.00	8,674.00			8,674.00	100.00		433.70
083513	FOLDING PARTITION	30,450.00						30,450.00	
084199	STOREFRONT GLASS & GLAZIN	1,479,900.00	1,385,267.00	61,764.00		1,447,031.00	97.78	32,869.00	72,351.55
092216	METAL STUDS & DRYWALL	6,076,322.00	6,046,322.00			6,046,322.00	99.51	30,000.00	302,316.10
093013	CERAMIC TILE	265,258.00	191,844.00	62,492.00		254,336.00	95.88	10,922.00	12,716.80
095199	ACOUSTICAL CEILINGS	713,000.00	363,850.00	172,350.00		536,200.00	75.20	176,800.00	26,810.00
096599	FLOOR COVERINGS	955,511.00	446,897.05	23,451.90		470,348.95	49.22	485,162.05	23,517.45
099199	PAINTING	119,300.00	75,440.00	20,400.00		95,840.00	80.34	23,460.00	4,792.00
101499	SIGNAGE	18,850.00						18,850.00	
102113	TOILET COMPARTMENTS/ACCE	139,800.00	34,997.00	90,400.00		125,397.00	89.70	14,403.00	6,269.85
104413	FIRE EXTINGUISHER CABINET	6,858.00						6,858.00	
107599	FLAG POLE	6,959.00						6,959.00	
122499	WINDOW COVERINGS	89,600.00						89,600.00	
129313	BIKE RACKS	3,530.00						3,530.00	

REQUEST FOR PAYMENT DETAIL

Project: 01.17084.3 / KERN HEALTH SYSTEMS Invoice: 3702501599 Draw: 01170843-00016 Period Ending Date: 5/31/2019

Item ID	Description	Total Contract Amount	Previously Completed Work	Work Completed This Period	Presently Stored Materials	Completed And Stored To Date	% Comp	Balance To Finish	Retainage Balance
142099	ELEVATOR	388,290.00	299,634.75			299,634.75	77.17	88,655.25	14,981.74
211313	FIRE SPRINKLERS	333,217.00	327,967.00			327,967.00	98.42	5,250.00	16,398.36
229999	PLUMBING	909,000.00	811,900.00	90,100.00		862,000.00	94.83	47,000.00	43,100.00
239999	HVAC	2,704,454.00	2,495,210.50	135,811.50		2,631,022.00	97.28	73,432.00	131,551.11
269999	ELECTRICAL & FIRE ALARM	3,000,000.00	2,632,462.50	317,232.50		2,949,695.00	98.32	50,305.00	147,484.77
312213	EARTHWORK	410,435.00	330,316.48	59,618.75		389,935.23	95.01	20,499.77	19,496.77
321216	ASPHALT PAVING	420,340.00	94,706.35			94,706.35	22.53	325,633.65	4,735.32
323119	DECORATIVE FENCING	238,844.00	90,253.00			90,253.00	37.79	148,591.00	4,512.65
328499	LANDSCAPING AND IRRIGATION	397,000.00	44,250.00	8,850.00		53,100.00	13.38	343,900.00	2,655.00
331099	SITE UTILITIES	121,000.00	121,000.00			121,000.00	100.00		6,060.00
999998	GENERAL REQUIREMENTS	723,200.00	671,541.00	25,829.50		697,370.50	96.43	25,829.50	34,868.53
999999	CM/GC FEES	1,034,510.00	858,643.30	62,070.60		920,713.90	89.00	113,796.10	46,035.72
9999CO01	CHANGE ORDER #01	22,812.00	22,812.00			22,812.00	100.00		1,140.60
9999CO02	CHANGE ORDER #02	33,603.17	33,603.17			33,603.17	100.00		1,680.16
9999CO03	CHANGE ORDER #03	235,713.11	129,050.16			129,050.16	54.75	106,662.95	6,452.51
9999CO04	CHANGE ORDER #04	94,186.15	64,955.78	9,152.00		74,107.78	78.68	20,078.37	3,705.39
9999CO05	CHANGE ORDER #05	92,450.11	92,450.11			92,450.11	100.00		4,622.51
9999CO07	CHANGE ORDER #07	34,478.69	26,676.92			26,676.92	77.37	7,801.77	1,333.85
9999CO08	CHANGE ORDER #08	38,854.55	38,854.55			38,854.55	100.00		1,942.73
9999CO09	CHANGE ORDER #09	130,521.90	77,744.10	14,062.00		91,806.10	70.34	38,715.80	4,590.31
9999CO10	CHANGE ORDER #10	138,058.56	138,058.56			138,058.56	100.00		6,902.93
9999CO11	CHANGE ORDER #11	51,825.00	51,825.00			51,825.00	100.00		2,591.25
9999CO12	CHANGE ORDER #12	-8,110.77	4,530.91			4,530.91	55.86	-12,641.68	226.55
9999CO13	CHANGE ORDER #13	86,445.84						86,445.84	
9999CO14	CHANGE ORDER #14	725,263.76	536,059.16	189,204.60		725,263.76	100.00		38,263.19
9999CO15	CHANGE ORDER #15	304,625.63	304,625.63			304,625.63	100.00		15,231.28
9999CO16	CHANGE ORDER #16	28,640.57	25,549.37			25,549.37	95.80	1,091.20	1,277.47
9999CO17	CHANGE ORDER #17	27,193.99	25,749.99	1,444.00		27,193.99	100.00		1,359.70
9999CO18	CHANGE ORDER #18	21,067.35		21,067.35		21,067.35	100.00		1,053.37
9999CO19	CHANGE ORDER #19	46,063.02		41,584.49		41,584.49	90.28	4,478.53	2,079.22
9999CO20	CHANGE ORDER #20	40,660.00						40,660.00	

REQUEST FOR PAYMENT DETAIL

Project: 01.17084.3 / KERN HEALTH SYSTEMS Invoice: 3702501599 Draw: 01170843-00016 Period Ending Date: 5/31/2019

Item ID	Description	Total Contract Amount	Previously Completed Work	Work Completed This Period	Presently Stored Materials	Completed And Stored To Date	% Comp	Balance To Finish	Retainage Balance
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Totals		29,964,935.63	25,137,019.22	1,704,720.99		26,841,740.21	89.58	3,123,195.42	1,342,087.16
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To: KHS Finance Committee

From: Alonso Hurtado, Director of Procurement and Facilities

Date: August 9, 2019

Re: Commercial Cleaning Systems, Inc. Agreement

Background

In 2018, Kern Health Systems embarked on building a new facility located at 2900 Buck Owens Boulevard to accommodate the current and future growth of the business. KHS will leverage Commercial Cleaning Systems, Inc., to provide commercial janitorial services for this facility.

Discussion

In June 2019, KHS posted an RFP for commercial janitorial services for its new facility. CCS was selected as the vendor for these services based on experience, price, and references. CCS will provide commercial janitorial services for its new facility five days a week.

These services include the cleaning services for KHS four story 110,000 square feet facility which houses 18 conference rooms, 48 private offices, 350 cubicles and a break area for 250 employees. In addition, CCS will provide a janitor during working hours that will assist with maintaining KHS common areas.

Financial Impact

Cost for a one year term will not exceed \$144,000.

Requested Action

Approve; Refer to KHS Board of Directors.



Commercial Janitorial Services August 9, 2019

Alonso Hurtado
Director of Procurement and Facilities

Agenda

- Background
- Scope of services
- RFP process and bids
- Recommendation
- Questions

Background

- In 2018, KHS embarked on building a new facility, located at 2900 Buck Owens Blvd, to accommodate the current and future growth of the business.

Scope of Services

- Daily janitorial services for KHS four story 110,000 square feet facility
 - 18 conference rooms
 - 48 private offices
 - 350 cubicles
 - 3 common areas (board room, break room and training room)
- Additional daily janitor from 11 am – 2 pm

Request for Proposal

- In June 2019, KHS posted an RFP for commercial janitorial services for its new facility. CCS was selected as the vendor for these services based on experience, price, and references. CCS will provide commercial janitorial services for its new facility five days a week.
- KHS received four proposals from vendors.

Vendor	CCS	Vendor	SJS	Vendor	HCS	Vendor	Eco-Friendly
Price	\$11,192	Price	\$14,100	Price	\$11,500	Price	\$30,000

* Per month cost

Recommendation

- Request the Board of Directors authorize the CEO to approve a one year contract with Commercial Cleaning Systems Inc., in the amount not to exceed \$144,000 for commercial janitorial services.

Questions

For additional information, please contact:

Alonso Hurtado

Director of Procurement and Facilities

661-664-5541

Proposed administrative contract over \$100,000, August 15, 2019.

1. Operational Agreement with Commercial Cleaning Systems, Inc.

a. Recommended Action

Approve; Authorize Chief Executive Officer to Sign

b. Contact

Alonso Hurtado; Director of Procurement and Facilities

c. Background

In 2018, KHS embarked on building a new facility, located at 2900 Buck Owens Blvd, to accommodate the current and future growth of the business. KHS will leverage CCS to provide commercial janitorial services for this facility.

d. Discussion

In June 2019, KHS posted an RFP for Commercial Janitorial Services for its new facility. CCS was selected as the vendor for these services based on experience, price, and references. CCS will provide commercial janitorial services for its new facility five days a week.

e. Fiscal Impact

Not to exceed \$144,000.00 for one year.

f. Risk Assessment

Janitorial services are required in order to maintain a suitable work environment for KHS employees and members.

g. Attachments

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

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

This contract is pending Legal review.



KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

- Contract
- Purchase

Department Name: CS Department Head: Alonso Hurtado

Contract Vendor: Commercial Cleaning Systems, Inc.

Vendor contact Name & e-mail: Jennifer Gulbransen, jgulbransen@ccsbts.com

What services will this vendor provide to KHS? Janitorial services five days a week for 2900 Buck Owens Blvd. These services also include a day porter.

Description of Contract

Type of Agreement: Professional Services Background: In 2018, KHS embarked on building a new facility, located at 2900 Buck Owens Blvd, to accommodate the current and future growth of the business. KHS will leverage CCS to provide commercial janitorial services for this facility.

- | | |
|---|--|
| <input checked="" type="checkbox"/> Establish a new agreement | Previous Agreement No. _____ or Amendment No. _____ |
| <input type="checkbox"/> Amendment | Date Agreement Began _____ |
| <input type="checkbox"/> Continuation of an Existing Contract | <u>Brief Explanation In June 2019, KHS posted an RFP for commercial janitorial services for its new facility. CCS was selected as the vendor for these services based on experience, price, and references. CCS will provide commercial janitorial services for its new facility five days a week.</u> |
| <input type="checkbox"/> Replacement | |
| <input type="checkbox"/> Addendum | |
| <input type="checkbox"/> Retroactive Agreement | |
| Retroactive Date _____ | Reason for delay in approval: _____ |

Summary of Quotes and/or Bids attached. Pursuant to KHS Policy #8.11-1, 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: Commercial Cleaning Systems was selected as the vendor based on company experience, price and references.

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 2019 Administrative Budget NO YES

Budgeted Cost Center 340 GL# 5510

Will this require additional funds? NO YES

Maximum cost of this agreement not to exceed: \$144,000.00 per one year

Notes: Monthly charge of \$12,000

Contract Terms and Conditions

Effective date: 9/6/19 Termination date: 9/5/20

Explain extension provisions, termination conditions and required notice: Termination clause of thirty (30) days' notice per PSA.

Approvals

Contract Owner:

[Signature]
Department Head

7/30/19
Date

Reviewed as to Budget:

[Signature]
Chief Financial Officer or Controller

7/30/19
Date

Compliance Review:

Director of Compliance and Regulatory Affairs

Date

Purchasing:

[Signature]
Director of Procurement and Facilities

7/30/19
Date

Recommended by the Executive Committee:

[Signature]
Chief Operating Officer

7-30-19
Date

Legal Review:

Legal Counsel

Date

Chief Executive Officer Approval:

[Signature]
Chief Executive Officer

7/30/19
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

**KERN HEALTH SYSTEMS
REQUEST FOR PROPOSAL
SUBMISSION CHECKLIST**

Kern Health Systems (KHS) is a government agency dedicated to running a fair bidding program to foster high quality business relationships. In preparing an RFP response, please bear the following in mind:

1. This RFP is not an offer. It is a request for proposals. KHS may reject all proposals at its convenience without any liability to proposers.
2. There is a deadline for submitting questions to KHS about this RFP.
3. There is a deadline for submitting bids to KHS.
4. Every bid package must include:
 - a. Indemnification letter for Confidential and Proprietary information
 - b. Answers to questions in Attachment A
 - c. Answers to questions in Attachment B
 - d. Answers to questions in Attachment C
 - e. Signed copy Attachment D
 - f. Signed copy of Attachment E



KERN HEALTH SYSTEMS

9700 Stockdale Highway
Bakersfield, CA 93311

Request for Proposal
Professional Services Agreement

To

Services

Date

Proposal Deadline:

[[Date, Time]]

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 - 1. Definitions
 - 2. Preparation of Responses
 - 3. Explanation to Bidders
 - 4. Amendments
 - 5. Submitting Proposals
 - 6. Non-Collusion Affidavit
 - 7. Bidders Response Information
 - 8. Award of Contract
 - 9. Evaluation Process
 - 10. Company Evaluation
 - 11. Late Bids
 - 12. Cost of Preparation of Bids
 - 13. Withdrawal of Bids
 - 14. Payment
 - 15. Miscellaneous
 - 16. Disposition of Proposals and Proprietary Data
 - 17. Timeline

- B. STATEMENT OF PURPOSE

- C. BACKGROUND INFORMATION

ATTACHMENTS

- Attachment A: Scope of Services
- Attachment B: Schedule of Fees
- Attachment C: Company Evaluation Criteria
- Attachment D: Proposal Signature Verification
- Attachment E: Non-Collusion Affidavit

A. INSTRUCTIONS AND CONDITIONS

1. Definitions
 - a. As used herein, "RFP" means "Request for Proposal."
 - b. As used herein, "KHS" means "Kern Health Systems."
2. Preparation of Responses (Instructions to Bidders)
 - a. Before submitting a Proposal, each Bidder is expected to thoroughly examine the specifications in the Attachments, and all other related contractual documents included in this RFP, including subsequent amendments to the RFP. Failure to do so will be at the Bidder's risk, and will not bar the Bidder's obligation to perform if a contract is awarded pursuant to this RFP.
 - b. Each Bidder shall submit, as part of their Proposal, completed copies of Attachments "D", Proposal Signature Verification, and "E" Non-Collusion Declaration.
 - c. **Each Bidder shall complete Attachments A, B, and C according to the instructions on each of the attachments.**
 - d. Each Bidder must be satisfied by personal examination and by such other means as it may prefer, as to the actual conditions and requirements under which the contract will be performed.
 - e. **KHS' standard Professional Service Agreement (PSA) will be used to contract with the chosen vendor. A blank template is included with this RFP package. Any objections to the terms and conditions stated in that document must be clearly explained and included with the bid package as an additional Attachment F**
3. Explanation to Bidders
 - a. If a Bidder desires an explanation of any kind regarding provisions of this RFP, the Bidder must generate a written request for such explanation. The request may be e-mailed to rfp@khs-net.com, faxed to 661-664-4381, or addressed to:

Kern Health Systems
 Attention Purchasing Department
 9700 Stockdale Highway
 Bakersfield, CA 93311
 - b. Requests for explanation must be submitted by {Insert Date & Time here}, allowing sufficient time for a reply to reach all Bidders before the submission of their Proposals. The Purchasing Manager or duly authorized personnel will advise all candidates known to have received a copy of the RFP of each question and subsequent explanation.
4. Amendments
 - a. Bidders are advised that KHS reserves the right to amend the requirements of this RFP prior to the date set for opening of bids. Such revisions will be done formally by publishing amendments to all Bidders known to have received a copy of the RFP. This may be done via fax, e-mail, or other method as determined by KHS. Amendments will be posted to the KHS website: <http://www.kernhealthsystems.com/>, listed under the specific RFP. If in the judgment of KHS, the change is of such nature that additional time is required for Bidders to prepare their Proposals, KHS will change the date of the Proposal opening and notify all Bidders by e-mail and it will be posted to the KHS website.

- b. Bidders are requested to acknowledge receipt of amendments to an RFP. This may be done by any one of the following means:
 - 1) Sign and return the amendment via e-mail or fax.
 - 2) Sign Attachment “D”, Proposal Signature Verification.
5. Submitting Proposals
 - a. **Please submit THREE (3) hard copies of your Proposal and ONE (1) electronic copy. Electronic copy should be submitted via e-mail to rfp@khs-net.com.**
 - b. Mailed or third-party delivered Proposals and amendments of Proposals shall be enclosed in sealed envelopes and addressed to KHS Purchasing Department, 9700 Stockdale Highway, Bakersfield, CA 93311. Proposals shall be clearly identified by stating, “ATTENTION PURCHASING: {NAME OF PROPOSAL HERE} shown on the outside of the envelope. Proposals and/or amendments may be hand delivered, but the foregoing information will nevertheless be required for identification purposes. KHS is not responsible for delinquent delivery issues.
 - c. Faxed proposals and amendments will NOT be considered.
 - d. Alternate Proposals are not authorized and will NOT be considered.
 - e. **All Proposals (electronic and hard copies) must be received by KHS no later than {insert DATE & TIME here}. Late Proposals will NOT be considered or accepted. For purposes of this RFP, the official time shall be the time on the clock in the lobby of KHS front office. Participants are strongly encouraged to arrive early to avoid any discrepancy between their own watch and the official clock.**
6. Non-Collusion Declaration

Each Bidder is required to complete the document entitled, “Non-Collusion Declaration” on the form provided herein (Attachment E).
7. Bidders Response Information

Since KHS is a public entity, all responses may be disclosed through the Public Records Act. KHS may keep submissions and negotiations confidential until the Governing Board approves the final contract and/or a Purchase Order is issued.
8. Award of Contract
 - a. Award will be made, in whole or in part, to the responsive, responsible Bidder whose Proposal is determined by KHS to be most advantageous to KHS, price, delivery, and others factors considered.
 - b. KHS may reject any or all bids, and may waive informalities and minor irregularities in bids received.
 - c. **THE CONTRACT IS SUBJECT TO KHS GOVERNING BOARD APPROVAL.**
9. Evaluation Process
 - a. The determination and final selection of the successful Bidder will be based upon evaluation by KHS considering all factors and such other criteria (subjective and otherwise) as KHS may, at its sole discretion, deem relevant. In no event will KHS be limited to selecting a Bidder based solely upon total cost submitted.
 - b. Including the Total Price, the following overall factors will be considered:
 - Corporate capabilities
 - Responsiveness to RFP
 - Experience with {INSERT TYPE OF SERVICE HERE}

- Value-added services
 - Timeliness of service
 - Trade reference and/or referrals
 - History of compliance with government contracts and laws
- c. KHS will provide special consideration to vendors located and doing substantial business in Kern County.
10. Company Evaluation
Bidders shall provide responses to the series of questions and information requested in Attachment C that will be used to evaluate the Bidder's company. Responses to individual questions/information request should be kept to a single page, except as designated.
11. Late Bids
No Proposal or Proposal Amendment received at the office designated in this RFP after the time set for receipt specified in this RFP will be considered or accepted.
12. Cost of Preparation of Bids
Costs for developing responses to this proposal are entirely the responsibility of the Bidder.
13. Withdrawal of Bids
- a. Proposals may be withdrawn by letter or in person by a Bidder or an authorized representative possessing proper identification and written proof of his authority to act on behalf of the Bidder. If withdrawn in person by a Bidder or a representative of the Bidder, the person withdrawing the Proposal will be required to sign a receipt for the Proposal.
 - b. Withdrawal action of any type must be done before the date and time specified for opening of bids in this RFP.
14. Payment
- a. Invoices for services rendered shall be directed to:
Kern Health Systems
Accounts Payable
9700 Stockdale Highway
Bakersfield, CA 93311
or submitted via email to:
apinvoice@khs-net.com
 - b. Payment will be made upon receipt of an appropriate invoice and determination by KHS where products and/or services have been determined by KHS to be satisfactorily provided, and subject to the terms of the contract. Payment terms are Net 30 after receipt of a valid invoice. KHS is unable to take advantage of any prompt-payment discounts. KHS is not responsible for misdirected invoices.
15. Miscellaneous
- a. The successful Bidder may not assign the contract or any part of its obligations without the prior written consent of KHS, which may be withheld in its sole discretion.
 - b. The successful bidder will enter into a "Professional Services Agreement" with KHS.
 - c. Bidder recognizes that the Medi-Cal Managed Care and Healthy Families programs are dynamic programs that are subject to numerous legislative and regulatory changes, which will likely require the successful Bidder to implement related changes to the agreement that may be awarded pursuant to this RFP.

16. Disposition of Proposals and Proprietary Data

All materials submitted in response to this RFP become the property of Kern Health Systems. Any and all proposals received by the KHS shall be subject to public disclosure and inspection, except to the extent the proposer designates trade secrets or other proprietary data to be confidential, after the Evaluation Committee has completed its deliberative process and either the proposer has been informed that they are not the vendor selected by the Evaluation Committee for recommendation to the Board of Directors, or the matter has been set for consideration before the Board of Directors, whichever comes first.

Material designated as proprietary or confidential shall accompany the proposal and each page shall be clearly marked and readily separable from the proposal in order to facilitate public inspection of the non-confidential portion of the proposal. Prices, makes and models or catalog numbers of the items offered, deliverables, and terms of payment shall be publicly available regardless of any designation to the contrary. KHS will endeavor to restrict distribution of material designated as confidential or proprietary to only those individuals involved in the review and analysis of the proposals.

Proposers are cautioned that materials designated as confidential may nevertheless be subject to disclosure. Proposers are advised that KHS does not wish to receive confidential or proprietary information and that proposers are not to supply such information except when it is absolutely necessary. If any information or materials in any proposal submitted is labeled confidential or proprietary, the proposal shall include the following clause:

(legal name of proposer) shall indemnify, defend and hold harmless Kern Health Systems, its officers, agents and employees from and against any request, action or proceeding of any nature and any damages or liability of any nature, specifically including attorneys' fees awarded under the California Public Records Act (Government Code §6250 et seq.) arising out of, concerning or in any way involving any materials or information in this proposal that (legal name of proposer) has labeled as confidential, proprietary or otherwise not subject to disclosure as a public record.

17. Timeline

The following timeline is based on KHS' requirements and will be strictly adhered to unless modified by amendment

{INSERT TIMELINE HERE}

- **May 1, 2011** RFP release
- **May 27, 2011** Bidders Questions Due (1:00PM) Please e-mail.
- **June 3, 2011** KHS will e-mail responses to all Bidders
- **June 15, 2011** Proposals due (2:00PM)
- **June 30, 2011** Proposal evaluations complete, finalists selected
- **July 14, 2011** Proposed contract presented to KHS Board for approval
- **July 15, 2011** Award Announcement
- **November 1, 2011** Notwithstanding the approval of the contract by the KHS Governing Board, the contract, its terms and conditions, and the commencement of operations thereunder are subject to regulatory approval and modification.

B. STATEMENT OF PURPOSE

This RFP contains a list of requirements for the development of {[INSERT STATEMENT HERE](#)}

KHS is soliciting responses from qualified Bidders to address the stated requirements of this RFP. A qualified Bidder, for the purpose of this RFP, is one that can reliably provide the required services to KHS and perform to the satisfaction of KHS and its regulators for the entire term of the agreement.

Upon receipt of this RFP, recipients are expected to read and understand the service priorities and requirements that have been defined by KHS. Ample opportunity will be given to ask questions and receive clarification. The final Proposal submitted should include all appropriate goods and services required to satisfy the identified priorities and requirements. KHS will look to the selected vendor for technical compatibility of components and application requirements satisfaction during the entire term of the agreement.

KHS management would prefer to have an ongoing relationship with the chosen Bidder. The character and operating principles of the successful Bidder are important to KHS management. The following sections ask questions about the history and purpose of the Bidder's company. Please answer the specific questions. If additional information would be informative to KHS management please add it to the last question in each section. Bidders should number all responses with the section letter and section number.

C. BACKGROUND INFORMATION

KHS is a public agency formed under Section 14087.38 of the California Welfare and Institutions Code. KHS began full operations on September 1, 1996. KHS serves about 250,000 Medi-Cal participants in Kern County. Medi-Cal is a jointly funded, Federal-State health insurance program for certain low-income people.

On September 17, 2015 the Kern Health Board of Directors ("Board") approved a proposal to build a new facility for Kern Health Systems. Currently Kern Health Systems is under contract to purchase 5.82 net acres of unimproved real property, located at the northeast corner of Buck Owens Boulevard and Sillect Avenue, Bakersfield, California, for purposes of constructing the new facility.

The Project will include large conference rooms, a break room, two training rooms, and a ground-level conference room for Board Meetings. It will house over 400 staff, with room to grow to as many as 450 staff. It will include multiple flex spaces for various-sized departments. This new facility is scheduled to be completed in the Summer of 2019. KHS is seeking competitive bids for Janitorial Services for the new facility.

ATTACHMENT A

SCOPE OF SERVICES

Job Specifications

Entrances

Task Description Service Days

Detail Dust - High And Low Areas - Ledges, windowsills, baseboards, chair bases, table legs, picture frames and pictures

1 day/wk.

Dust Mop or Vacuum Hard Surface Floors 5 days/wk.

Damp Mop Hard Surface Floors- Use Appropriate Cleaner (Water ONLY for tile flooring) 5 days/wk.

Clean Both Sides Of Door Glass And Wipe Frames 5 days/wk.

Spot Clean Entrance Glass 5 days/wk.

Vacuum Walk-Off Mats 5 days/wk.

Lobbies

Task Description Service Days

Dust All Horizontal Surfaces Within Normal Reach 5 days/wk.

Detail Dust - High And Low Areas - Ledges, windowsills, baseboards, chair bases, table legs, picture frames and pictures

1 day/wk.

Spot Clean All Walls, Light Switches And Doors 1 day/wk.

Damp Wipe Horizontal Surfaces-Use Appropriate Cleaner 5 days/wk.

Empty And Remove Trash, Replace Liner If Needed, Clean wastebaskets as needed 5 days/wk.

Dust Mop or Vacuum Hard Surface Floors 5 days/wk.

Damp Mop Hard Surface Floors- Use Appropriate Cleaner (Water ONLY for tile flooring) 5 days/wk.

Reception Glass Window 1 day/wk.

Vacuum Walk-Off Mats (Reception floor mat must be removed and replaced after floor has been swept, mopped and dried)

5 days/wk.

Conference Rooms

Task Description Service Days

Dust All Horizontal Surfaces Within Normal Reach 5 days/wk.

Detail Dust - High And Low Areas - Ledges, windowsills, baseboards, chair bases, table legs, picture frames and pictures

1 day/wk.

Spot Clean All Walls, Light Switches And Doors 1 day/wk.

Damp Wipe Horizontal Surfaces-Use Appropriate Cleaner 5 days/wk.

Empty And Remove Trash, Replace Liner If Needed, Clean wastebaskets as needed 5 days/wk.

Spot Vacuum All Carpet 5 days/wk.

Spot Clean Carpet, i.e. Spills As needed

3rd Floor Executive Offices

Task Description Service Days

Dust All Horizontal Surfaces Within Normal Reach 5 days/wk.

Detail Dust - High And Low Areas - Ledges, windowsills, baseboards, chair bases, table legs, picture frames and pictures

1 day/wk.

Spot Clean All Walls, Light Switches And Doors 1 day/wk.

Damp Wipe Horizontal Surfaces-Use Appropriate Cleaner 5 days/wk.

Empty And Remove Trash, Replace Liner If Needed, Clean wastebaskets as needed 5 days/wk.

Spot Vacuum All Carpet 5 days/wk.

Spot Clean Carpet, i.e. Spills As needed
Clean Executive Glass Doors 5 days/wk.
Executive Patio - Sweep and hose off flooring and half walls 5 days/wk.

Offices

Task Description Service Days

Dust All Horizontal Surfaces Within Normal Reach 5 days/wk.
Detail Dust - High And Low Areas - Ledges, windowsills, baseboards, chair bases, table legs, picture frames and pictures
1 day/wk.
Spot Clean All Walls, Light Switches And Doors 1 day/wk.
Damp Wipe Horizontal Surfaces-Use Appropriate Cleaner 5 days/wk.
Spot Clean Partition Glass 5 days/wk.
Empty And Remove Trash, Replace Liner If Needed, Clean wastebaskets as needed 5 days/wk.
Spot Vacuum All Carpet including under cubicle desktops 5 days/wk.
Spot Clean Carpet, i.e. Spills As needed
Clean Private Office Interior Windows 1 day/wk.
Clean Coffee Stations and Sinks 5 days/wk.

Hallways

Task Description Service Days

Detail Dust - High And Low Areas - Ledges, windowsills, stairwell railings, baseboards, chair bases, table legs, picture frames and pictures
1 day/wk.
Dust All Horizontal Surfaces Within Normal Reach 5 days/wk.
Spot Clean All Walls, Light Switches And Doors 1 day/wk.
Spot Vacuum All Carpet 5 days/wk.
Spot Clean Carpet, i.e. Spills As needed
Dust Mop or Vacuum Hard Surface Floors 5 days/wk.
Damp Mop Hard Surface Floors- Use Appropriate Cleaner (Water ONLY for tile flooring) 5 days/wk.
Vacuum Elevator Carpet, Clean And Polish Brightwork 5 days/wk.
Clean Both Sides Of Door Glass And Wipe Frames 5 days/wk.
Spot Clean Entrance Glass 5 days/wk.

10

Restrooms

Task Description Service Days

Spot Clean All Walls, Light Switches And Doors 5 days/wk.

Wash Restroom Walls and Partitions 1 day/wk.

Replace Air Fresheners As needed

Clean And Disinfect Showers As needed

Empty Trash and Wipe Out Waste Receptacle, Replace Liner when needed, Refill Supply
Dispensers, Clean , Polish and Disinfect Restroom Fixtures, Clean Mirrors, Counters,
Partitions And Chrome, Sweep And Mop Floor Using Appropriate Cleaner Including Corners,
Empty Sanitary Napkin Containers and Replace Insert

5 days/wk.

Lunchrooms

Task Description Service Days

Detail Dust - High And Low Areas - Tops of Refrigerators, Chair Bases, Table Legs 1 day/wk.

Spot Clean Vending Machines, Walls And Light Switches 5 days/wk.

Arrange Furniture 5 days/wk.

Dust Mop or Vacuum Hard Surface Floors 5 days/wk.

Damp Mop Hard Surface Floors- Use Appropriate Cleaner (Water ONLY for tile flooring) 5 days/wk.

Refill paper towels and hand soap As needed

Clean patio table and chairs (towel dry) 5 days/wk.

Clean patio door and thresholds 5 days/wk.

Damp Wipe All Lunchroom Tables 5 days/wk.

Damp Wipe Countertops Using Appropriate Cleaner 5 days/wk.

Clean Sinks Using Appropriate Cleaner 5 days/wk.

Clean Coffee Machine/Station 5 days/wk.

Vacuum Walk-Off Mats 5 days/wk.

Damp Clean Interior And Exterior Of Microwave 5 days/wk.

Empty And Remove Trash, Clean Wastebasket if needed 5 days/wk.

Clean Refrigerator, Empty Contents If Requested 1 day/wk.

Janitor Closets

Task Description Service Days

Spot Clean All Walls, Light Switches And Doors As needed

Sweep Hard Surface Floors As needed

Spot Mop Stains And Spills Using Appropriate Cleaner As needed

Keep Neat and Clean 5 days/wk.

ATTACHMENT B
SCHEDULE OF FEES

Proposal Costs (This section is derived from the Scope of Services, Attachment A)

- A. Define your proposed method of reimbursement for services provided through your organization. Kern Health Systems customarily prefers itemized billing on a project basis (or as major milestones are accomplished for very large projects) with specific deadlines identified in the Proposal.
- B. Please provide a summary table matrix of costs by line item including:
 - 1. Item description
 - 2. Quantities required (specify units of measure)
 - 3. Not-to-exceed amounts for installation or travel
 - 4. Target date of completion
- C. List any additional costs that may be incurred in completion of this project and the circumstances that would trigger those costs.

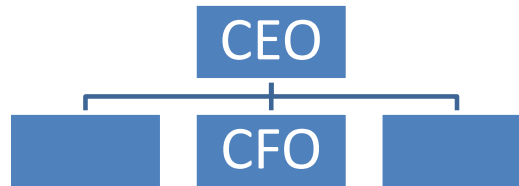
ATTACHMENT C

COMPANY EVALUATION CRITERIA

- A. Provide a “functional organizational chart” of your company. Indicate the name and experience of the Manager or Lead Employee that will be assigned to Kern Health Systems and the functional area to which this position reports. If your company is NOT a full service consulting organization, indicate which services are subcontracted in the “functional organizational chart.” The following chart is for illustration purposes only:

ABC Consulting Company

Organizational Chart



- B. **IMPORTANT:** Bidder’s present financial statements are necessary and must be part of the Proposal submission. If any type of prepayment is required, Bidder must provide company’s summary of its present financial status **and** performance *for the past three years*

C. Organizational information

1. Provide a summary list of the organizational personnel that will actively participate and contribute their skills to this project. Include in this list the individual’s name, job title, work location and relevant experience in projects of similar size and complexity. (Responses may be one page per individual.)
2. Provide a summary of the work plan and/or methodology and physical resources (staff and equipment) your company will commit to ensure successful project completion. (Response may be up to four pages.)
3. Summarize your company’s overall project services that you are able and willing to provide.
4. Provide three current customer references of organizations currently receiving products or services similar to those proposed. Include in the reference list organization name, location, contact name and telephone number.
5. Summarize your billing procedures.
6. List the members of your organization who are authorized to negotiate Proposals/Contracts.

7. What is your company's Mission Statement?
 8. How long has your company been in business?
 9. Describe the educational background and experience of the key members of the project team your firm would assign to KHS' project.
 10. Describe your company's experience with health insurance plans.
 11. Describe your company's experience with governmental agencies (in particular, California Department of Health Care Services, California Department of Managed Health Care, and the Centers for Medicare and Medicaid Services).
 12. Does your company perform audits or consulting services for any Independent Physician Associations (IPAs) or hospitals?
 13. Is your firm currently under investigation or being sued by any governmental agency? If so, describe.
 14. Has your company been investigated or sued by any governmental agency over the past five years? If so, describe.
 15. Has your company been sued over the last five years for services similar to those that are the subject of this RFP?
 16. Has your company been the subject of a sanction, audit deficiency, settlement or Corporate Integrity Agreement under the Medicare or Medicaid Programs?
 17. What is the form of your organization? (e.g., profit, not-for-profit, private, public)
 18. List any shareholders who own five or more percent of the company and their percent share.
 19. Describe your organization's policies, procedures and protocols to protect Protected Health Information under HIPAA, HITECH and the California Confidentiality of Medical Information Act.
- Add any information that would be useful in describing your company.

ATTACHMENT D

PROPOSAL SIGNATURE VERIFICATION

All offers in response to this RFP must be received on or before **{INSERT DATE & TIME HERE}** at the office of **Kern Health Systems, Attn: Purchasing Dept., 9700 Stockdale Highway, Bakersfield, CA 93311.** All offers are subject to the attached Instructions and Conditions, general provisions, special provisions, and Attachments. The undersigned agrees, if its offer is accepted (in whole or in part) to provide products, other materials, and services as set forth in the Attachments, it shall do so in accordance with the provisions of this RFP, the controlling contract between the parties, and the master contracts between KHS and the State of California.

Offer Name: _____

Address: _____

Phone Number: _____

FAX: _____

Typed or printed name and title of person authorized to sign offer:

Signature of Authorized Person: _____

Date of Offer: _____

Grand Total of "Attachment B": \$ _____

Acknowledgment of Amendments

The Offer acknowledges receipt of Amendments to the RFP numbered and dated as follows:

Amend #	Date	Amend #	Date	Amend #	Date

ATTACHMENT E
NON-COLLUSION DECLARATION
TO BE EXECUTED BY BIDDER
AND SUBMITTED WITH PROPOSAL (Mandatory)
Public Contract Code § 7106

State of California

County of Kern

The undersigned declares:

I am the ____ of ____, the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on ___[date], at ___[city], ___[state].”

Signature

Date



To: KHS Finance Committee

From: Isabel Silva, Director of Health Education, Cultural & Linguistics Services

Date: August 9, 2019

Re: Agreement with Coffey Communications

Background

All Medi-Cal Managed Care Health Plans generate and distribute member newsletters to their member households. As a contractual requirement with DHCS, KHS must maintain a health education system that provides educational interventions (i.e. member newsletter) addressing appropriate use of health care services, risk-education and healthy lifestyles, and self-care and management of health conditions.

Discussion

In June 2019, KHS published an RFP for the selection of a vendor that can develop, print and mail copies of the member newsletter on a bi-annual basis to KHS' members. KHS received one proposal from Coffey Communications. As a result, KHS selected Coffey Communications for this service.

Coffey Communications has produced a high quality member newsletter and provided excellent customer service in the development of articles, illustrations, layout translations, and helpful resources to KHS for more than 15 years. Coffey Communications gives KHS access to their national library which consists of hundreds of pre-written articles available in English and Spanish which allows KHS the flexibility of using a Coffey produced article or customizing a local article.

Financial Impact

Not to exceed \$122,255.60 over the period of one year.

Requested Action

Approve; Refer to KHS Board of Directors.



KERN HEALTH SYSTEMS

Member Newsletter

August 9, 2019

Isabel Silva, MPH, CHES
Director of Health Education, Cultural and Linguistic Services

Agenda

- Background
- Service Provided
- Board Request

Background

- All Medi-Cal Managed Care Health Plans generate and distribute member newsletters to their member households. As a contractual requirement with DHCS, KHS must maintain a health education system that provides educational interventions (i.e. member newsletters) addressing:
 - Appropriate use of health care services;
 - Risk-reduction and healthy lifestyles and;
 - Self-care and management of health conditions.
- For more than 15 years, KHS has maintained a contract with Coffey Communications to produce high quality and easy to read member newsletters that contain attractive illustrations, educational and benefit informing articles and helpful resources.
- In the most recent Group Needs Assessment, the member newsletter was listed as one of the preferred learning methodologies among KHS members. Results from the Member Satisfaction Survey continues to identify the preferred method for members to receive information from KHS is by mail.

Service Provided

- Development, production and mailing of 2 member newsletter issues in English and Spanish per year. Includes digital flipbook for KHS corporate website.
- Access to national library of articles.
- Ability to customize 100% of content.
- Minimal increase in cost due to postage and mailing fees. No other vendor responses to RFP.





Kern Family Health Care

FAMILY

HEALTH

SUMMER 2019



Building your Health Home

Kern Family Health Care (KFHC) covers Health Homes Program (HHP) services for members with certain chronic health conditions. These services are to help coordinate physical health services, like behavioral health services and community-based long-term services and supports, for members with chronic conditions. You may be contacted if you qualify for the program. You can also call KFHC or speak to your doctor or clinic staff to see if you qualify.

Covered HHP services: HHP will give you a care coordinator and care team that will work with you and your health care providers, such as your doctors, specialists, pharmacists, case managers and others, to coordinate your care. Kern Family Health Care provides HHP services, which include:

- Comprehensive care management.
- Care coordination.
- Health promotion.
- Comprehensive transitional care.
- Individual and family support services.
- Referral to community and social supports.

Cost to member: There is no cost to the member for HHP services.

BY THE BOARD
WE STRIVE TO
KEEP YOU
SAFE &
HEALTHY



**Moms-to-be:
Have you had the
Tdap vaccine?**

Protect your child even before your baby is born. Ask your provider about the whooping cough vaccine.

The whooping cough vaccine is also known as Tdap. It protects you from whooping cough (pertussis). It also protects you from two other illnesses: tetanus and diphtheria. And it will help protect your baby from whooping cough as soon as he or she is born.

You should get the Tdap vaccine early in your third trimester. This is between 27 weeks and 36 weeks of pregnancy. That's true even if you have had the shot before.

Source: Centers for Disease Control and Prevention

Board Request

- Authorize the CEO to sign the budgeted contract renewal associated with the Member Newsletter from Coffey Communications in the amount not to exceed **\$122,255.60** for one (1) year.

Questions

Please contact:

Isabel Silva, MPH, CHES

661-664-5117

isabelc@khs-net.com

Proposed administrative contract over \$100,000, August 15, 2019.

1. Operational Agreement with Coffey Communications

a. Recommended Action

Approve; Authorize Chief Executive Officer to Sign

b. Contact

Isabel Silva, Director of Health Education, Cultural & Linguistics Services

c. Background

All Medi-Cal Managed Care Health Plans generate and distribute member newsletters to their member households. As a contractual requirement with DHCS, KHS must maintain a health education system that provides educational interventions (i.e. member newsletters) addressing:

- Appropriate use of health care services;
- Risk-reduction and healthy lifestyles and;
- Self-care and management of health conditions.

For more than 15 years, KHS has maintained a contract with Coffey Communications to produce high quality and easy to read member newsletters that contain attractive illustrations and helpful resources. In the most recent group needs assessment, the member newsletter was listed as one of the preferred learning methodologies among KHS members. Results from the member satisfaction survey continues to identify the preferred method for members to receive information from KHS is by mail.

d. Discussion

KHS utilizes the member newsletter to consistently communicate a wealth of information to members in a single, concise mailing. Many of KHS' policies, procedures and projects reference the member newsletter as a strategy for educating and informing members. Each issue averages about 18-24 articles and covers an array of topics which include but are not limited to:

- Health education
- Access to services
- Member rights and responsibilities
- Instructions on accessing interpreting services or filing a grievance
- Changes in benefits
- Availability of community resources

KHS utilizes the national articles developed by Coffey Communications and relies on this vendor to assess the reading levels of newsletter articles, design the layout of the newsletter, translate the newsletter into Spanish, evaluate for cultural and linguistic appropriateness, as well as coordinate the printing and household mailings.

e. Fiscal Impact

Not to exceed \$122,255.60 per one year

f. Risk Assessment

The member newsletter is the simplest and most cost effective way of informing and educating KHS members on a variety of

information through a single mailing. Without the member newsletter, KHS would experience a cost increase due to:

- Postage for multiple member information mailings
- Staffing time to produce, design, mail and track multiple member information mailings
- Utilization of other communication methods (i.e. telephone, television/radio announcements)

g. Attachments

An Agreement at a Glance form.

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

Contract is pending Legal review



KERN HEALTH SYSTEMS

- Contract
- Purchase

AGREEMENT AT A GLANCE

Department Name: Health Education Department Head: Isabel Silva

Contract Vendor: Coffey Communications

Vendor contact Name & e-mail: Josh Moulton, jmoulton@coffeycomm.com

What services will this vendor provide to KHS? Development (including access to library of national articles, ability to localize 100% of content and design/layout), printing, postage, and mailing of member newsletters in English and Spanish to members two times a year.

Description of Contract

Type of Agreement: Printed Materials Background: Two issues per year. Member newsletters contain health, member and benefit related articles in compliance with state contract and KHS P&Ps.

- Establish a new agreement Previous Agreement No. _____ or Amendment No. _____
- Amendment Date Agreement Began _____
- Continuation of an Existing Contract Brief Explanation KHS has used Coffey Communications for development of the member newsletter for over 15 years.
- Replacement
- Addendum
- Retroactive Agreement Reason for delay in approval: _____

Summary of Quotes and/or Bids attached. Pursuant to KHS Policy #8.11-1, 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: Coffey Communications has produced a high quality member newsletter and provided excellent customer service in the development of articles, illustrations, layout, translations, and helpful resources to KHS for more than 15 years. Coffey Communications gives KHS access to their national library which consists of hundreds of pre-written articles available in English and Spanish which allows KHS the flexibility of using a Coffey produced article or customizing a local article. A Request for Proposals was sent out to vendors and only Coffey Communications responded with a proposal.

- 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

Form updated 11/17/15

KHS Governing Board previously approved this expense in KHS' FY 2019 Administrative Budget NO YES

Budgeted Cost Center 312 GL# 5645

Will this require additional funds? NO YES

Maximum cost of this agreement not to exceed: \$122,255.60 per one year

Notes: Based on the max of 125,000 copies per issue at base cost of \$0.2025 per copy, plus estimated postage and mailing services.

Contract Terms and Conditions

Effective date: 8/15/19

Termination date: 8/14/21

Explain extension provisions, termination conditions and required notice: _____

Approvals

Contract Owner:

Antion Liba
Department Head

7/30/19
Date

Purchasing:

[Signature]
Director of Procurement and Facilities

7/30/19
Date

Reviewed as to Budget:

[Signature]
Chief Financial Officer or Controller

7/30/19
Date

Recommended by the Executive Committee:

[Signature]
Chief Operating Officer

7/31/19
Date

Compliance Review:

Director of Compliance and Regulatory Affairs

Date

Legal Review:

Legal Counsel

Date

Chief Executive Officer Approval:

[Signature]
Chief Executive Officer

7/31/19
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

AMENDMENT NO. (2)

TO Agreement dated August 11, 2016

This AMENDMENT NO. (2) TO Agreement dated August 11, 2016 (“Agreement Amendment”) is effective as of August 11, 2019 (the “Agreement Amendment Effective Date”), between Coffey Communications, Inc., 1505 Business One Circle, Walla Walla, Washington, (hereinafter “Coffey”), and Kern Health Systems, 9700 Stockdale Highway, Bakersfield, California, (hereinafter “Client”) with reference to the following:

A. Coffey and Client previously have entered into that certain Agreement, dated August 11, 2016 (the “Agreement”).

B. Coffey and Client now desire to amend the Agreement as set forth below in this Agreement Amendment.

In consideration of the mutual promises and covenants set forth in this Agreement Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS

Terms defined in the Agreement shall have the same meaning when used in this Agreement Amendment.

2. AMENDMENTS

2.1 Term of Agreement

Section 3 paragraph (1) of the Agreement is amended and restated to read as follows:

This Agreement shall be effective on and commence on August 11, 2019 and shall continue for a term which shall be for a period of one (1) year (hereinafter “Term”).

2.2 Production Schedule and Deadlines

Section 5 paragraph 2 of the Agreement are amended and restated to read as follows:

2019 – 2020

First Production Period: August, September, October, November, December, January

Second Production Period: February, March, April, May, June, July

2.3 Appendix C

Appendix C, of the Agreement, is amended and restated to read as attached.

3. NO OTHER CHANGES

Except as specifically amended by this Agreement Amendment (and any other amendments executed by the parties pursuant to section 24, Modification of Agreement Terms of the Agreement), the Agreement is unmodified and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement Amendment by their duly authorized representatives in one or more counterparts, each of which will be deemed an original, effective as of the Agreement Amendment Effective Date.

KERN HEALTH SYSTEMS

COFFEY COMMUNICATIONS, INC.

Date: _____

Date: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

APPENDIX C

**Kern Health Systems
MEMBER NEWSLETTER
9" x 10-7/8"**

**8-page, 2 versions, 2 issues per year
Printed on 70-pound uncoated offset paper stock**

<u>Quantity</u>	<u>Per-copy price</u>
100,000 – 124,999	\$0.2075
125,000 – 149,999	\$0.2025

Print minimum is 100,000 copies.

Mail Preparation Fees:

- Mailing services: \$0.03 per piece. \$400 minimum.
- File setup: \$150 for one file, \$50 each additional file.
- Wafer sealing: \$0.023 per piece.
- Wafer sealing setup: \$60 per version.
- National Change of Address (NCOA): \$0.00225 per piece.
- NCOA setup: \$75 per file.



Budget Estimate

Kern Family Health Care
July 26, 2019

Family Health, 9" x 10-7/8", 8 pages, 2 versions, 70# uncoated offset, mailing services			
		Cost per issue	Issues per year
Base cost:	125,000 at \$ 0.2025	\$ 25,312.50	
Mailing services:	116,000 at \$ 0.0300	\$ 3,480.00	
File set-up fee for client-supplied lists:		\$200.00	
NCOA processing:	116,000 at \$0.00225	\$261.00	
NCOA setup:	2 at \$75	\$150	
Wafer sealing:	116,000 at \$ 0.0230	\$ 2,668.00	
Wafer sealing setup:	2 at \$ 60	\$ 120.00	
Shipping estimate:		\$ 2,801.50	
Postage estimate:	116,000 at \$ 0.2253	\$ 26,134.80	
Total:		\$ 61,127.80	2

**Quick look:
Annual cost**
\$ 122,255.60

1. Per copy price includes 100 percent customization.
2. Per copy price includes design, layout, copyediting, proofreading and printing.
3. Per copy price includes access to Coffey's Winning Health content library.
4. Postage based on for profit rates.
5. Quotes are BUDGETARY and will be finalized when the exact count is determined.
6. Pricing is valid for 60 days.



To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 9, 2019

Re: May 2019 Financial Results

The May results reflect a \$146,229 Net Increase in Net Position which is a \$1,296,190 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$3.4 million favorable variance primarily due to:
 - A) \$.6 million favorable variance in SPD primarily due to a higher than expected budgeted rate increase from the State and higher than expected enrollment.
 - B) 1.7 million favorable variance in Proposition 56 Supplemental Revenue due to an unbudgeted increase in tobacco tax revenue funds being allocated for fiscal year 18/19 to additional CPT procedure codes along with an increase in supplemental allowable payable amounts offset against expenses included in 2F below
 - C) \$.4 million favorable variance relating to unbudgeted new supplemental revenue relating to Ground Emergency Medical Transportation (GEMT) for fiscal year 18/19 offset against expenses included in 2F below.
 - D) \$.8 million favorable variance related to higher than expected BHT Revenue offset against amounts included in 2B below.

- 2) Total Medical Costs reflect a \$2.2 million unfavorable variance primarily due to:
 - A) \$.6 million unfavorable variance in Physician Services primarily due to higher than expected utilization of Referral Specialty Services for Family and Other members.
 - B) \$.5 million unfavorable variance in Other Professional Services primarily due to higher than expected utilization of BHT services for SPD and Family & Other members offset against amounts included in 1D above.
 - C) \$.5 million unfavorable variance in Emergency Room primarily due to higher than expected utilization by Family & Other members.
 - D) \$1.4 million favorable variance in Inpatient primarily due to lower than expected utilization.

- E) \$.7 million unfavorable variance in Outpatient Hospital primarily due to higher than expected utilization by Expansion and Family & Other members.
- F) \$3.3 million unfavorable variance in Other Medical primarily due to accruing for estimated Proposition 56 expenses relating to unbudgeted additional CPT procedure codes along with increases in supplemental allowable payable amounts offset against revenue included in 1B above (\$2.1 million). There was also an unfavorable variance in Ambulance and NEMT primarily due to higher than expected utilization (\$.5 million) and accruing for estimated expenses for supplemental GEMT services (\$.5 million) offset against revenue included in 1C above.
- G) \$2.1 million favorable IBNR adjustment from the prior year.

The May Medical Loss Ratio is 93.2% which is favorable to the 95.2% budgeted amount. The April Administrative Expense Ratio is 6.0% which is favorable to the 6.3% budgeted amount.

The results for the 5 months ended May 31, 2019 reflect a Net Increase in Net Position of \$1,559,452. This is a \$6,803,724 favorable variance to budget and includes approximately \$13.2 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 93.6% which is favorable to the 95.1% budgeted amount. The year-to-date Administrative Expense Ratio is 5.5% which is favorable to the 6.2% budgeted amount.

**Kern Health Systems
Financial Packet
May 2019**

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
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Schedule of Medical Costs by Month	Page 9
Schedule of Medical Costs by Month – PMPM	Page 10
Schedule of Administrative Expenses by Department	Page 11
Schedule of Administrative Expenses by Department by Month	Page 12

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 MAY 31, 2019			
ASSETS	MAY 2019	APRIL 2019	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 94,452,942	\$ 115,705,253	\$ (21,252,311)
Short-Term Investments	124,056,383	110,619,449	13,436,934
Premiums Receivable - Net	73,925,190	77,814,455	(3,889,265)
Interest Receivable	809,672	557,439	252,233
Other Receivables	1,369,632	1,154,895	214,737
Prepaid Expenses & Other Current Assets	2,086,844	1,271,509	815,335
Total Current Assets	\$ 296,700,663	\$ 307,123,000	\$ (10,422,337)
RESTRICTED ASSETS	\$ 300,000	\$ 300,000	\$ -
CAPITAL ASSETS - NET OF ACCUM DEP:			
Land	4,876,562	4,876,562	-
Furniture and Equipment - Net	10,827,663	10,983,968	(156,305)
Automobiles - Net	31,609	32,392	(783)
Building and Building Improvements - Net	6,184,421	6,212,277	(27,856)
Building Project in Progress	30,130,298	26,413,619	3,716,679
Capital Projects in Progress	14,798,124	14,313,816	484,308
Total Capital Assets	\$ 66,848,677	\$ 62,832,634	\$ 4,016,043
LONG TERM ASSETS:			
Officer Life Insurance Receivables	704,291	704,291	-
Total Long Term Assets	\$ 704,291	\$ 704,291	\$ -
DEFERRED OUTFLOWS OF RESOURCES	\$ 2,657,573	\$ 2,657,573	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 367,211,204	\$ 373,617,498	\$ (6,406,294)
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts Payable	\$ 63,778	\$ 53,978	9,800
Accrued Salaries and Employee Benefits	2,943,310	2,493,215	450,095
Accrued Other Operating Expenses	2,839,626	4,018,792	(1,179,166)
Accrued Taxes and Licenses	16,124,027	8,036,109	8,087,918
Claims Payable (Reported)	21,649,122	27,553,956	(5,904,834)
IBNR - Inpatient Claims	22,258,422	24,100,020	(1,841,598)
IBNR - Physician Claims	13,765,589	15,048,765	(1,283,176)
IBNR - Accrued Other Medical	18,662,583	19,132,154	(469,571)
Risk Pool and Withholds Payable	3,277,378	2,780,680	496,698
Statutory Allowance for Claims Processing Expense	2,326,151	2,326,151	-
Other Liabilities	53,881,028	58,799,717	(4,918,689)
Total Current Liabilities	\$ 157,791,014	\$ 164,343,537	\$ (6,552,523)
NONCURRENT LIABILITIES:			
Net Pension Liability	5,865,463	5,865,463	-
TOTAL NONCURRENT LIABILITIES	\$ 5,865,463	\$ 5,865,463	\$ -
DEFERRED INFLOWS OF RESOURCES	\$ 364,304	\$ 364,304	\$ -
NET POSITION:			
Net Position - Beg. of Year	201,630,971	201,630,971	-
Increase (Decrease) in Net Position - Current Year	1,559,452	1,413,223	146,229
Total Net Position	\$ 203,190,423	\$ 203,044,194	\$ 146,229
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 367,211,204	\$ 373,617,498	\$ (6,406,294)

CURRENT MONTH MEMBERS			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED MAY 31, 2019			YEAR-TO-DATE MEMBER MONTHS		
						ACTUAL	BUDGET	VARIANCE
ENROLLMENT								
166,854	168,600	(1,746)	Family Members	832,905	839,000	(6,095)		
59,928	59,675	253	Expansion Members	298,516	298,375	141		
14,958	14,200	758	SPD Members	73,733	71,000	2,733		
6,609	5,600	1,009	Other Members	32,216	28,000	4,216		
8,557	8,400	157	Kaiser Members	42,076	42,000	76		
256,906	256,475	431	Total Members - MCAL	1,279,446	1,278,375	1,071		
REVENUES								
24,444,272	23,344,783	1,099,489	Title XIX - Medicaid - Family and Other	120,253,903	116,423,230	3,830,673		
23,133,193	21,930,976	1,202,217	Title XIX - Medicaid - Expansion Members	114,446,339	109,654,879	4,791,460		
13,147,466	11,927,381	1,220,085	Title XIX - Medicaid - SPD Members	62,113,394	59,636,907	2,476,487		
8,092,541	8,284,547	(192,006)	Premium - MCO Tax	40,303,085	41,289,155	(986,070)		
361,666	393,062	(31,396)	Interest /Dividends	2,092,632	1,958,971	133,661		
-	126,518	(126,518)	Reinsurance Recoveries	-	630,551	(630,551)		
178,336	-	178,336	Rate/Income Adjustments	7,815,575	-	7,815,575		
20,444	-	20,444	Other Income (Expense)	743,287	-	743,287		
69,377,918	66,007,267	3,370,651	TOTAL REVENUES	347,768,215	329,593,693	18,174,522		
EXPENSES								
Medical Costs:								
14,054,383	13,485,921	(568,462)	Physician Services	72,312,930	67,268,648	(5,044,282)		
3,960,952	3,463,025	(497,927)	Other Professional Services	18,194,137	17,294,061	(900,076)		
5,106,796	4,577,163	(529,633)	Emergency Room	24,637,420	22,820,919	(1,816,501)		
12,181,510	13,539,835	1,358,325	Inpatient	64,445,063	67,583,303	3,138,240		
126,609	126,518	(91)	Reinsurance Expense	629,189	630,551	1,362		
6,408,304	5,693,077	(715,227)	Outpatient Hospital	31,118,723	28,414,808	(2,703,915)		
7,183,716	3,904,036	(3,279,680)	Other Medical	32,193,112	19,482,611	(12,710,501)		
9,659,273	9,662,794	3,521	Pharmacy	47,270,261	48,244,163	973,902		
496,698	496,150	(548)	Pay for Performance Quality Incentive	2,474,740	2,472,750	(1,990)		
-	-	-	Expansion Risk Corridor	-	-	-		
39,610	-	(39,610)	Non-Claims Expense Adjustment	192,652	-	(192,652)		
(2,087,231)	-	2,087,231	IBNR, Incentive, Paid Claims Adjustment	(5,601,577)	-	5,601,577		
57,130,620	54,948,520	(2,182,100)	Total Medical Costs	287,866,650	274,211,815	(13,654,835)		
12,247,298	11,058,747	1,188,551	GROSS MARGIN	59,901,565	55,381,878	4,519,687		
Administrative:								
2,336,685	2,174,090	(162,595)	Compensation	10,725,195	10,746,485	21,290		
882,833	785,273	(97,560)	Purchased Services	3,641,079	3,925,172	284,093		
15,577	111,871	96,294	Supplies	444,400	560,352	115,952		
179,516	252,963	73,447	Depreciation	929,265	1,102,815	173,550		
239,380	319,965	80,585	Other Administrative Expenses	1,256,608	1,602,172	345,564		
-	-	-	Administrative Expense Adjustment	-	-	-		
3,653,991	3,644,161	(9,830)	Total Administrative Expenses	16,996,547	17,936,996	940,449		
60,784,611	58,592,681	(2,191,930)	TOTAL EXPENSES	304,863,197	292,148,810	(12,714,387)		
8,593,307	7,414,586	1,178,721	OPERATING INCOME (LOSS) BEFORE TAX	42,905,018	37,444,883	5,460,135		
8,087,918	8,284,547	196,629	MCO TAX	40,439,791	41,289,155	849,364		
505,389	(869,961)	1,375,350	OPERATING INCOME (LOSS) NET OF TAX	2,465,227	(3,844,272)	6,309,499		
NONOPERATING EXPENSE								
-	-	-	Reserve Fund Projects/Community Grants	-	-	-		
359,160	280,000	79,160	Health Home	905,775	1,400,000	(494,225)		
359,160	280,000	79,160	TOTAL NONOPERATING EXPENSE	905,775	1,400,000	(494,225)		
146,229	(1,149,961)	1,296,190	NET INCREASE (DECREASE) IN NET POSITION	1,559,452	(5,244,272)	6,803,724		
93.2%	95.2%	2.0%	MEDICAL LOSS RATIO	93.6%	95.1%	1.5%		
6.0%	6.3%	0.4%	ADMINISTRATIVE EXPENSE RATIO	5.5%	6.2%	0.7%		

KERN HEALTH SYSTEMS MEDI-CAL			STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED MAY 31, 2019		
CURRENT MONTH			YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
ENROLLMENT					
166,854	168,600	(1,746)	832,905	839,000	(6,095)
59,928	59,675	253	298,516	298,375	141
14,958	14,200	758	73,733	71,000	2,733
6,609	5,600	1,009	32,216	28,000	4,216
8,557	8,400	157	42,076	42,000	76
256,906	256,475	431	1,279,446	1,278,375	1,071
REVENUES					
140.92	134.01	6.91	139.00	134.28	4.72
386.02	367.51	18.51	383.38	367.51	15.88
878.96	839.96	39.00	842.41	839.96	2.45
32.59	33.40	(0.81)	32.57	33.40	(0.82)
1.46	1.58	(0.13)	1.69	1.58	0.11
0.00	0.51	(0.51)	0.00	0.51	(0.51)
0.00	0.00	0.00	0.00	0.00	0.00
0.72	0.00	0.72	6.32	0.00	6.32
0.08	0.00	0.08	0.60	0.00	0.60
279.36	266.08	13.28	281.05	266.58	14.47
EXPENSES					
Medical Costs:					
56.59	54.36	(2.23)	58.44	54.41	(4.03)
15.95	13.96	(1.99)	14.70	13.99	(0.72)
20.56	18.45	(2.11)	19.91	18.46	(1.45)
49.05	54.58	5.53	52.08	54.66	2.58
0.51	0.51	0.00	0.51	0.51	0.00
25.80	22.95	(2.85)	25.15	22.98	(2.17)
28.93	15.74	(13.19)	26.02	15.76	(10.26)
38.89	38.95	0.06	38.20	39.02	0.82
2.00	2.00	0.00	2.00	2.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00
0.16	0.00	(0.16)	0.16	0.00	(0.16)
(8.40)	0.00	8.40	(4.53)	0.00	4.53
230.04	221.50	(8.54)	232.64	221.79	(10.86)
49.31	44.58	4.74	48.41	44.79	3.62
Administrative:					
9.41	8.76	(0.65)	8.67	8.69	0.02
3.55	3.17	(0.39)	2.94	3.17	0.23
0.06	0.45	0.39	0.36	0.45	0.09
0.72	1.02	0.30	0.75	0.89	0.14
0.96	1.29	0.33	1.02	1.30	0.28
0.00	0.00	0.00	0.00	0.00	0.00
14.71	14.69	(0.02)	13.74	14.51	0.77
244.75	236.19	(8.57)	246.38	236.29	(10.09)
34.60	29.89	4.71	34.67	30.29	4.39
32.57	33.40	0.83	32.68	33.40	0.71
2.03	(3.51)	5.54	1.99	(3.11)	5.10
NONOPERATING EXPENSE					
0.00	0.00	0.00	0.00	0.00	0.00
(1.40)	1.13	2.53	(0.71)	5.64	6.35
(1.40)	1.13	2.53	(0.71)	5.64	6.35
0.59	(4.64)	5.22	1.26	(4.24)	5.50
93.2%	95.2%	2.0%	93.6%	95.1%	1.5%
6.0%	6.3%	0.4%	5.5%	6.2%	0.7%

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH MAY 31, 2019	MAY 2018	JUNE 2018	JULY 2018	AUGUST 2018	SEPTEMBER 2018	OCTOBER 2018	NOVEMBER 2018	DECEMBER 2018	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	13 MONTH TOTAL
	247,317	247,861	247,861	246,967	246,962	245,266	245,522	244,683	245,830	247,101	247,836	248,254	248,349	3,209,021
ENROLLMENT														
Members - MCAL	247,317	247,861	247,861	246,967	246,962	245,266	245,522	244,683	245,830	247,101	247,836	248,254	248,349	3,209,021
REVENUES														
Title XIX - Medicaid - Family and Other	23,080,439	21,832,796	22,819,237	24,767,995	23,083,686	23,000,590	23,501,422	30,919,748	23,126,334	24,192,447	24,487,252	24,003,598	24,444,272	313,259,816
Title XIX - Medicaid - Expansion Members	11,917,368	11,204,090	11,752,232	22,282,662	21,704,606	21,501,088	21,231,529	24,465,234	21,975,736	23,396,309	22,894,496	23,046,615	23,133,193	290,506,148
Title XIX - Medicaid - SPD Members	1,583,059	1,083,761	1,191,057	12,352,541	11,970,574	12,281,224	12,551,376	13,341,766	11,970,651	12,067,672	12,439,467	13,488,048	13,147,466	159,052,169
Premium - MCO Tax	7,883,583	7,817,901	8,087,918	8,087,606	8,087,918	8,087,716	8,087,716	7,658,846	8,006,206	8,047,808	8,071,581	8,084,049	8,092,541	104,102,350
Interest/Dividends	392,144	493,098	298,592	326,444	328,291	331,150	316,046	369,891	338,737	397,291	375,455	619,483	361,666	4,948,288
Reinsurance Recoveries	-	139,352	-	-	-	(139,352)	267,973	-	-	-	-	-	-	267,973
COB/Subrogation Collections	1,257,496	1,027,705	465,065	417,036	196,954	325,659	110,446	59,980	-	-	-	-	-	3,860,341
Rate/Income Adjustments	21,528,562	(1,680,199)	(113,750)	129,006	5,175	212,890	251,712	(5,850)	1,364,372	5,819,936	626,404	(173,473)	178,336	28,143,721
Other Income (Expense)	(99,712)	345,348	58,667	15,476	136,661	142,515	45,043	669,097	85,746	25,501	610,282	1,314	20,444	2,056,382
TOTAL REVENUES	87,542,939	62,563,852	65,278,535	68,379,666	65,530,865	65,729,793	65,955,938	77,747,385	66,867,772	73,947,054	69,504,937	68,070,534	69,377,918	906,197,188
EXPENSES														
Medical Costs:	13,315,057	13,013,296	13,202,517	13,538,335	13,438,560	12,587,105	13,509,654	11,452,439	13,212,798	13,768,201	15,391,612	15,885,936	14,054,383	176,369,893
Physician Services	3,414,591	3,111,820	2,964,061	3,254,300	3,251,122	3,323,654	4,150,323	3,275,679	3,414,621	3,447,281	3,652,683	3,718,600	3,960,952	45,039,187
Other Professional Services	4,510,035	4,780,947	4,584,869	4,563,430	4,531,949	4,490,225	4,169,595	3,601,196	4,450,009	4,710,529	4,835,728	5,525,268	5,106,796	59,869,666
Emergency Room	13,932,093	13,367,422	13,921,068	13,023,461	12,885,548	13,069,188	9,158,011	2,692,667	12,961,386	12,906,122	13,846,038	12,850,017	12,181,510	156,394,521
Reinsurance Expense	115,783	116,124	116,240	116,494	116,075	115,275	115,395	125,136	125,026	125,026	126,041	126,609	126,609	1,556,647
Outpatient Hospital	6,387,061	5,930,118	5,662,578	6,047,328	5,798,828	4,785,905	5,131,143	4,278,893	5,414,223	6,037,448	6,885,177	6,373,571	6,408,304	75,340,477
Other Medical	6,103,942	3,282,963	3,057,129	4,241,840	3,603,940	3,863,995	4,451,124	15,028,871	5,564,320	6,854,723	6,448,536	6,141,817	7,183,716	75,828,216
Pharmacy	9,303,737	8,567,706	8,848,741	9,437,555	8,667,417	9,382,074	8,798,273	8,282,074	9,612,700	9,033,300	9,671,212	9,293,776	9,659,273	118,791,505
Pay for Performance Quality Incentive	494,146	494,634	495,722	493,934	493,924	490,532	491,044	444,467	491,660	494,202	495,672	496,508	496,698	6,373,143
Expansion Risk Corridor	20,941,682	(11,991)	-	(299,863)	6,624	2,670	-	10,500,000	-	197,435	367,246	324,378	(736,017)	39,610
Non-Claims Expense Adjustment	(1,917,727)	(1,197,835)	342,052	1,872,269	566,662	1,438,167	4,196,430	482,510	(659,783)	4,381,620	(3,810,327)	(3,425,856)	(2,087,231)	181,401
IBNR, Incentive, Profit Claims Adjustment	76,706,850	51,354,704	53,194,977	56,289,183	53,362,649	54,170,337	60,587,658	54,793,595	62,125,698	57,566,720	56,250,017	56,250,017	57,130,620	747,076,595
TOTAL MEDICAL COSTS	10,832,089	10,909,148	12,083,558	12,090,483	12,168,216	12,180,206	11,785,601	17,159,727	12,074,177	11,821,536	11,938,217	11,820,517	12,217,298	159,120,593
Administrative:	1,916,952	1,884,868	2,017,219	2,083,690	2,021,643	2,161,106	2,025,307	1,990,200	2,219,647	1,953,045	2,094,504	2,121,314	2,336,685	26,826,180
Compensation	636,968	578,949	415,147	594,201	555,317	616,200	628,945	534,139	538,593	901,569	783,945	882,833	813,261	8,132,617
Purchased Services	71,465	68,507	57,005	61,411	30,539	67,086	36,154	104,230	115,623	78,778	93,764	140,658	15,577	940,797
Supplies	123,140	127,238	127,238	127,238	127,238	127,238	127,238	131,127	179,516	179,517	211,201	179,515	179,515	1,945,959
Depreciation	279,546	275,729	332,386	255,200	315,104	265,994	221,013	303,506	326,629	188,631	246,439	255,529	239,380	3,505,086
Other Administrative Expenses	3,027,071	2,935,291	2,948,995	3,121,739	3,049,841	3,087,235	3,025,912	3,541,021	3,375,554	2,938,364	3,547,477	3,480,961	3,653,991	41,733,652
Administrative Expense Adjustment	79,727,921	54,289,995	56,143,972	59,410,922	56,412,490	56,636,832	57,196,249	64,128,679	58,169,149	65,064,262	61,114,197	59,730,978	60,784,611	788,810,247
Total Administrative Expenses	78,180,818	79,734,357	94,134,563	89,668,744	94,118,375	94,992,971	87,559,689	13,618,706	8,698,623	8,882,792	8,390,740	8,339,556	8,593,507	117,336,941
OPERATING INCOME (LOSS) BEFORE TAX	7,650,254	7,578,328	8,087,918	8,087,607	8,087,918	8,087,716	8,087,716	8,087,687	8,088,119	8,087,918	8,087,918	8,087,918	8,087,918	104,195,496
MCO TAX	1,647,644	395,029	1,046,645	881,137	1,030,457	1,005,194	671,973	5,531,019	6,115,504	794,874	302,822	251,638	505,389	13,191,445
OPERATING INCOME (LOSS) NET OF TAX	(43,857)	233,737	158,805	191,701	567,923	41,390	233,595	54,987	116,870	104,330	135,960	191,455	359,160	2,334,056
TOTAL NONOPERATING EXPENSE	208,621	161,292	887,840	689,436	462,534	903,804	448,378	5,476,032	493,634	690,544	1,688,862	60,183	146,229	10,857,389
NET INCREASE (DECREASE) IN NET POSITION	96,33%	94,3%	93,0%	93,4%	92,9%	92,9%	93,6%	86,9%	93,1%	93,7%	93,7%	93,8%	93,2%	93,1%
MEDICAL LOSS RATIO	3,8%	5,4%	5,2%	5,2%	5,3%	5,4%	5,2%	5,1%	5,7%	5,7%	4,5%	5,8%	5,8%	6,0%
ADMINISTRATIVE EXPENSE RATIO														

KERN HEALTH SYSTEMS MEDICAL - STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PAID ROLLING 13 MONTHS THROUGH MAY 31, 2019	MAY 2018	JUNE 2018	JULY 2018	AUGUST 2018	SEPTEMBER 2018	OCTOBER 2018	NOVEMBER 2018	DECEMBER 2018	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	13 MONTH TOTAL
	ENROLLMENT	247,073	247,317	247,861	246,967	246,962	245,266	245,522	244,683	245,530	247,101	247,836	248,254	248,349
MEMBERS - MCMV														
REVENUES														
Title XIX - Medicaid - Family and Other	133.71	126.38	131.77	143.39	133.25	134.04	136.65	180.80	134.36	140.03	141.35	138.32	140.92	139.58
Title XIX - Medicaid - Expansion Members	370.03	353.55	362.19	373.39	366.14	363.20	361.19	413.07	371.66	391.12	383.67	384.32	386.02	375.36
Title XIX - Medicaid - SPD Members	768.84	759.68	814.12	848.74	828.82	838.04	850.42	924.01	820.75	831.51	839.09	846.53	878.96	833.40
Premium - MCO Tax	31.91	31.61	32.63	32.75	32.75	32.75	32.75	31.30	32.57	32.57	32.57	32.57	32.59	32.44
Interest/Dividends	1.59	1.99	1.20	1.32	1.33	1.35	1.29	1.51	1.38	1.61	1.51	1.51	1.46	1.54
Reinsurance Recoveries	0.00	0.56	0.00	0.00	0.00	0.00	(0.57)	1.10	0.00	0.00	0.00	0.00	0.00	0.08
COB/Subrogation Collections	5.00	4.16	1.88	1.69	1.33	1.33	0.45	0.25	0.00	0.00	0.00	0.00	0.00	1.20
Rate Income Adjustments	87.13	(6.79)	(0.46)	0.52	0.02	0.87	1.03	(0.02)	5.55	23.55	2.53	(0.70)	0.72	8.77
Other Income (Expense)	(0.40)	1.40	0.24	0.06	0.55	0.58	0.18	2.73	0.35	0.10	2.46	0.01	0.08	0.64
TOTAL REVENUES	354.32	351.76	363.37	376.88	365.35	367.99	368.64	317.75	272.01	299.20	280.45	274.20	279.36	282.39
EXPENSES														
Medical Costs:														
Physician Services	53.89	53.62	53.27	54.82	54.42	51.32	55.02	46.81	53.75	55.72	62.10	63.99	56.89	54.96
Other Professional Services	13.82	12.58	11.96	13.18	13.16	13.55	16.90	13.80	13.89	13.95	14.74	14.98	15.95	14.04
Emergency Room	18.25	19.33	18.50	18.48	18.31	18.31	16.98	14.72	18.14	19.06	19.51	22.26	20.56	18.66
Inpatient	56.39	53.65	56.16	52.73	52.18	53.29	37.30	11.00	52.72	52.23	54.66	51.76	49.05	48.74
Reinsurance Expense	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.51	0.51	0.51	0.51	0.51	0.49
Outpatient Hospital	26.66	23.98	23.85	24.49	23.48	19.51	20.90	17.49	22.02	24.43	27.78	25.67	25.80	23.48
Other Medical	24.71	13.27	12.33	17.18	14.60	18.13	15.75	18.13	22.63	27.74	26.02	24.74	28.93	23.63
Pharmacy	37.25	34.64	35.70	39.21	35.10	38.25	35.83	35.21	39.10	36.56	39.02	37.44	38.89	37.02
Pay for Performance Quality Incentive	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.82	2.00	2.00	2.00	2.00	2.00	1.99
Expansion Risk Corridor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non-Claims Expense Adjustment	84.76	(0.05)	0.00	(1.21)	0.03	0.01	(0.00)	0.00	0.80	1.49	1.31	(2.96)	0.16	6.49
BBNR, Incentive, Paid Claims Adjustment	(7.76)	(4.84)	1.38	7.58	2.29	5.86	17.09	1.97	(2.68)	17.73	(15.37)	(13.80)	(8.40)	0.06
Total Medical Costs	310.44	297.65	314.62	327.92	316.08	318.33	320.63	247.62	222.89	251.42	232.38	226.58	230.04	232.81
GROSS MARGIN	43.88	44.11	48.75	48.96	49.27	49.66	48.00	70.13	49.12	47.84	48.17	47.61	49.31	49.59
Administrative:														
Compensation	7.76	7.62	8.14	8.44	8.19	8.81	8.25	8.13	9.03	7.90	8.45	8.54	9.41	8.36
Purchased Services	2.58	2.34	1.67	2.41	2.25	1.90	2.51	2.57	2.17	2.18	3.64	3.16	3.55	2.53
Supplies	0.29	0.28	0.23	0.25	0.12	0.27	0.15	0.43	0.47	0.32	0.38	0.57	0.06	0.29
Depreciation	0.49	0.51	0.51	0.52	0.52	0.52	0.52	0.52	0.54	0.73	0.85	0.72	0.72	0.61
Other Administrative Expenses	1.13	1.11	1.34	1.03	1.28	1.08	0.90	1.24	1.33	0.76	0.99	1.03	0.96	1.09
Administrative Expense Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.57	0.00	0.00	0.00	0.00	0.00	0.12
Total Administrative Expenses	12.25	11.87	11.90	12.64	12.35	12.59	12.32	14.47	13.73	11.89	14.31	14.02	14.71	13.01
TOTAL EXPENSES	322.69	319.52	326.51	340.56	328.43	330.92	332.96	262.09	236.62	263.31	246.69	240.60	244.75	245.81
OPERATING INCOME (LOSS) BEFORE TAX	31.63	32.24	36.85	36.32	36.92	37.07	35.68	55.66	35.38	35.95	33.86	33.59	34.60	36.58
MCO TAX	30.96	30.64	32.63	32.75	32.75	32.98	32.94	33.05	32.90	32.73	32.63	32.58	32.57	32.47
OPERATING INCOME (LOSS) NET OF TAX	0.67	1.60	4.22	3.57	4.17	4.10	2.74	22.60	2.48	3.22	1.22	1.01	2.03	4.11
TOTAL NONOPERATING EXPENSE	(0.18)	0.95	0.64	0.78	2.30	0.17	0.91	0.22	0.48	0.42	0.54	0.77	1.45	0.73
NET INCREASE (DECREASE) IN NET POSITION	0.49	1.65	3.58	2.79	1.87	3.93	1.83	22.38	2.01	2.79	0.68	0.24	0.59	3.38
MEDICAL LOSS RATIO	96.3%	94.3%	93.0%	93.4%	92.9%	92.9%	93.6%	86.4%	93.1%	94.3%	93.7%	93.8%	93.2%	93.1%
ADMINISTRATIVE EXPENSE RATIO	3.8%	5.4%	5.2%	5.2%	5.3%	5.4%	5.2%	5.1%	5.7%	4.5%	5.8%	5.8%	6.0%	5.2%

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED MAY 31, 2019				YEAR-TO-DATE		
CURRENT MONTH		REVENUES		ACTUAL	BUDGET	VARIANCE
ACTUAL	BUDGET	VARIANCE				
19,988,729	19,847,689	141,040		99,442,278	98,960,045	482,233
1,862,972	2,422,591	(559,619)	Premium - Medi-Cal	9,506,584	12,112,955	(2,606,371)
181,671	75,417	106,254	Premium - Maternity Kick	681,266	375,351	305,915
578,523	261,003	317,520	Premium - Hep C Kick	1,529,613	1,299,023	230,590
1,747,791	656,983	1,090,808	Premium - BHT Kick	8,673,460	3,270,755	5,402,705
84,586	81,100	3,486	Premium - Provider Enhancement	420,702	405,100	15,602
24,444,272	23,344,783	1,099,489	Other	120,253,903	116,423,229	3,830,674
			Total Title XIX - Medicaid - Family & Other			
			Title XIX - Medicaid - Expansion Members			
21,451,819	20,794,399	657,420	Premium - Medi-Cal	106,745,347	103,971,994	2,773,353
222,076	243,020	(20,944)	Premium - Maternity Kick	1,258,431	1,215,100	43,331
685,050	544,869	140,181	Premium - Hep C Kick	2,441,202	2,724,345	(283,143)
747,617	323,232	424,385	Premium - Provider Enhancement	3,868,963	1,616,160	2,252,803
26,631	25,456	1,175	Other	132,396	127,280	5,116
23,133,193	21,930,976	1,202,217	Total Title XIX - Medicaid - Expansion Members	114,446,339	109,654,879	4,791,460
			Title XIX - Medicaid - SPD Members			
11,771,729	11,198,119	573,610	Premium - Medi-Cal	57,580,383	55,990,597	1,589,786
242,682	211,894	30,788	Premium - Hep C Kick	833,112	1,059,470	(226,358)
845,681	391,982	453,699	Premium - BHT Kick	2,294,561	1,959,910	334,651
287,374	125,386	161,988	Premium - Provider Enhancement	1,405,358	626,930	778,408
13,147,466	11,927,381	1,220,085	Total Title XIX - Medicaid - SPD Members	62,113,394	59,636,907	2,476,487

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED MAY 31, 2019				YEAR-TO-DATE	
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
3,132,132	2,917,473	(214,659)	14,708,147	14,541,999	(166,148)
9,485,042	9,197,479	(287,563)	49,037,827	45,895,488	(3,142,339)
1,427,909	1,361,669	(66,240)	8,521,656	6,795,161	(1,726,495)
9,300	9,300	-	45,300	36,000	(9,300)
14,054,383	13,485,921	(568,462)	72,312,930	67,268,648	(5,044,282)
PHYSICIAN SERVICES					
248,254	261,022	12,768	1,233,704	1,301,030	67,326
179,129	183,437	4,308	829,492	917,185	87,693
554,978	537,736	(17,243)	2,529,956	2,688,678	158,722
91,692	101,420	9,728	384,809	507,101	122,292
99,085	90,483	(8,602)	446,438	452,415	5,977
90,596	87,826	(2,770)	405,875	439,132	33,257
60,500	85,846	25,346	251,541	429,226	177,685
202,905	205,777	2,872	939,581	1,028,886	89,305
58,437	55,990	(2,447)	264,658	279,948	15,290
1,250,610	652,985	(597,625)	4,624,276	3,258,933	(1,365,343)
1,035,427	1,038,916	3,489	782,241	805,986	23,745
3,960,952	3,463,025	(497,927)	5,501,566	5,185,542	(316,024)
5,106,796	4,577,163	(529,633)	18,194,137	17,294,061	(900,076)
12,181,510	13,539,835	1,358,325	24,637,420	22,820,919	(1,816,501)
126,609	126,518	(91)	64,445,063	67,583,303	3,138,240
6,408,304	5,693,077	(715,227)	629,189	630,551	1,362
2,206,229	1,218,155	(988,074)	31,118,723	28,414,808	(2,703,915)
542,991	291,997	(250,994)	9,523,162	6,074,520	(3,448,642)
165,956	445,757	279,801	1,877,055	1,457,872	(419,183)
1,043,600	780,323	(263,277)	1,042,288	2,228,784	1,186,496
3,224,940	1,105,463	(2,119,477)	5,072,221	3,898,504	(1,173,717)
7,183,716	3,904,036	(3,279,680)	14,678,386	5,512,231	(9,166,155)
8,527,200	8,376,765	(150,435)	32,193,112	19,482,611	(12,710,501)
604,476	832,179	227,703	41,811,508	41,819,223	7,715
732,945	599,642	(133,303)	2,836,305	4,159,164	1,322,859
(205,348)	(145,792)	59,556	3,457,796	2,994,464	(463,332)
9,659,273	9,662,794	3,521	(835,348)	(728,688)	106,660
496,698	496,150	(548)	47,270,261	48,244,163	973,902
-	-	-	2,474,740	2,472,750	(1,990)
39,610	-	(39,610)	-	-	-
(2,087,231)	-	2,087,231	192,652	-	(192,652)
57,130,620	54,948,520	(2,182,100)	(5,601,577)	-	5,601,577
			287,866,650	274,211,815	(13,654,835)

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED MAY 31, 2019				YEAR-TO-DATE		
ACTUAL	CURRENT MONTH BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
12.61	11.76	(0.85)	PHYSICIAN SERVICES	11.89	11.76	(0.12)
38.19	37.08	(1.12)	Primary Care Physician Services	39.63	37.12	(2.51)
5.75	5.49	(0.26)	Referral Specialty Services	6.89	5.80	(1.09)
0.04	0.04	0.00	Urgent Care & After Hours Advise	0.04	0.03	(0.01)
56.59	54.36	(2.23)	Hospital Admitting Team	58.44	54.41	(4.03)
1.00	1.05	0.05	TOTAL PHYSICIAN SERVICES	1.00	1.05	0.06
0.72	0.74	0.02	OTHER PROFESSIONAL SERVICES	0.67	0.74	0.07
2.23	2.17	(0.07)	Vision Service Capitation	2.04	2.17	0.13
0.37	0.41	0.04	221 - Business Intelligence	0.31	0.41	0.10
0.40	0.36	(0.03)	310 - Health Services - Utilization Management - UM Allocation *	0.36	0.37	0.01
0.36	0.35	(0.01)	311 - Health Services - Quality Improvement - UM Allocation *	0.33	0.36	0.03
0.24	0.35	0.10	312 - Health Services - Education - UM Allocation *	0.20	0.35	0.14
0.82	0.83	0.01	313 - Health Services - Pharmacy - UM Allocation *	0.76	0.83	0.07
0.24	0.23	(0.01)	314 - Health Homes - UM Allocation *	0.21	0.23	0.01
5.04	2.63	(2.40)	315 - Case Management - UM Allocation *	3.74	2.64	(1.10)
0.36	0.65	0.29	616 - Disease Management - UM Allocation *	0.63	0.65	0.02
4.17	4.19	0.02	Behavior Health Treatment	4.45	4.19	(0.25)
15.95	13.96	(1.99)	Mental Health Services	14.70	13.99	(0.72)
20.56	18.45	(2.11)	Other Professional Services	19.91	18.46	(1.45)
49.05	54.58	5.53	TOTAL OTHER PROFESSIONAL SERVICES	52.08	54.66	2.58
0.51	0.51	0.00	EMERGENCY ROOM	0.51	0.51	0.00
25.80	22.95	(2.85)	INPATIENT HOSPITAL	25.15	22.98	(2.17)
8.88	4.91	(3.97)	REINSURANCE EXPENSE PREMIUM	7.70	4.91	(2.78)
2.19	1.18	(1.01)	OUTPATIENT HOSPITAL SERVICES	1.52	1.18	(0.34)
0.67	1.80	1.13	OTHER MEDICAL	0.84	1.80	0.96
4.20	3.15	(1.06)	Ambulance and NEMT	4.10	3.15	(0.95)
0.00	0.25	0.25	Home Health Services & CBAS	0.00	0.25	0.25
12.99	4.46	(8.53)	Utilization and Quality Review Expenses	11.86	4.46	(7.40)
28.93	15.74	(13.19)	Long Term/SNF/Hospice	26.02	15.76	(10.26)
34.34	33.77	(0.57)	Enhanced Medical Benefits	33.79	33.82	0.03
2.43	3.35	0.92	Provider Enhancement Expense	2.29	3.36	1.07
2.95	2.42	(0.53)	TOTAL OTHER MEDICAL	2.79	2.42	(0.37)
(0.83)	(0.59)	0.24	PHARMACY SERVICES	(0.68)	(0.59)	0.09
38.89	38.95	0.06	RX - Pharmacy Rebates	38.20	39.02	0.82
2.00	2.00	0.00	RX - Drugs & OTC	2.00	2.00	0.00
0.00	0.00	0.00	RX - HEP-C	0.00	0.00	0.00
0.16	0.00	(0.16)	RX - DME	0.16	0.00	(0.16)
(8.40)	0.00	8.40	TOTAL PHARMACY SERVICES	(4.53)	0.00	(4.53)
230.04	221.50	(8.54)	PAY FOR PERFORMANCE QUALITY INCENTIVE	232.64	221.79	(10.86)
			EXPANSION RISK CORRIDOR			
			NON-CLAIMS EXPENSE ADJUSTMENT			
			IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT			
			Total Medical Costs			

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH MAY 31, 2019	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	YEAR TO DATE 2019
PHYSICIAN SERVICES						
Primary Care Physician Services	2,852,332	3,204,444	2,641,133	2,878,106	3,132,132	14,708,147
Referral Specialty Services	9,061,015	8,891,359	10,768,936	10,831,475	9,485,042	49,037,827
Urgent Care & After Hours Advise	1,290,151	1,663,998	1,972,243	2,167,355	1,427,909	8,521,656
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	45,300
TOTAL PHYSICIAN SERVICES	13,212,798	13,768,201	15,391,612	15,885,936	14,054,383	72,312,930
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	245,365	245,148	247,101	247,836	248,254	1,233,704
221 - Business Intelligence	164,801	159,928	165,714	159,920	179,129	829,492
310 - Health Services - Utilization Management - UM Allocation *	510,943	470,395	478,085	515,555	554,978	2,529,956
311 - Health Services - Quality Improvement - UM Allocation *	80,526	67,588	68,819	76,184	91,692	384,809
312 - Health Services - Education - UM Allocation *	93,216	78,571	86,664	88,902	99,085	446,438
313 - Health Services - Pharmacy - UM Allocation *	82,748	75,645	78,387	78,499	90,596	405,875
314 - Health Homes - UM Allocation *	49,343	44,522	48,105	49,071	60,500	251,541
315 - Case Management - UM Allocation *	190,992	177,760	187,111	180,813	202,905	939,581
616 - Disease Management - UM Allocation *	54,419	48,934	50,373	52,495	58,437	264,658
Behavior Health Treatment	638,864	831,512	952,302	950,988	1,250,610	4,624,276
Mental Health Services	212,968	183,744	127,778	168,412	89,339	782,241
Other Professional Services	1,090,436	1,063,534	1,162,244	1,149,925	1,035,427	5,501,566
TOTAL OTHER PROFESSIONAL SERVICES	3,414,621	3,447,281	3,652,683	3,718,600	3,960,952	18,194,137
EMERGENCY ROOM	4,459,099	4,710,529	4,835,728	5,525,268	5,106,796	24,637,420
INPATIENT HOSPITAL	12,961,386	12,906,122	13,546,028	12,850,017	12,181,510	64,445,063
REINSURANCE EXPENSE PREMIUM	125,136	125,026	126,021	126,397	126,609	629,189
OUTPATIENT HOSPITAL SERVICES	5,414,223	6,037,448	6,885,177	6,373,571	6,408,304	31,118,723
OTHER MEDICAL						
Ambulance and NEMT	1,146,157	2,536,809	1,948,589	1,685,378	2,206,229	9,523,162
Home Health Services & CBAS	495,461	155,156	325,629	357,818	542,991	1,877,055
Utilization and Quality Review Expenses	248,953	93,464	298,591	235,324	165,956	1,042,288
Long Term/SNF/Hospice	944,616	1,180,282	999,537	904,186	1,043,600	5,072,221
Enhanced Medical Benefits	-	-	-	-	-	-
Provider Enhancement Expense	2,729,133	2,889,012	2,876,190	2,959,111	3,224,940	14,678,386
Non-Medical Transportation	-	-	-	-	-	-
TOTAL OTHER MEDICAL	5,564,320	6,854,723	6,448,536	6,141,817	7,183,716	32,193,112
PHARMACY SERVICES						
RX - Drugs & OTC	8,596,061	7,864,951	8,712,771	8,110,525	8,527,200	41,811,508
RX - IIEP-C	542,465	579,505	435,632	674,227	604,476	2,836,305
Rx - DME	647,574	722,044	706,209	649,024	732,945	3,457,796
RX - Pharmacy Rebates	(173,400)	(133,200)	(183,400)	(140,000)	(205,348)	(835,348)
TOTAL PHARMACY SERVICES	9,612,700	9,033,300	9,671,212	9,293,776	9,659,273	47,270,261
PAY FOR PERFORMANCE QUALITY INCENTIVE	491,660	494,202	495,672	496,508	496,698	2,474,740
EXPANSION RISK CORRIDOR	-	-	-	-	-	-
NON-CLAIMS EXPENSE ADJUSTMENT	197,435	367,246	324,378	(736,017)	39,610	192,652
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(659,783)	4,381,620	(3,810,327)	(3,425,856)	(2,087,231)	(5,601,577)
Total Medical Costs	54,793,595	62,125,698	57,566,720	56,250,017	57,130,620	287,866,650

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH MAY 31, 2019	JANUARY 2019	FEBRUARY 2019	MARCI 2019	APRIL 2019	MAY 2019	YEAR TO DATE 2019
PHYSICIAN SERVICES						
Primary Care Physician Services	11.60	12.97	10.66	11.59	12.61	11.89
Referral Specialty Services	36.86	35.98	43.45	43.63	38.19	39.63
Urgent Care & After Hours Advise	5.25	6.73	7.96	8.73	5.75	6.89
Hospital Admitting Team	0.04	0.03	0.04	0.04	0.04	0.04
TOTAL PHYSICIAN SERVICES	53.75	55.72	62.10	63.99	56.59	58.44
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	1.00	0.99	1.00	1.00	1.00	1.00
221 - Business Intelligence	0.67	0.65	0.67	0.64	0.72	0.67
310 - Health Services - Utilization Management - UM Allocation *	2.08	1.90	1.93	2.08	2.23	2.04
311 - Health Services - Quality Improvement - UM Allocation *	0.33	0.27	0.28	0.31	0.37	0.31
312 - Health Services - Education - UM Allocation *	0.38	0.32	0.35	0.36	0.40	0.36
313 - Health Services - Pharmacy - UM Allocation *	0.34	0.31	0.32	0.32	0.36	0.33
314 - Health Homes - UM Allocation *	0.20	0.18	0.19	0.20	0.24	0.20
315 - Case Management - UM Allocation *	0.78	0.72	0.75	0.73	0.82	0.76
616 - Disease Management - UM Allocation *	0.22	0.20	0.20	0.21	0.24	0.21
Behavior Health Treatment	2.60	3.37	3.84	3.83	5.04	3.74
Mental Health Services	0.87	0.74	0.52	0.68	0.36	0.63
Other Professional Services	4.44	4.30	4.69	4.63	4.17	4.45
TOTAL OTHER PROFESSIONAL SERVICES	13.89	13.95	14.74	14.98	15.95	14.70
EMERGENCY ROOM	18.14	19.06	19.51	22.26	20.56	19.91
INPATIENT HOSPITAL	52.72	52.23	54.66	51.76	49.05	52.08
REINSURANCE EXPENSE PREMIUM	0.51	0.51	0.51	0.51	0.51	0.51
OUTPATIENT HOSPITAL SERVICES	22.02	24.43	27.78	25.67	25.80	25.15
OTHER MEDICAL						
Ambulance and NEMT	4.66	10.27	7.86	6.79	8.88	7.70
Home Health Services & CBAS	2.02	0.63	1.31	1.44	2.19	1.52
Utilization and Quality Review Expenses	1.01	0.38	1.20	0.95	0.67	0.84
Long Term/SNF/Hospice	3.84	4.78	4.03	3.64	4.20	4.10
Enhanced Medical Benefits	0.00	0.00	0.00	0.00	0.00	0.00
Provider Enhancement Expense	11.10	11.69	11.61	11.92	12.99	11.86
Non-Medical Transportation	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER MEDICAL	22.63	27.74	26.02	24.74	28.93	26.02
PHARMACY SERVICES						
RX - Drugs & OTC	34.97	31.83	35.16	32.67	34.34	33.79
RX - HEP-C	2.21	2.35	1.76	2.72	2.43	2.29
Rx - DME	2.63	2.92	2.85	2.61	2.95	2.79
RX - Pharmacy Rebates	(0.71)	(0.54)	(0.74)	(0.56)	(0.83)	(0.68)
TOTAL PHARMACY SERVICES	39.10	36.56	39.02	37.44	38.89	38.20
PAY FOR PERFORMANCE QUALITY INCENTIVE	2.00	2.00	2.00	2.00	2.00	2.00
EXPANSION RISK CORRIDOR	0.00	0.00	0.00	0.00	0.00	0.00
NON-CLAIMS EXPENSE ADJUSTMENT	0.80	1.49	1.31	(2.96)	0.16	0.16
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(2.68)	17.73	(15.37)	(13.80)	(8.40)	(4.53)
Total Medical Costs	222.89	251.42	232.28	226.58	230.04	232.64

CURRENT MONTH		YEAR-TO-DATE	
ACTUAL	BUDGET	ACTUAL	BUDGET
VARIANCE		VARIANCE	
KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED MAY 31, 2019			
195,373	258,313	1,200,647	1,291,566
	62,940		90,919
155,814	158,992	707,075	794,960
	3,178		87,885
645,579	617,732	2,706,122	3,088,658
	(27,847)		382,536
22,857	18,734	103,762	93,669
	(4,123)		(10,093)
301,083	338,857	1,288,652	1,694,276
	37,774		405,624
539,033	477,708	2,502,120	2,381,694
	(61,325)		(120,426)
86,052	109,760	441,464	548,798
	23,708		107,334
92,899	96,311	450,715	481,556
	3,412		30,841
28,960	33,152	122,695	166,462
	4,192		43,767
(15,754)	-	759	1,250
			491
127,589	123,682	664,179	625,108
	(3,907)		(39,071)
18	500	(380)	2,880
	482		2,880
13,230	13,135	60,252	65,824
	(95)		5,572
21,808	20,738	98,507	103,688
	(1,070)		5,181
235,564	247,979	1,098,790	1,219,648
	12,415		120,858
477,021	517,791	2,265,232	2,510,996
	40,770		245,764
364,405	424,472	1,783,999	1,960,360
	60,067		176,361
53,208	62,743	271,489	313,715
	9,535		42,226
108,984	64,500	242,406	322,492
	(44,484)		80,086
48,141	64,750	230,314	323,750
	16,609		93,436
152,127	197,193	757,748	960,427
	45,066		202,679
-	(202,880)	-	(1,014,400)
	(202,880)		(1,014,400)
3,653,991	3,644,161	16,996,547	17,936,996
	(9,830)		940,449

KERN HEALTH SYSTEMS MEDI-CAL		JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	YEAR TO DATE 2019
SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED MAY 31, 2019							
110 - Executive		298,677	186,923	234,566	285,108	195,373	1,200,647
210 - Accounting		149,967	127,374	139,032	134,888	155,814	707,075
220 - Management Information Systems (MIS)		401,536	495,303	640,543	523,161	645,579	2,706,122
221 - Business Intelligence		205	10,000	50,100	20,600	22,857	103,762
225 - Infrastructure		255,998	238,858	247,310	245,403	301,083	1,288,652
230 - Claims		510,558	444,621	505,751	502,157	539,033	2,502,120
240 - Project Management		85,314	84,072	96,834	89,192	86,052	441,464
310 - Health Services - Utilization Management		86,447	91,228	95,142	84,999	92,899	450,715
311 - Health Services - Quality Improvement		25,633	21,530	22,707	23,865	28,960	122,695
312 - Health Services - Education		23	612	(5)	15,883	(15,754)	759
313- Pharmacy		127,668	124,298	159,313	125,311	127,589	664,179
314 - Health Homes		556	(556)	(398)	-	18	(380)
315 - Case Management		12,191	11,347	11,943	11,541	13,230	60,252
616 - Disease Management		20,405	18,247	18,631	19,416	21,808	98,507
320 - Provider Network Management		267,760	126,987	223,524	244,955	235,564	1,098,790
330 - Member Services		470,954	389,538	441,753	485,966	477,021	2,265,232
340 - Corporate Services		319,181	347,539	396,534	356,340	364,405	1,783,999
360 - Audit & Investigative Services		57,536	55,624	51,626	53,495	53,208	271,489
410 - Advertising Media		24,987	11,283	34,440	62,712	108,984	242,406
420 - Sales/Marketing/Public Relations		48,311	41,979	43,514	48,369	48,141	230,314
510 - Human Resources		211,647	111,757	134,617	147,600	152,127	757,748
Total Department Expenses		3,375,554	2,938,564	3,547,477	3,480,961	3,653,991	16,996,547

**KERN HEALTH SYSTEMS
GROUP HEALTH PLAN - HFAM
BALANCE SHEET STATEMENT
AS OF MAY 31, 2019**

ASSETS	MAY 2019	APRIL 2019	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,473,556	\$ 1,473,556	-
Interest Receivable	5,599	2,609	2,990
Prepaid Expenses & Other Current Assets	834	1,667	(833)
TOTAL CURRENT ASSETS	\$ 1,479,989	\$ 1,477,832	\$ 2,157

LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts Payable	13,840	13,840	-
Other Liabilities	353,849	353,849	-
TOTAL CURRENT LIABILITIES	\$ 367,689	\$ 367,689	\$ -

NET POSITION:			
Net Position- Beg. of Year	1,100,538	1,100,538	-
Increase (Decrease) in Net Position - Current Year	11,762	9,605	2,157
Total Net Position	\$ 1,112,300	\$ 1,110,143	\$ 2,157
TOTAL LIABILITIES AND NET POSITION	\$ 1,479,989	\$ 1,477,832	\$ 2,157

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED MAY 31, 2019			YEAR-TO-DATE		
ENROLLMENT								
-	-	-	Members	-	-	-	-	-
REVENUES								
-	-	-	Premium	-	-	-	-	-
2,990	-	2,990	Interest	14,578	-	14,578	-	14,578
-	-	-	Other Investment Income	1,350	-	1,350	-	1,350
2,990	-	2,990	TOTAL REVENUES	15,928	-	15,928	-	15,928
EXPENSES								
-	-	-	Medical Costs	-	-	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-	-	-
-	-	-	Total Medical Costs	-	-	-	-	-
2,990	-	2,990	GROSS MARGIN	15,928	-	15,928	-	15,928
Administrative								
833	-	(833)	Management Fee Expense and Other Admin Exp	4,166	-	(4,166)	-	(4,166)
833	-	(833)	Total Administrative Expenses	4,166	-	(4,166)	-	(4,166)
833	-	(833)	TOTAL EXPENSES	4,166	-	(4,166)	-	(4,166)
2,157	-	2,157	OPERATING INCOME (LOSS)	11,762	-	11,762	-	11,762
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-	-	-
2,157	-	2,157	NET INCREASE (DECREASE) IN NET POSITION	11,762	-	11,762	-	11,762
0%	0%	0%	MEDICAL LOSS RATIO	0%	0%	0%	0%	0%
28%	0%	-28%	ADMINISTRATIVE EXPENSE RATIO	26%	0%	-26%	0%	-26%

**KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT**

KERN HEALTH SYSTEMS

2019 MEMBER MONTHS

	JAN'19	FEB'19	MAR'19	APR'19	MAY'19	JUN'19	JUL'19	AUG'19	SEP'19	OCT'19	NOV'19	DEC'19
MEDI-CAL												
ADULT AND FAMILY												
PA - FAMILY	34,526	33,921	33,871	33,184	0							0
REFUGEE - FAMILY	0	0	0	1	0							
FOSTER CARE	720	699	712	776	0							
POVERTY-133/200%	1	1	1	1	0							
MI - CHILD	108,363	109,594	110,076	110,865	0							
CHLD-ACA	41	40	13	15	0							
FAMILY - UNDER 19	22,145	22,131	22,194	22,160	0							
ADULT	0	0	0	0	43,788							
CHILD	0	0	0	0	123,066							
SUB-TOTAL ADULT & FAMILY	165,796	166,386	166,867	167,002	166,854	0	0	0	0	0	0	0

MEDI-CAL EXPANSION	15
LHP Transition Pre-ACA	296,324
ACA Expansion Adult-Citizen	13
ACA Expansion CAL Fresh Adult	2,164
ACA Expansion Duals	298,516
SUB-TOTAL MANDATORY	298,516

SDP MEMBERS	758
SSI - AGED	6,500
MN - AGED	49,606
SSI - BLIND & DISABLED	1,911
MN - BLIND & DISABLED	14,958
SPD (AGED AND DISABLED)	73,733
SUB-TOTAL MANDATORY SPD	73,733
TOTAL MANDATORY	1,205,154

OTHER MEMBERS	114
BCCTP-TOBACCO SETTLEMENT	

DUALS	102
PA - FAMILY DUALS	3,342
PART D SSI - AGED	6,302
PART D MN - AGED	9,973
PART D SSI - BLIND & DISABLED	4,176
PART D MN - BLIND & DISABLED	6
PART D BCCTP-TOBACCO SETTLEMENT	1,615
PART D MI - CHILD	435
PARTIAL DUALS - FAMILY	6,151
SPD FULL DUALS	32,102
SUB-TOTAL DUALS	32,216

TOTAL OTHERS	42,076
TOTAL KAISER	1,279,446

TOTAL MEDI-CAL MEMBERS	1,279,446
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To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 9, 2019

Re: June 2019 Financial Results

The June results reflect a \$2,258,259 Net Increase in Net Position (including a \$2,205,329 gain on the sale of the Stockdale Building) which is a \$3,429,074 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$4.7 million favorable variance primarily due to:
 - A) \$.8 million favorable variance in Expansion primarily due to a higher than expected budgeted rate increase from the State and higher than expected enrollment.
 - B) \$1.7 million favorable variance in Proposition 56 Supplemental Revenue due to an unbudgeted increase in tobacco tax revenue funds being allocated for fiscal year 18/19 to additional CPT procedure codes along with an increase in supplemental allowable payable amounts offset against expenses included in 2C below.
 - C) \$.5 million favorable variance relating to unbudgeted new supplemental revenue relating to Ground Emergency Medical Transportation (GEMT) for fiscal year 18/19 offset against expenses included in 2C below.
 - D) \$1.2 million favorable variance in Maternity Revenue primarily due to higher than expected reported births.
 - E) \$.6 million favorable variance related to higher than expected BHT Revenue offset against amounts included in 2A below.
- 2) Total Medical Costs reflect a \$3.4 million unfavorable variance primarily due to:
 - A) \$.9 million unfavorable variance in Other Professional Services primarily due to higher than expected utilization of BHT services for SPD and Family & Other members offset against amounts included in 1E above.
 - B) \$.8 million unfavorable variance in Inpatient primarily due to higher than expected utilization by Family & Other members.
 - C) \$2.5 million unfavorable variance in Other Medical primarily due to accruing for estimated Proposition 56 expenses relating to unbudgeted additional CPT procedure codes along with increases in supplemental allowable payable amounts (\$1.9 million) offset against revenue included in 1B above. There was also an unfavorable variance in Ambulance and NEMT primarily due to accruing for estimated expenses for supplemental GEMT services (\$.8 million) offset against revenue included in 1C above.

- D) \$1.2 million favorable variance in Pharmacy due to lower than expected prescriptions filled along with lower than expected unit costs (\$.8 million) and lower than expected HEP-C utilization (\$.4 million).

The June Medical Loss Ratio is 93.4% which is favorable to the 95.2% budgeted amount. The June Administrative Expense Ratio is 5.2% which is favorable to the 6.3% budgeted amount.

The results for the 6 months ended June 30, 2019 reflect a Net Increase in Net Position of \$3,817,711. This is a \$10,232,799 favorable variance to budget and includes approximately \$12.5 million of favorable adjustments from the prior year and a \$2.2 million gain from the sale of the Stockdale Building. The year-to-date Medical Loss Ratio is 93.6% which is favorable to the 95.1% budgeted amount. The year-to-date Administrative Expense Ratio is 5.5% which is favorable to the 6.2% budgeted amount.

**Kern Health Systems
Financial Packet
June 2019**

KHS – Medi-Cal Line of Business

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KHS Group Health Plan – Healthy Families Line of Business

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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF JUNE 30, 2019			
ASSETS	JUNE 2019	MAY 2019	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 87,420,157	\$ 94,452,942	\$ (7,032,785)
Short-Term Investments	141,187,654	124,056,383	17,131,271
Premiums Receivable - Net	78,480,529	73,925,190	4,555,339
Interest Receivable	413,290	809,672	(396,382)
Other Receivables	1,360,226	1,369,632	(9,406)
Prepaid Expenses & Other Current Assets	1,982,886	2,086,844	(103,958)
Total Current Assets	\$ 310,844,742	\$ 296,700,663	\$ 14,144,079
RESTRICTED ASSETS	\$ 300,000	\$ 300,000	\$ -
CAPITAL ASSETS - NET OF ACCUM DEPRES:			
Land	4,090,706	4,876,562	(785,856)
Furniture and Equipment - Net	10,681,457	10,827,663	(146,206)
Automobiles - Net	30,825	31,609	(784)
Building and Building Improvements - Net	-	6,184,421	(6,184,421)
Building Project in Progress	30,451,660	30,130,298	321,362
Capital Projects in Progress	15,146,985	14,798,124	348,861
Total Capital Assets	\$ 60,401,633	\$ 66,848,677	\$ (6,447,044)
LONG TERM ASSETS:			
Officer Life Insurance Receivables	703,894	704,291	(397)
Total Long Term Assets	\$ 703,894	\$ 704,291	\$ (397)
DEFERRED OUTFLOWS OF RESOURCES	\$ 2,657,573	\$ 2,657,573	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 374,907,842	\$ 367,211,204	\$ 7,696,638
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts Payable	\$ 69,463	\$ 63,778	5,685
Accrued Salaries and Employee Benefits	3,035,824	2,943,310	92,514
Accrued Other Operating Expenses	2,982,880	2,839,626	143,254
Accrued Taxes and Licenses	24,211,945	16,124,027	8,087,918
Claims Payable (Reported)	17,946,299	21,649,122	(3,702,823)
IBNR - Inpatient Claims	25,575,556	22,258,422	3,317,134
IBNR - Physician Claims	13,968,762	13,765,589	203,173
IBNR - Accrued Other Medical	21,748,840	18,662,583	3,086,257
Risk Pool and Withholds Payable	2,977,736	3,277,378	(299,642)
Statutory Allowance for Claims Processing Expense	2,326,151	2,326,151	-
Other Liabilities	48,385,937	53,881,028	(5,495,091)
Total Current Liabilities	\$ 163,229,393	\$ 157,791,014	\$ 5,438,379
NONCURRENT LIABILITIES:			
Net Pension Liability	5,865,463	5,865,463	-
TOTAL NONCURRENT LIABILITIES	\$ 5,865,463	\$ 5,865,463	\$ -
DEFERRED INFLOWS OF RESOURCES	\$ 364,304	\$ 364,304	\$ -
NET POSITION:			
Net Position - Beg. of Year	201,630,971	201,630,971	-
Increase (Decrease) in Net Position - Current Year	3,817,711	1,559,452	2,258,259
Total Net Position	\$ 205,448,682	\$ 203,190,423	\$ 2,258,259
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 374,907,842	\$ 367,211,204	\$ 7,696,638

CURRENT MONTH MEMBERS			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JUNE 30, 2019			YEAR-TO-DATE MEMBER MONTHS		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE		
ENROLLMENT								
168,577	169,000	(423)	Family Members	1,001,482	1,008,000	(6,518)		
60,947	59,675	1,272	Expansion Members	359,463	358,050	1,413		
15,103	14,200	903	SPD Members	88,836	85,200	3,636		
6,269	5,600	669	Other Members	38,485	33,600	4,885		
8,609	8,400	209	Kaiser Members	50,685	50,400	285		
259,505	256,875	2,630	Total Members - MCAL	1,538,951	1,535,250	3,701		
REVENUES								
25,745,431	23,374,852	2,370,579	Title XIX - Medicaid - Family and Other	145,999,334	139,798,081	6,201,253		
23,356,415	21,930,976	1,425,439	Title XIX - Medicaid - Expansion Members	137,802,754	131,585,855	6,216,899		
13,032,438	11,927,381	1,105,057	Title XIX - Medicaid - SPD Members	75,145,832	71,564,288	3,581,544		
8,174,408	8,297,905	(123,497)	Premium - MCO Tax	48,477,493	49,587,060	(1,109,567)		
1,068,219	393,695	674,524	Investment Earnings	3,821,976	2,352,666	1,469,310		
-	126,722	(126,722)	Reinsurance Recoveries	-	757,274	(757,274)		
(703,658)	-	(703,658)	Rate/Income Adjustments	7,111,917	-	7,111,917		
40,508	-	40,508	Other Income (Expense)	122,670	-	122,670		
70,713,761	66,051,533	4,662,228	TOTAL REVENUES	418,481,976	395,645,224	22,836,752		
EXPENSES								
Medical Costs:								
13,468,415	13,502,017	33,602	Physician Services	85,781,345	80,770,665	(5,010,680)		
4,388,042	3,465,131	(922,911)	Other Professional Services	22,582,179	20,759,192	(1,822,987)		
4,698,111	4,583,652	(114,459)	Emergency Room	29,335,531	27,404,572	(1,930,959)		
14,390,451	13,551,422	(839,029)	Inpatient	78,835,514	81,134,726	(2,299,212)		
126,658	126,722	64	Reinsurance Expense	755,847	757,274	(1,427)		
5,912,776	5,698,135	(214,641)	Outpatient Hospital	37,031,499	34,112,943	(2,918,556)		
6,357,547	3,907,792	(2,449,755)	Other Medical	38,550,659	23,390,403	(15,160,256)		
8,508,813	9,669,775	1,160,962	Pharmacy	55,779,074	57,913,938	(2,134,864)		
501,792	496,950	(4,842)	Pay for Performance Quality Incentive	2,976,532	2,969,700	(6,832)		
-	-	-	Expansion Risk Corridor	-	-	-		
756,640	-	(756,640)	Non-Claims Expense Adjustment	949,292	-	(949,292)		
(704,885)	-	704,885	IBNR, Incentive, Paid Claims Adjustment	(6,306,462)	-	6,306,462		
58,404,360	55,001,598	(3,402,762)	Total Medical Costs	346,271,010	329,213,413	(17,057,597)		
12,309,401	11,049,935	1,259,466	GROSS MARGIN	72,210,966	66,431,812	5,779,154		
Administrative:								
2,155,354	2,174,090	18,736	Compensation	12,880,549	12,920,575	(40,026)		
449,468	785,273	335,805	Purchased Services	4,090,547	4,710,444	(619,897)		
59,549	111,806	52,257	Supplies	503,949	672,158	(168,209)		
179,516	252,963	73,447	Depreciation	1,108,781	1,355,778	(246,997)		
412,596	318,713	(93,883)	Other Administrative Expenses	1,669,204	1,920,884	(251,680)		
-	-	-	Administrative Expense Adjustment	-	-	-		
3,256,483	3,642,844	386,361	Total Administrative Expenses	20,253,030	21,579,840	(1,326,810)		
61,660,843	58,644,442	(3,016,401)	TOTAL EXPENSES	366,524,040	350,793,252	(15,730,788)		
9,052,918	7,407,090	1,645,828	OPERATING INCOME (LOSS) BEFORE TAX	51,957,936	44,851,972	7,105,964		
8,087,917	8,297,905	209,988	MCO TAX	48,527,708	49,587,060	(1,059,352)		
965,001	(890,815)	1,855,816	OPERATING INCOME (LOSS) NET OF TAX	3,430,228	(4,735,088)	8,165,316		
NONOPERATING REVENUE (EXPENSE)								
2,205,329	-	2,205,329	Gain on Sale of Building	2,205,329	-	2,205,329		
(780,000)	-	(780,000)	Reserve Fund Projects/Community Grants	(780,000)	-	(780,000)		
(132,071)	(280,000)	147,929	Health Home	(1,037,846)	(1,680,000)	642,154		
1,293,258	(280,000)	1,573,258	TOTAL NONOPERATING REVENUE (EXPENSE)	387,483	(1,680,000)	2,067,483		
2,258,259	(1,170,815)	3,429,074	NET INCREASE (DECREASE) IN NET POSITION	3,817,711	(6,415,088)	10,232,799		
93.4%	95.2%	1.8%	MEDICAL LOSS RATIO	93.6%	95.1%	1.5%		
5.2%	6.3%	1.1%	ADMINISTRATIVE EXPENSE RATIO	5.5%	6.2%	0.8%		

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			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED JUNE 30, 2019					
CURRENT MONTH						YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE		
EN R O L L M E N T								
168,577	169,000	(423)	Family Members	1,001,482	1,008,000	(6,518)		
60,947	59,675	1,272	Expansion Members	359,463	358,050	1,413		
15,103	14,200	903	SPD Members	88,836	85,200	3,636		
6,269	5,600	669	Other Members	38,485	33,600	4,885		
8,609	8,400	209	Kaiser Members	50,685	50,400	285		
259,505	256,875	2,630	T o t a l M e m b e r s - M C A L	1,538,951	1,535,250	3,701		
R E V E N U E S								
147.25	133.88	13.37	Title XIX - Medicaid - Family and Other	140.39	134.21	6.17		
383.23	367.51	15.72	Title XIX - Medicaid - Expansion Members	383.36	367.51	15.85		
862.90	839.96	22.95	Title XIX - Medicaid - SPD Members	845.89	839.96	5.94		
32.58	33.40	(0.81)	Premium - MCO Tax	32.57	33.40	(0.82)		
4.26	1.58	2.67	Investment Earnings	2.57	1.58	0.98		
0.00	0.51	(0.51)	Reinsurance Recoveries	0.00	0.51	(0.51)		
0.00	0.00	0.00	COB/Subrogation Collections	0.00	0.00	0.00		
(2.80)	0.00	(2.80)	Rate/Income Adjustments	4.78	0.00	4.78		
0.16	0.00	0.16	Other Income (Expense)	0.08	0.00	0.08		
281.84	265.83	16.02	TOTAL REVENUES	281.19	266.45	14.73		
E X P E N S E S								
Medical Costs:								
53.68	54.34	0.66	Physician Services	57.64	54.40	(3.24)		
17.49	13.95	(3.54)	Other Professional Services	15.17	13.98	(1.19)		
18.73	18.45	(0.28)	Emergency Room	19.71	18.46	(1.26)		
57.36	54.54	(2.82)	I n p a t i e n t	52.97	54.64	1.67		
0.50	0.51	0.01	Reinsurance Expense	0.51	0.51	0.00		
23.57	22.93	(0.63)	Outpatient Hospital	24.88	22.97	(1.91)		
25.34	15.73	(9.61)	Other Medical	25.90	15.75	(10.15)		
33.91	38.92	5.00	Pharmacy	37.48	39.00	1.52		
2.00	2.00	0.00	Pay for Performance Quality Incentive	2.00	2.00	0.00		
0.00	0.00	0.00	Expansion Risk Corridor	0.00	0.00	0.00		
3.02	0.00	(3.02)	Non-Claims Expense Adjustment	0.64	0.00	(0.64)		
(2.81)	0.00	2.81	IBNR, Incentive, Paid Claims Adjustment	(4.24)	0.00	4.24		
232.78	221.36	(11.43)	Total Medical Costs	232.67	221.71	(10.95)		
49.06	44.47	4.59	GROSS MARGIN	48.52	44.74	3.78		
Administrative:								
8.59	8.75	0.16	Compensation	8.65	8.70	0.05		
1.79	3.16	1.37	Purchased Services	2.75	3.17	0.42		
0.24	0.45	0.21	Supplies	0.34	0.45	0.11		
0.72	1.02	0.30	Depreciation	0.75	0.91	0.17		
1.64	1.28	(0.36)	Other Administrative Expenses	1.12	1.29	0.17		
0.00	0.00	0.00	Administrative Expense Adjustment	0.00	0.00	0.00		
12.98	14.66	1.68	Total Administrative Expenses	13.61	14.53	0.92		
245.76	236.02	(9.75)	TOTAL EXPENSES	246.28	236.25	(10.03)		
36.08	29.81	6.27	OPERATING INCOME (LOSS) BEFORE TAX	34.91	30.21	4.71		
32.24	33.40	1.16	MCO TAX	32.61	33.40	0.79		
3.85	(3.59)	7.43	OPERATING INCOME (LOSS) NET OF TAX	2.30	(3.19)	5.49		
N O N O P E R A T I N G R E V E N U E (E X P E N S E)								
8.79	0.00	8.79	Gain on Sale of Building	1.48	0.00	1.48		
(3.11)	0.00	(3.11)	Reserve Fund Projects/Community Grants	(0.52)	0.00	(0.52)		
(0.53)	(1.13)	0.60	Health Home	(0.70)	(1.13)	0.43		
5.15	(1.13)	6.28	TOTAL NONOPERATING REVENUE (EXPENSE)	0.26	(1.13)	1.39		
9.00	(4.71)	13.71	NET INCREASE (DECREASE) IN NET POSITION	2.57	(4.32)	6.89		
93.4%	95.2%	1.8%	MEDICAL LOSS RATIO	93.6%	95.1%	1.5%		
5.2%	6.3%	1.1%	ADMINISTRATIVE EXPENSE RATIO	5.5%	6.2%	0.8%		

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH JUNE 30, 2019	E N R O L L M E N T													
	JUNE 2018	JULY 2018	AUGUST 2018	SEPTEMBER 2018	OCTOBER 2018	NOVEMBER 2018	DECEMBER 2018	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	JUNE 2019	13 MONTH TOTAL
REVENUES														
M e m b e r s - M C A L														
Title XIX - Medicaid - Family and Other	247,317	247,861	246,967	246,962	245,266	245,522	244,683	245,830	247,101	247,836	248,254	248,349	250,896	3,212,844
Title XIX - Medicaid - Expansion Members	1,832,796	22,819,237	24,767,995	23,083,686	23,000,590	23,501,422	30,919,748	23,126,534	24,192,447	24,087,252	24,003,598	24,444,272	25,745,431	315,924,808
Title XIX - Medicaid - SPD Members	21,204,090	21,752,232	22,282,962	21,704,606	21,501,088	21,231,529	23,465,934	21,975,726	23,396,309	22,894,496	23,486,615	23,133,193	23,356,415	291,945,158
Premium - MCO Tax	1,083,761	11,910,574	12,352,541	11,987,574	12,128,124	12,551,376	13,341,766	11,970,651	12,067,762	12,439,467	13,082,048	13,147,466	13,032,438	160,501,548
Investment Earnings	7,817,901	8,087,918	8,087,606	8,087,918	8,087,777	8,087,777	7,658,846	8,006,206	8,047,808	8,071,581	8,084,949	8,092,541	8,174,408	104,933,175
Reinsurance Recoveries	139,352	888,141	252,175	341,662	454,671	360,950	917,687	420,661	422,736	929,211	619,483	361,666	1,068,219	7,410,848
COB/Subrogation Collections	1,027,705	465,065	417,086	196,954	325,659	110,446	59,980	-	-	-	-	-	-	267,973
Rate/Income Adjustments	(1,680,199)	(113,750)	129,606	5,175	212,890	251,712	(5,850)	1,364,572	581,936	626,404	(173,473)	178,336	(705,658)	5,911,501
Other Income (Expense)	50,305	105,084	258	10,281	79	139	121,301	3,822	56	56,526	1,314	20,444	40,508	410,117
TOTAL REVENUES	62,263,852	65,278,535	68,379,666	65,530,865	65,729,793	65,955,938	77,747,385	66,867,772	73,947,684	69,504,937	68,070,534	69,377,918	70,713,761	889,568,010
E X P E N S E S														
Medical Costs:														
Physician Services	13,013,296	13,202,517	13,538,335	13,438,560	12,587,105	13,509,654	11,452,439	13,212,798	13,768,201	15,391,612	15,885,936	14,054,383	13,468,415	176,523,251
Other Professional Services	3,111,320	2,964,061	3,254,300	3,251,122	3,323,654	4,130,323	3,375,679	3,414,621	3,447,281	3,452,683	3,718,600	3,960,952	4,388,042	46,012,638
Emergency Room	4,780,947	4,584,869	4,563,430	4,551,949	4,490,225	4,169,595	3,601,196	4,459,099	4,710,329	4,835,728	5,525,268	5,106,796	4,698,111	60,057,742
Inpatient	13,267,492	13,921,068	13,023,461	12,885,548	13,069,188	9,158,011	2,692,667	12,961,386	12,960,122	13,546,028	12,850,122	12,181,510	14,390,451	156,852,879
Reinsurance Expense	116,124	116,494	116,494	116,075	116,072	115,275	115,395	125,136	125,026	126,009	126,397	126,609	126,658	1,567,522
Outpatient Hospital	5,930,118	5,662,578	6,047,228	5,798,828	4,785,905	5,131,143	4,278,893	5,414,223	6,037,448	6,885,177	6,373,571	6,408,304	6,357,547	74,666,192
Other Medical	3,382,963	3,057,129	4,241,840	3,863,995	4,451,124	15,028,871	6,448,536	6,141,817	7,183,716	6,141,817	7,183,716	8,339,776	8,508,813	118,092,581
Pharmacy	8,567,706	8,848,741	9,437,755	8,667,417	9,382,074	8,798,273	8,615,541	9,612,700	9,033,300	9,671,212	9,293,776	9,659,273	8,508,813	118,092,581
Pay for Performance Quality Incentive	494,634	495,722	493,934	493,924	490,532	491,044	444,467	491,660	494,202	495,672	496,508	496,698	501,792	6,380,789
Expansion Risk Corridor	(11,991)	(11,991)	(299,863)	6,624	2,670	(535)	-	197,435	367,246	324,378	(736,017)	39,610	756,640	10,500,000
Non-Claims Expense Adjustment	(1,197,835)	342,052	1,872,569	566,662	1,438,167	4,136,430	482,510	(659,783)	4,381,620	(3,810,337)	(3,425,856)	(2,087,231)	(704,385)	1,393,793
IBNR, Incentive, Paid Claims Adjustment	51,354,704	53,194,977	56,289,183	53,622,649	55,549,587	54,170,337	60,587,658	54,795,595	62,125,698	57,566,720	56,230,017	57,130,620	58,404,360	728,780,105
TOTAL MEDICAL COSTS	10,909,148	12,083,558	12,090,483	12,168,216	12,180,206	11,785,001	17,159,727	12,074,177	11,821,356	11,938,217	11,820,517	12,247,298	12,309,401	160,387,905
GROSS MARGIN														
Administrative:	1,884,868	2,017,219	2,083,690	2,071,643	2,161,106	2,025,207	1,990,200	2,219,647	1,953,045	2,094,504	2,121,314	2,236,685	2,155,254	27,064,582
Compensation	578,949	415,147	594,201	555,317	465,811	616,200	628,945	534,139	538,593	901,569	783,945	882,833	449,468	7,945,117
Purchased Services	68,507	57,005	61,411	30,539	67,086	36,154	104,230	115,623	78,778	93,764	140,658	15,577	59,549	928,881
Supplies	127,238	127,238	127,237	127,238	127,238	127,238	131,127	179,516	179,517	211,201	179,515	179,516	179,516	2,003,335
Depreciation	275,729	352,586	255,200	315,104	265,994	221,013	303,506	326,629	188,631	246,439	255,529	239,380	412,596	3,638,136
Other Administrative Expenses	-	-	-	-	-	-	383,013	-	-	-	-	-	-	383,013
Administrative Expense Adjustment	2,935,291	2,948,995	3,121,739	3,049,841	3,087,235	3,025,912	3,541,021	3,375,554	2,938,564	3,547,477	3,480,961	3,653,991	3,256,483	41,963,064
Total Administrative Expenses	54,289,995	56,148,972	59,410,922	56,412,490	56,636,822	57,196,249	64,128,679	58,169,149	65,064,262	61,114,197	59,730,978	60,784,611	61,660,843	770,743,169
TOTAL EXPENSES	7,973,857	9,134,563	8,968,744	9,118,375	9,092,971	8,759,689	13,618,706	8,698,623	8,882,792	8,390,740	8,339,556	8,593,307	9,052,918	118,624,841
OPERATING INCOME (LOSS) BEFORE TAX	7,578,328	8,087,918	8,087,607	8,087,918	8,087,777	8,087,716	8,087,687	8,088,119	8,087,918	8,087,918	8,087,918	8,087,918	8,087,917	104,633,159
MCO TAX	395,029	1,046,645	881,137	1,030,457	1,005,194	671,973	5,531,019	610,504	794,874	302,822	251,638	505,389	965,001	13,991,682
OPERATING INCOME (LOSS) NET OF TAX	(233,737)	(158,805)	(191,701)	(567,923)	(41,390)	(223,595)	(41,987)	(116,870)	(104,330)	(133,960)	(191,455)	(359,160)	(1,293,258)	(1,084,655)
TOTAL NONOPERATING REVENUE (EXPENSE)	161,292	887,840	689,436	462,534	963,804	448,378	5,476,032	493,634	690,544	168,862	60,183	146,229	2,258,259	12,907,027
NET INCREASE (DECREASE) IN NET POSITION	94.3%	93.0%	93.4%	92.9%	92.9%	93.6%	86.4%	93.1%	94.3%	93.7%	93.8%	93.2%	2.58%	92.8%
MEDICAL LOSS RATIO	5.4%	5.2%	5.2%	5.3%	5.4%	5.4%	5.1%	5.7%	4.5%	5.8%	6.0%	6.0%	9.4%	9.8%
ADMINISTRATIVE EXPENSE RATIO	5.4%	5.2%	5.2%	5.3%	5.4%	5.4%	5.1%	5.7%	4.5%	5.8%	6.0%	6.0%	9.4%	9.8%

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - FMPM ROLLING 13 MONTHS THROUGH JUNE 30, 2019														
	JUNE 2018	JULY 2018	AUGUST 2018	SEPTEMBER 2018	OCTOBER 2018	NOVEMBER 2018	DECEMBER 2018	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	JUNE 2019	13 MONTH TOTAL
ENROLLMENT														
Members - MCAL	247,317	247,861	246,967	246,962	245,266	245,522	244,683	245,830	247,101	247,836	248,254	248,349	250,896	3,212,844
REVENUES														
Title XIX - Medicaid - Family and Other	126.38	131.77	145.39	133.25	134.04	136.65	180.80	134.36	140.03	141.35	138.32	140.92	147.25	140.63
Title XIX - Medicaid - Expansion Members	353.55	362.19	373.39	366.14	363.20	361.19	413.07	371.66	391.12	383.67	384.32	386.02	383.23	376.38
Title XIX - Medicaid - SPD Members	759.68	814.12	848.74	829.82	838.04	850.42	924.01	820.75	831.51	839.09	846.53	878.96	862.90	841.53
Premium - MCO Tax	31.61	32.63	32.75	32.75	32.57	32.57	31.30	32.57	32.57	32.57	32.57	32.59	32.58	32.49
Investment Earnings	3.19	1.02	1.38	1.84	1.93	1.47	3.75	1.71	1.71	3.75	2.50	1.46	4.26	2.31
Reinsurance Recoveries	0.56	0.00	0.00	0.00	0.00	(0.57)	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.08
COB/Subrogation Collections	4.16	1.88	1.69	0.80	1.33	0.45	0.25	0.00	0.00	0.00	0.00	0.00	0.00	0.81
Rate/Income Adjustments	(6.79)	(0.46)	0.52	0.02	0.87	1.03	(0.02)	5.55	23.55	2.53	(0.70)	0.72	(2.80)	1.84
Other Income (Expense)	0.20	0.42	0.00	0.04	0.00	0.00	0.50	0.00	0.00	0.23	0.01	0.08	0.16	0.13
TOTAL REVENUES	251.76	263.37	276.88	265.35	267.99	268.64	317.75	272.01	299.26	280.45	274.20	279.36	281.84	276.82
EXPENSES														
Medical Costs:														
Physician Services	52.62	53.27	54.82	54.42	51.32	55.02	46.81	59.75	55.72	62.10	63.99	56.59	53.68	54.94
Other Professional Services	12.58	11.96	13.18	13.16	13.55	16.90	13.80	13.89	13.95	14.74	14.98	15.95	17.49	14.32
Emergency Room	19.33	18.50	18.48	18.35	18.31	16.98	14.72	18.14	19.06	19.51	22.26	20.56	18.73	18.69
Inpatient	53.65	56.16	52.73	52.18	53.29	37.30	11.00	52.72	52.23	54.66	51.76	49.05	57.36	48.82
Reinsurance Expense	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.51	0.51	0.51	0.51	0.51	0.50	0.49
Outpatient Hospital	23.98	22.85	24.49	23.48	19.51	20.90	17.49	22.02	24.43	27.78	25.67	25.80	23.57	23.24
Pharmacy	13.27	12.33	17.18	14.60	15.75	18.13	61.42	22.63	27.74	26.02	27.44	28.93	25.34	23.68
Pay for Performance Quality Incentive	2.00	2.00	2.00	2.00	2.00	2.00	1.82	2.00	2.00	2.00	2.00	2.00	2.00	1.99
Expansion Risk Corridor	0.00	0.00	0.00	0.00	0.00	0.00	42.91	0.00	0.00	0.00	0.00	0.00	0.00	3.27
Non-Claims Expense Adjustment	(0.05)	0.00	(1.21)	0.03	0.01	(0.00)	0.00	0.80	1.49	1.31	(2.90)	0.16	3.02	0.20
IBNR, Incentive, Paid Claims Adjustment	(4.84)	1.38	7.58	2.29	5.86	17.09	1.97	(2.68)	17.73	(15.37)	(13.80)	(8.40)	(2.81)	0.43
Total Medical Costs	207.65	214.62	227.92	216.08	218.33	220.63	247.62	222.89	251.42	232.23	226.58	230.04	232.78	226.83
GROSS MARGIN	44.11	48.75	48.96	49.27	49.66	48.00	70.13	49.12	47.84	48.17	47.61	49.31	49.06	49.98
Administrative:														
Compensation	7.62	8.14	8.44	8.19	8.81	8.25	8.13	9.03	7.90	8.45	8.54	9.41	8.59	8.42
Purchased Services	2.34	1.67	2.41	2.25	1.90	2.51	2.57	2.17	2.18	3.64	3.16	3.55	1.79	2.47
Supplies	0.28	0.23	0.25	0.12	0.27	0.15	0.43	0.47	0.32	0.38	0.57	0.06	0.24	0.29
Depreciation	0.51	0.51	0.52	0.52	0.52	0.52	0.54	0.73	0.73	0.85	0.72	0.72	0.72	0.62
Other Administrative Expenses	1.11	1.34	1.03	1.28	1.08	0.90	1.24	1.33	0.76	0.99	1.03	0.96	1.64	1.13
Administrative Expense Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	1.57	0.00	0.00	0.00	0.00	0.00	0.00	0.12
Total Administrative Expenses	11.87	11.90	12.64	12.35	12.59	12.32	14.47	13.73	11.89	14.31	14.02	14.71	12.98	13.06
TOTAL EXPENSES	219.52	226.51	240.56	228.43	230.92	232.96	262.09	236.62	263.31	246.59	240.60	244.75	245.76	239.89
OPERATING INCOME (LOSS) BEFORE TAX	32.24	36.85	36.32	36.92	37.07	35.68	55.66	35.38	35.95	33.86	33.59	34.60	36.08	36.92
MCO TAX	30.64	32.63	32.75	32.75	32.98	32.94	33.05	32.90	32.73	32.63	32.58	32.57	32.24	32.57
OPERATING INCOME (LOSS) NET OF TAX	1.60	4.22	3.57	4.17	4.10	2.74	22.60	2.48	3.22	1.22	1.01	2.03	3.85	4.35
TOTAL NONOPERATING REVENUE (EXPENSE)	(0.95)	(0.64)	(0.78)	(2.30)	(0.17)	(0.91)	(0.22)	(0.48)	(0.42)	(0.54)	(0.77)	(1.45)	5.15	(0.34)
NET INCREASE (DECREASE) IN NET POSITION	0.65	3.58	2.79	1.87	3.93	1.83	22.38	2.01	2.79	0.68	0.24	0.59	9.00	4.02
MEDICAL LOSS RATIO	94.3%	93.0%	93.4%	92.9%	92.9%	93.6%	86.4%	93.1%	94.3%	93.7%	93.8%	93.2%	93.4%	92.8%
ADMINISTRATIVE EXPENSE RATIO	5.4%	5.2%	5.2%	5.3%	5.4%	5.2%	5.1%	5.7%	4.5%	5.8%	5.8%	6.0%	5.2%	5.3%

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED JUNE 30, 2019				YEAR-TO-DATE	
ACTUAL	CURRENT MONTH BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
R E V E N U E S					
Title XIX - Medicaid - Family & Other					
19,795,364	19,875,529	(80,165)	118,475,591	118,835,574	(359,983)
3,380,861	2,422,591	958,270	12,887,445	14,535,546	(1,648,101)
75,696	75,590	106	756,962	450,941	306,021
491,267	261,603	229,664	2,020,880	1,560,626	460,254
1,761,755	658,399	1,103,356	10,435,215	3,929,154	6,506,061
154,925	-	154,925	916,976	-	916,976
85,563	81,140	4,423	506,265	486,240	20,025
25,745,431	23,374,852	2,370,579	145,999,334	139,798,081	6,201,253
Title XIX - Medicaid - Expansion Members					
21,552,051	20,794,399	757,652	127,538,580	124,766,393	2,772,187
499,671	243,020	256,651	1,758,102	1,458,120	299,982
363,342	544,869	(181,527)	2,804,544	3,269,214	(464,670)
759,235	323,232	436,003	4,628,198	1,939,392	2,688,806
155,059	-	155,059	913,877	-	913,877
27,057	25,456	1,601	159,453	152,736	6,717
23,356,415	21,930,976	1,425,439	137,802,754	131,585,855	6,216,899
Title XIX - Medicaid - SPD Members					
11,783,618	11,198,119	585,499	68,747,792	67,188,716	1,559,076
90,836	211,894	(121,058)	923,948	1,271,364	(347,416)
739,168	391,982	347,186	3,033,729	2,351,892	681,837
291,152	125,386	165,766	1,696,490	752,316	944,174
127,664	-	127,664	743,873	-	743,873
13,032,438	11,927,381	1,105,057	75,145,832	71,564,288	3,581,544

CURRENT MONTH		VARIANCE	YEAR-TO-DATE		
ACTUAL	BUDGET		ACTUAL	BUDGET	VARIANCE
KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED JUNE 30, 2019					
PHYSICIAN SERVICES					
2,545,597	2,922,009	376,412	17,253,744	17,464,008	210,264
9,590,131	9,206,670	(383,461)	58,627,958	55,102,158	(3,525,800)
1,323,687	1,364,338	40,651	9,845,343	8,150,199	(1,695,144)
9,000	9,000	-	54,300	54,300	-
13,468,415	13,502,017	33,602	85,781,345	80,770,665	(5,010,680)
OTHER PROFESSIONAL SERVICES					
248,349	261,430	13,081	1,482,053	1,562,459	80,406
153,193	183,437	30,244	982,685	1,100,622	117,937
465,516	537,736	72,220	2,995,472	3,226,413	230,941
80,862	101,420	20,558	465,671	608,521	142,850
93,588	90,483	(3,105)	540,026	542,898	2,872
79,958	87,826	7,868	485,833	526,958	41,125
48,781	85,846	37,065	300,322	515,072	214,750
171,694	205,777	34,083	1,111,275	1,234,664	123,389
49,786	55,990	6,204	314,444	335,937	21,493
1,668,762	653,584	(1,015,178)	6,293,038	3,912,517	(2,380,521)
1,150,406	1,039,820	(110,586)	6,651,972	6,225,362	(426,610)
4,388,042	3,465,131	(922,911)	22,582,179	20,759,192	(1,822,987)
4,698,111	4,583,652	(114,459)	29,335,531	27,404,572	(1,930,959)
14,390,451	13,551,422	(839,029)	78,835,514	81,134,726	2,299,212
126,658	126,722	64	755,847	757,274	1,427
5,912,776	5,698,135	(214,641)	37,031,499	34,112,943	(2,918,556)
REINSURANCE EXPENSE PREMIUM					
2,029,378	1,219,780	(809,598)	11,552,540	7,294,301	(4,258,239)
322,679	292,208	(30,471)	2,199,734	1,750,079	(449,655)
222,833	445,757	222,924	1,265,121	2,674,541	1,409,420
755,531	780,635	25,104	5,827,752	4,679,138	(1,148,614)
-	62,442	62,442	-	373,143	373,143
3,027,126	1,106,971	(1,920,155)	17,705,512	6,619,201	(11,086,311)
6,357,547	3,907,792	(2,449,755)	38,550,659	23,390,403	(15,160,256)
OUTPATIENT HOSPITAL SERVICES					
7,615,766	8,383,226	767,460	49,427,274	50,202,448	775,174
428,028	832,352	404,324	3,264,333	4,991,517	1,727,184
600,019	600,016	(3)	4,057,815	3,594,480	(463,335)
(135,000)	(145,820)	(10,820)	(970,348)	(874,507)	95,841
8,508,813	9,669,775	1,160,962	55,779,074	57,913,938	2,134,864
501,792	496,950	(4,842)	2,976,532	2,969,700	(6,832)
-	-	-	-	-	-
756,640	-	(756,640)	949,292	-	(949,292)
(704,885)	-	704,885	(6,306,462)	-	6,306,462
58,404,360	55,001,598	(3,402,762)	346,271,010	329,213,413	(17,057,597)

* Medical costs per DMHC regulations

CURRENT MONTH		YEAR-TO-DATE	
ACTUAL	BUDGET	ACTUAL	BUDGET
VARIANCE		VARIANCE	
KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED JUNE 30, 2019			
PHYSICIAN SERVICES			
10.15	11.76	1.61	
38.22	37.05	(1.17)	11.76
5.28	5.49	0.22	39.39
0.04	0.04	0.00	6.62
53.68	54.34	0.66	0.04
			57.64
OTHER PROFESSIONAL SERVICES			
0.99	1.05	0.06	1.00
0.61	0.74	0.13	0.66
1.86	2.16	0.31	2.01
0.32	0.41	0.09	0.31
0.37	0.36	(0.01)	0.36
0.32	0.35	0.03	0.33
0.19	0.35	0.15	0.20
0.68	0.83	0.14	0.75
0.20	0.23	0.03	0.21
6.65	2.63	(4.02)	4.23
0.71	0.65	(0.05)	0.64
4.59	4.18	(0.40)	4.47
17.49	13.95	(3.54)	15.17
18.73	18.45	(0.28)	19.71
57.36	54.54	(2.82)	52.97
0.50	0.51	0.01	0.51
23.57	22.93	(0.63)	24.88
TOTAL OTHER PROFESSIONAL SERVICES			
			13.98
			18.46
			54.64
			0.51
			22.97
EMERGENCY ROOM			
INPATIENT HOSPITAL			
REINSURANCE EXPENSE PREMIUM			
OUTPATIENT HOSPITAL SERVICES			
OTHER MEDICAL			
8.09	4.91	(3.18)	7.76
1.29	1.18	(0.11)	1.48
0.89	1.79	0.91	0.85
3.01	3.14	0.13	3.92
0.00	0.25	0.25	0.00
12.07	4.46	(7.61)	11.90
25.34	15.73	(9.61)	25.90
PHARMACY SERVICES			
30.35	33.74	3.38	33.21
1.71	3.35	1.64	2.19
2.39	2.41	0.02	2.73
(0.54)	(0.59)	(0.05)	(0.65)
33.91	38.92	5.00	37.48
2.00	2.00	0.00	2.00
0.00	0.00	0.00	0.00
3.02	0.00	(3.02)	0.64
(2.81)	0.00	(2.81)	(4.24)
232.78	221.36	(11.43)	232.67
			221.71
			(10.95)

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH JUNE 30, 2019	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	JUNE 2019	YEAR TO DATE 2019
PHYSICIAN SERVICES							
Primary Care Physician Services	2,852,332	3,204,444	2,641,133	2,878,106	3,132,132	2,545,597	17,253,744
Referral Specialty Services	9,061,015	8,891,359	10,768,936	10,831,475	9,485,042	9,590,131	58,627,958
Urgent Care & After Hours Advise	1,290,151	1,663,998	1,972,243	2,167,355	1,427,909	1,323,687	9,845,343
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	9,000	54,300
TOTAL PHYSICIAN SERVICES	13,212,798	13,768,201	15,391,612	15,885,936	14,054,383	13,468,415	85,781,345
OTHER PROFESSIONAL SERVICES							
Vision Service Capitation	245,365	245,148	247,101	247,836	248,254	248,349	1,482,053
221 - Business Intelligence	164,801	159,928	165,714	159,920	179,129	153,193	982,685
310 - Health Services - Utilization Management - UM Allocation *	510,943	470,395	478,085	515,555	554,978	465,516	2,995,472
311 - Health Services - Quality Improvement - UM Allocation *	80,526	67,588	68,819	76,184	91,692	80,862	465,671
312 - Health Services - Education - UM Allocation *	93,216	78,571	86,664	88,902	99,085	93,588	540,026
313 - Health Services - Pharmacy - UM Allocation *	82,748	75,645	78,387	78,499	90,596	79,958	485,833
314 - Health Homes - UM Allocation *	49,343	44,522	48,105	49,071	60,500	48,781	300,322
315 - Case Management - UM Allocation *	190,992	177,760	187,111	180,813	202,905	171,694	1,111,275
616 - Disease Management - UM Allocation *	54,419	48,934	50,373	52,495	58,437	49,786	314,444
Behavior Health Treatment	638,864	831,512	952,302	950,988	1,250,610	1,668,762	6,293,038
Mental Health Services	212,968	183,744	127,778	168,412	89,339	177,147	959,388
Other Professional Services	1,090,436	1,063,534	1,162,244	1,149,925	1,035,427	1,150,406	6,651,972
TOTAL OTHER PROFESSIONAL SERVICES	3,414,621	3,447,281	3,652,683	3,718,600	3,960,952	4,388,042	22,582,179
EMERGENCY ROOM	4,459,099	4,710,529	4,835,728	5,525,268	5,106,796	4,698,111	29,335,531
INPATIENT HOSPITAL	12,961,386	12,906,122	13,546,028	12,850,017	12,181,510	14,390,451	78,835,514
REINSURANCE EXPENSE PREMIUM	125,136	125,026	126,021	126,397	126,609	126,658	755,847
OUTPATIENT HOSPITAL SERVICES	5,414,223	6,037,448	6,885,177	6,373,571	6,408,304	5,912,776	37,031,499
OTHER MEDICAL							
Ambulance and NEMT	1,146,157	2,536,809	1,948,589	1,685,378	2,206,229	2,029,378	11,552,540
Home Health Services & CBAS	495,461	155,156	325,629	357,818	542,991	322,679	2,199,734
Utilization and Quality Review Expenses	248,953	93,464	298,591	235,324	165,956	222,833	1,265,121
Long Term/SNF/Hospice	944,616	1,180,282	999,537	904,186	1,043,600	755,531	5,827,752
Enhanced Medical Benefits	-	-	-	-	-	-	-
Provider Enhancement Expense	2,729,133	2,889,012	2,876,190	2,959,111	3,224,940	3,027,126	17,705,512
Non-Medical Transportation	-	-	-	-	-	-	-
TOTAL OTHER MEDICAL	5,564,320	6,854,723	6,448,536	6,141,817	7,183,716	6,357,547	38,550,659
PHARMACY SERVICES							
RX - Drugs & OTC	8,596,061	7,864,951	8,712,771	8,110,525	8,527,200	7,615,766	49,427,274
RX - HEP-C	542,465	579,505	435,632	674,227	604,476	428,028	3,264,333
Rx - DME	647,574	722,044	706,209	649,024	732,945	600,019	4,057,815
RX - Pharmacy Rebates	(173,400)	(133,200)	(183,400)	(140,000)	(205,348)	(135,000)	(970,348)
TOTAL PHARMACY SERVICES	9,612,700	9,033,300	9,671,212	9,293,776	9,659,273	8,508,813	55,779,074
PAY FOR PERFORMANCE QUALITY INCENTIVE	491,660	494,202	495,672	496,508	496,698	501,792	2,976,532
EXPANSION RISK CORRIDOR	-	-	-	-	-	-	-
NON-CLAIMS EXPENSE ADJUSTMENT	197,435	367,246	324,378	(736,017)	39,610	756,640	949,292
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(659,783)	4,381,620	(3,810,327)	(3,425,856)	(2,087,231)	(704,885)	(6,306,462)
Total Medical Costs	54,793,595	62,125,698	57,566,720	56,250,017	57,130,620	58,404,360	346,271,010

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH JUNE 30, 2019	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	JUNE 2019	YEAR TO DATE 2019
PHYSICIAN SERVICES							
Primary Care Physician Services	11.60	12.97	10.66	11.59	12.61	10.15	11.59
Referral Specialty Services	36.86	35.98	43.45	43.63	38.19	38.22	39.39
Urgent Care & After Hours Advise	5.25	6.73	7.96	8.73	5.75	5.28	6.62
Hospital Admitting Team	0.04	0.03	0.04	0.04	0.04	0.04	0.04
TOTAL PHYSICIAN SERVICES	53.75	55.72	62.10	63.99	56.59	53.68	57.64
OTHER PROFESSIONAL SERVICES							
Vision Service Capitation	1.00	0.99	1.00	1.00	1.00	0.99	1.00
221 - Business Intelligence	0.67	0.65	0.67	0.64	0.72	0.61	0.66
310 - Health Services - Utilization Management - UM Allocation *	2.08	1.90	1.93	2.08	2.23	1.86	2.01
311 - Health Services - Quality Improvement - UM Allocation *	0.33	0.27	0.28	0.31	0.37	0.32	0.31
312 - Health Services - Education - UM Allocation *	0.38	0.32	0.35	0.36	0.40	0.37	0.36
313 - Health Services - Pharmacy - UM Allocation *	0.34	0.31	0.32	0.32	0.36	0.32	0.33
314 - Health Homes - UM Allocation *	0.20	0.18	0.19	0.20	0.24	0.19	0.20
315 - Case Management - UM Allocation *	0.78	0.72	0.75	0.73	0.82	0.68	0.75
616 - Disease Management - UM Allocation *	0.22	0.20	0.20	0.21	0.24	0.20	0.21
Behavior Health Treatment	2.60	3.37	3.84	3.83	5.04	6.65	4.23
Mental Health Services	0.87	0.74	0.52	0.68	0.36	0.71	0.64
Other Professional Services	4.44	4.30	4.69	4.63	4.17	4.59	4.47
TOTAL OTHER PROFESSIONAL SERVICES	13.89	13.95	14.74	14.98	15.95	17.49	15.17
EMERGENCY ROOM	18.14	19.06	19.51	22.26	20.56	18.73	19.71
INPATIENT HOSPITAL	52.72	52.23	54.66	51.76	49.05	57.36	52.97
REINSURANCE EXPENSE PREMIUM	0.51	0.51	0.51	0.51	0.51	0.50	0.51
OUTPATIENT HOSPITAL SERVICES	22.02	24.43	27.78	25.67	25.80	23.57	24.88
OTHER MEDICAL							
Ambulance and NEMT	4.66	10.27	7.86	6.79	8.88	8.09	7.76
Home Health Services & CBAS	2.02	0.63	1.31	1.44	2.19	1.29	1.48
Utilization and Quality Review Expenses	1.01	0.38	1.20	0.95	0.67	0.89	0.85
Long Term/SNF/Hospice	3.84	4.78	4.03	3.64	4.20	3.01	3.92
Enhanced Medical Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Provider Enhancement Expense	11.10	11.69	11.61	11.92	12.99	12.07	11.90
Non-Medical Transportation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER MEDICAL	22.63	27.74	26.02	24.74	28.93	25.34	25.90
PHARMACY SERVICES							
RX - Drugs & OTC	34.97	31.83	35.16	32.67	34.34	30.35	33.21
RX - HEP-C	2.21	2.35	1.76	2.72	2.43	1.71	2.19
Rx - DME	2.63	2.92	2.85	2.61	2.95	2.39	2.73
RX - Pharmacy Rebates	(0.71)	(0.54)	(0.74)	(0.56)	(0.83)	(0.54)	(0.65)
TOTAL PHARMACY SERVICES	39.10	36.56	39.02	37.44	38.89	33.91	37.48
PAY FOR PERFORMANCE QUALITY INCENTIVE	2.00	2.00	2.00	2.00	2.00	2.00	2.00
EXPANSION RISK CORRIDOR	0.00	0.00	0.00	0.00	0.00	0	0.00
NON-CLAIMS EXPENSE ADJUSTMENT	0.80	1.49	1.31	(2.96)	0.16	3.02	0.64
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(2.68)	17.73	(15.37)	(13.80)	(8.40)	(2.81)	(4.24)
Total Medical Costs	222.89	251.42	232.28	226.58	230.04	232.78	232.67

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED JUNE 30, 2019						
CURRENT MONTH			YEAR-TO-DATE			
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	VARIANCE
232,632	258,313	25,681	1,433,279	1,549,879	116,600	116,600
168,405	158,992	(9,413)	875,480	953,951	78,471	78,471
477,994	617,732	139,738	3,184,116	3,706,390	522,274	522,274
11,091	18,734	7,643	114,853	112,403	(2,450)	(2,450)
200,444	338,857	138,413	1,489,096	2,033,133	544,037	544,037
558,994	480,666	(78,328)	3,061,114	2,862,360	(198,754)	(198,754)
93,268	109,760	16,492	534,732	658,557	123,825	123,825
78,445	96,311	17,866	529,160	577,867	48,707	48,707
26,561	33,052	6,491	149,256	199,515	50,259	50,259
-	125	125	759	1,375	616	616
27,151	119,382	92,231	691,330	744,490	53,160	53,160
-	500	500	(380)	3,000	3,380	3,380
10,958	13,135	2,177	71,210	78,958	7,748	7,748
18,412	20,738	2,326	116,919	124,426	7,507	7,507
211,875	247,979	36,104	1,310,665	1,467,627	156,962	156,962
424,507	517,791	93,284	2,689,739	3,028,787	339,048	339,048
386,714	424,472	37,758	2,170,713	2,384,832	214,119	214,119
47,245	62,743	15,498	318,734	376,458	57,724	57,724
61,286	64,500	3,214	303,692	386,992	83,300	83,300
44,213	64,750	20,537	274,527	388,500	113,973	113,973
176,288	197,193	20,905	934,036	1,157,620	223,584	223,584
-	(202,880)	(202,880)	-	(1,217,280)	(1,217,280)	(1,217,280)
3,256,483	3,642,844	386,361	20,253,030	21,579,840	1,326,810	1,326,810

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED JUNE 30, 2019	JANUARY 2019	FEBRUARY 2019	MARCH 2019	APRIL 2019	MAY 2019	JUNE 2019	YEAR TO DATE 2019
110 - Executive	298,677	186,923	234,566	285,108	195,373	232,632	1,433,279
210 - Accounting	149,967	127,374	139,032	134,888	155,814	168,405	875,480
220 - Management Information Systems (MIS)	401,536	495,303	640,543	523,161	645,579	477,994	3,184,116
221 - Business Intelligence	205	10,000	50,100	20,600	22,857	11,091	114,853
225 - Infrastructure	255,998	238,858	247,310	245,403	301,083	200,444	1,489,096
230 - Claims	510,558	444,621	505,751	502,157	539,033	558,994	3,061,114
240 - Project Management	85,314	84,072	96,834	89,192	86,052	93,268	534,732
310 - Health Services - Utilization Management	86,447	91,228	95,142	84,999	92,899	78,445	529,160
311 - Health Services - Quality Improvement	25,633	21,530	22,707	23,865	28,960	26,561	149,256
312 - Health Services - Education	23	612	(5)	15,883	(15,754)	-	759
313- Pharmacy	127,668	124,298	159,313	125,311	127,589	27,151	691,330
314 - Health Homes	556	(556)	(398)	-	18	-	(380)
315 - Case Management	12,191	11,347	11,943	11,541	13,230	10,958	71,210
616 - Disease Management	20,405	18,247	18,631	19,416	21,808	18,412	116,919
320 - Provider Network Management	267,760	126,987	223,524	244,955	235,564	211,875	1,310,665
330 - Member Services	470,954	389,538	441,753	485,966	477,021	424,507	2,689,739
340 - Corporate Services	319,181	347,539	396,534	356,340	364,405	386,714	2,170,713
360 - Audit & Investigative Services	57,536	55,624	51,626	53,495	53,208	47,245	318,734
410 - Advertising Media	24,987	11,283	34,440	62,712	108,984	61,286	303,692
420 - Sales/Marketing/Public Relations	48,311	41,979	43,514	48,369	48,141	44,213	274,527
510 - Human Resources	211,647	111,757	134,617	147,600	152,127	176,288	934,036
Total Department Expenses	3,375,554	2,938,564	3,547,477	3,480,961	3,653,991	3,256,483	20,253,030

KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF JUNE 30, 2019			
ASSETS	JUNE 2019	MAY 2019	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,459,716	\$ 1,473,556	(13,840)
Interest Receivable	8,824	5,599	3,225
Prepaid Expenses & Other Current Assets	-	834	(834)
TOTAL CURRENT ASSETS	\$ 1,468,540	\$ 1,479,989	\$ (11,449)
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accounts Payable	-	13,840	(13,840)
Other Liabilities	353,849	353,849	-
TOTAL CURRENT LIABILITIES	\$ 353,849	\$ 367,689	\$ (13,840)
NET POSITION:			
Net Position- Beg. of Year	1,100,538	1,100,538	-
Increase (Decrease) in Net Position - Current Year	14,153	11,762	2,391
Total Net Position	\$ 1,114,691	\$ 1,112,300	\$ 2,391
TOTAL LIABILITIES AND NET POSITION	\$ 1,468,540	\$ 1,479,989	\$ (11,449)

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JUNE 30, 2019			YEAR-TO-DATE		
ENROLLMENT								
-	-	-	Members	-	-	-	-	-
REVENUES								
-	-	-	Premium	-	-	-	-	-
3,225	-	3,225	Interest	17,803	-	17,803	-	-
-	-	-	Other Investment Income	1,350	-	1,350	-	-
3,225	-	3,225	TOTAL REVENUES	19,153	-	19,153	-	-
EXPENSES								
-	-	-	Medical Costs	-	-	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-	-	-
-	-	-	Total Medical Costs	-	-	-	-	-
3,225	-	3,225	GROSS MARGIN	19,153	-	19,153	-	-
Administrative								
834	-	(834)	Management Fee Expense and Other Admin Exp	5,000	-	(5,000)	-	-
834	-	(834)	Total Administrative Expenses	5,000	-	(5,000)	-	-
834	-	(834)	TOTAL EXPENSES	5,000	-	(5,000)	-	-
2,391	-	2,391	OPERATING INCOME (LOSS)	14,153	-	14,153	-	-
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-	-	-
2,391	-	2,391	NET INCREASE (DECREASE) IN NET POSITION	14,153	-	14,153	-	-
0%	0%	0%	MEDICAL LOSS RATIO	0%	0%	0%	0%	0%
26%	0%	-26%	ADMINISTRATIVE EXPENSE RATIO	26%	0%	-26%	26%	-26%

**KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT**

KERN HEALTH SYSTEMS

2019 MEMBER MONTHS

	JAN'19	FEB'19	MAR'19	APR'19	MAY'19	JUN'19	JUL'19	AUG'19	SEP'19	OCT'19	NOV'19	DEC'19
MEDICAL												
ADULT AND FAMILY												
PA - FAMILY	34,526	33,921	33,871	33,184	0	0	0					
REFUGEE - FAMILY	0	0	0	1	0	0	0					
FOSTER CARE	720	699	712	776	0	0	0					
POVERTY-133/200%	1	1	1	1	0	0	0					
MI- CHILD	108,363	109,594	110,076	110,865	0	0	0					
CHILD-ACA	41	40	13	15	0	0	0					
FAMILY - UNDER 19	22,145	22,131	22,194	22,160	0	0	0					
ADULT	0	0	0	0	43,788	44,339						
CHILD	0	0	0	0	123,066	123,784						
SUB-TOTAL ADULT & FAMILY	165,796	166,386	166,867	167,002	166,854	168,123	0	0	0	0	0	0

MEDICAL EXPANSION	15											
LHP Transition Pre-ACA	58,680	59,344	59,219	59,554	59,527	60,505						
ACA Expansion Adult-Citizen	4	4	3	2	0	0						
ACA Expansion CAL Fresh Adult	440	465	446	412	401	442						
ACA Expansion Duals												
SUB-TOTAL MANDATORY	59,129	59,818	59,673	59,968	59,928	60,947	0	0	0	0	0	0

SDP MEMBERS	758											
SSI -AGED	182	197	181	198	0	0						
MN - AGED	1,621	1,623	1,623	1,633	0	0						
SSI-BLIND & DISABLED	12,333	12,191	12,680	12,402	0	0						
MN - BLIND & DISABLED	449	502	441	519	0	0						
SPD (AGED AND DISABLED)	0	0	0	0	14,958	15,103						
SUB-TOTAL MANDATORY SPD	14,585	14,513	14,925	14,752	14,958	15,103	0	0	0	0	0	0
TOTAL MANDATORY	239,510	240,717	241,465	241,722	241,740	244,173	0	0	0	0	0	0

OTHER MEMBERS	136											
BCCIP-TOBACCO SETTLEMENT	23	25	22	22	22	22						

DUALS	102											
PA - FAMILY DUALS	838	821	832	851	0	0						
PART D SSI -AGED	1,510	1,559	1,564	1,669	0	0						
PART D MN - AGED	2,471	2,490	2,531	2,481	0	0						
PART D SSI - BLIND & DISABLED	1,082	1,049	1,003	1,042	0	0						
PART D MN - BLIND & DISABLED	1	1	1	2	1	1						
PART D BCCIP-TOBACCO SETTLEMENT	377	409	394	435	0	0						
PART D MI - CHILD	0	0	0	0	435	453						
PARTIAL DUALS - FAMILY	0	0	0	0	6,151	6,247						
SPD FULL DUALS	0	0	0	0	0	0						
SUB-TOTAL DUALS	6,297	6,359	6,349	6,510	6,567	6,701	0	0	0	0	0	0

TOTAL OTHERS	6,320	6,384	6,371	6,532	6,609	6,723	0	0	0	0	0	0
TOTAL KAISER	8,329	8,385	8,394	8,411	8,557	8,609						

TOTAL MEDICAL MEMBERS	254,159	255,466	256,230	256,665	256,906	259,505	0	0	0	0	0	0
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May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4290	S.C. ANDERSON, INC.	4,598,249.47	10,582,643.54	NEW BUILDING CONSTRUCTION SERVICES	CAPITAL PROJECT - NEW BUILDING
T2704	MCG HEALTH LLC ***	623,873.90	623,873.90	SOFTWARE LICENSE - HEALTH CARE MANAGEMENT 6/5/19- 6/4/20	UTILIZATION MANAGEMENT
T1045	KAISER FOUNDATION HEALTH	422,504.63	2,112,983.33	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	289,123.00	1,239,821.29	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT IN PROCESS
T5026	TEL-TEC SECURITY SYSTEMS	211,669.68	236,146.31	INSTALLATION OF NEW BUILDING SECURITY SYSTEM	CAPITAL PROJECT - NEW BUILDING
T4237	FLUIDEDGE CONSULTING, INC.	149,307.28	875,793.87	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING AND CORPORATE PROJECTS	VARIOUS
T1408	DELL MARKETING L.P.	136,287.23	207,966.43	SOFTWARE LICENSE / EQUIPMENT	CAPITAL PROJECT - NEW BUILDING OCCUPATION
T2726	DST PHARMACY SOLUTIONS, INC.	104,989.41	526,159.72	PHARMACY AND CLAIMS PROCESSING	PHARMACY
T4609	GREGORY D. BYNUM AND ASSOCIATES, INC.	96,718.52	552,087.96	NEW BUILDING DEVELOPMENT OVERHEAD FEES	CAPITAL PROJECT - NEW BUILDING
T4699	Z6OMEGA, INC.	93,628.16	732,012.79	PROFESSIONAL SERVICES MEDICAL MANAGEMENT PLATFORM	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T4982	NGC US, LLC	76,510.99	281,003.58	PREFUND HEALTH HOMES INCENTIVE	HEALTH HOME
T4391	OMNI FAMILY HEALTH	72,821.40	296,471.55	HEALTH HOME GRANTS	COMMUNITY GRANTS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	71,033.41	237,674.92	PROFESSIONAL SERVICES - NETWORKX MODELER AND PRICER	CAPITAL PROJECT
T4483	INFUSION AND CLINICAL SERVICES, INC.	59,483.79	407,983.49	HEALTH HOME GRANTS	COMMUNITY GRANTS
T4696	ZNALYTICS, LLC	58,680.00	195,190.00	PROFESSIONAL SERVICES	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	55,944.64	282,288.77	VOLUNTARY LIFE AD&D, DENTAL INSURANCE	VARIOUS
T5013	ELIZA CORPORATION ***	50,000.00	53,342.00	HEALTH SERVICES MEMBER OUTREACH PILOT AGREEMENT	HEALTH EDUCATION
T2918	STINSON S	49,605.33	80,556.17	OFFICE EQUIPMENT AND SUPPLIES	VARIOUS
T1189	APPLE ONE INC.	47,962.12	174,944.23	TEMPORARY HELP - MIS ; MS ; CS	PAYROLL DEDUCTION
T4792	KP LLC	47,281.17	98,740.98	DRUG FORMULARY	PHARMACY
T4582	HEALTHX, INC.	39,200.00	196,000.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS
T4546	LEVEL 3 COMMUNICATIONS, LLC	30,999.55	116,986.28	DISASTER RECOVERY, INTERNET, LONG DISTANCE CALLS	PROVIDER RELATIONS
T4308	TRUXTUN PLACE PARTNERS	29,105.22	151,337.24	TRUXTUN - LEASE & UTILITIES	CORPORATE SERVICES
T1861	CEREDIAN BENEFITS SERVICES	28,947.75	80,804.45	MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES	VARIOUS



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4433	MICRO-DYN MEDICAL SYSTEMS, INC. ****	28,835.00	28,835.00	ANNUAL LICENSE- APR-DRG GROUPER SOFTWARE SOLUTION TO PROCESS CLAIMS PAYMENT	MIS
T5077	SDL, INC ****	27,851.25	27,851.25	COMPUTER ASSISTED TRANSLATION TOOL	HEALTH EDUCATION
T3011	OFFICE ALLY, INC.	25,753.75	111,304.25	EDI CLAIM PROCESSING	CLAIMS
T1005	COLONIAL LIFE & ACCIDENT	22,912.50	68,737.22	EMPLOYEE PREMIUM	VARIOUS
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	22,000.00	49,000.00	FINANCIAL REPORTING SERVICES	ADMINISTRATION
T4902	CHANGE HEALTHCARE LLC	21,621.39	62,923.18	EDI CLAIMS, CLAIM CHECK	CLAIMS / MIS
T4193	TECHNOSOCIALWORK.COM DBA STRIA	20,471.59	180,556.93	OCR SERVICES	CLAIMS
T3469	CPACINC.COM INC	19,867.94	94,328.34	VMWARE/VEEAM LICENSING W/ SUPPORT & MAINTENANCE FOR NEW BUILDING	MIS INFRASTRUCTURE
T4657	DAPONDE SIMPSON ROWE PC ****	18,290.00	32,847.50	CONSULTING SERVICES TO REVIEW CONTRACTS	ADMINISTRATION
T4396	KAISER FOUNDATION HEALTH-DHMO	17,343.87	101,632.80	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4563	SPH ANALYTICS	16,561.80	54,158.80	MEMBER SATISFACTION SURVEY	MEMBER SERVICES
T4733	UNITED STAFFING ASSOCIATES	16,145.44	36,509.47	TEMPORARY HELP - MIS ; MS; CS	PAYROLL DEDUCTION
T4460	PAYSPAN, INC	15,971.51	87,157.16	ELECTRONIC CLAIMS/PAYMENTS	ACCOUNTING
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	15,659.25	86,143.83	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4760	CAMERON CHANG ****	14,125.00	14,125.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4967	ADMINISTRATIVE SOLUTIONS, INC.	14,120.80	91,421.85	EMPLOYEE PAID VOLUNTARY INSURANCE/FSA CARD DEPOSIT	PAYROLL DEDUCTION
T4182	THE LAMAR COMPANIES ****	12,660.48	12,660.48	PRODUCTION FEE FOR ADS ON BUSES	MARKETING
T5065	CHAMP'S SECURITY PATROL SERVICES INC. ****	12,240.00	19,840.00	ONSITE SECURITY	CORPORATE SERVICES
T5078	SJS BUILDING MAINTENANCE & SUPPLIES ****	11,810.00	18,988.62	JANITORIAL SERVICES	CORPORATE SERVICES
T4785	COMMGAP	11,615.00	39,037.50	INTERPRETATION SERVICES	HEALTH EDUCATION
T4400	OPTUM360 LLC ****	11,479.61	12,801.00	ENCODER PRO LICENSE	CLAIMS/UTILIZATION MANAGEMENT/PROVIDER RELATIONS
T4165	SHI INTERNATIONAL CO.	11,258.22	287,237.53	STORAGE MAINTENANCE/HARDWARE	VARIOUS
		<u>7,832,521.05</u>			
	TOTAL VENDORS OVER \$10,000	7,832,521.05			
	TOTAL VENDORS UNDER \$10,000	329,962.94			
	TOTAL VENDOR EXPENSES- MAY	<u>\$ 8,162,483.99</u>			

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



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4290	S.C. ANDERSON, INC.	10,582,643.54	NEW BUILDING CONSTRUCTION SERVICES	CAPITAL PROJECT - NEW BUILDING
T1045	KAISER FOUNDATION HEALTH	2,112,983.33	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	1,239,821.29	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT IN PROCESS/ MIS
T4237	FLUIDEDGE CONSULTING, INC.	875,793.87	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING AND CORPORATE PROJECTS	VARIOUS
T4699	ZsOMEGA, INC.	732,012.79	2019 ANNUAL LICENSE AND MAINTENANCE / PROFESSIONAL SERVICES - MEDICAL MANAGEMENT PLATFORM	CAPITAL PROJECT- CASE MANAGEMENT/DISEASE MANAGEMENT
T1001	KERN MEDICAL CENTER	705,918.51	HEALTH HOME GRANTS	COMMUNITY GRANTS
T2704	MCG HEALTH LLC***	623,873.90	SOFTWARE LICENSE - HEALTH CARE MANAGEMENT 6/5/19-6/4/20	UTILIZATION MANAGEMENT
T4609	GREGORY D. BYNUM AND ASSOCIATES, INC.	552,097.96	NEW BUILDING DEVELOPMENT OVERHEAD FEES	CAPITAL PROJECT - NEW BUILDING
T3130	OPTUMINSIGHT, INC.	541,208.00	CES DIRECT LICENSE - 12/18- 12/19 ANNUAL FEE / OUTSOURCED ANALYSIS	CAPITAL PROJECT IN PROGRESS/PROVIDER RELATIONS
T3449	CDW GOVERNMENT	529,089.27	FORTINET FORTGATE FIREWALL APPLIANCES, LICENSES, AND SUPPORT	CAPITAL PROJECT - NEW BUILDING OCCUPATION
T2726	DST PHARMACY SOLUTIONS, INC.	526,159.72	PHARMACY AND CLAIMS PROCESSING	PHARMACY
T5015	SENTINEL ENGINEERING	408,965.98	JUNIPER NETWORKS HARDWARE - SOFTWARE LICENSING AND SUPPORT FOR 1 YEAR FOR NEW BUILDING	CAPITAL PROJECT - NEW BUILDING OCCUPATION
T4483	INFUSION AND CLINICAL SERVICES, INC.	407,983.49	HEALTH HOME GRANTS	COMMUNITY GRANTS
T4391	OMNI FAMILY HEALTH	296,471.55	HEALTH HOME GRANTS	COMMUNITY GRANTS
T4165	SHI INTERNATIONAL CO.	287,237.53	SERVERS FOR PRIMARY APPLICATIONS AND MAINTENANCE SUPPORT/ STORAGE MAINTENANCE/ HARDWARE	CAPITAL PROJECT - NEW BUILDING OCCUPATION/VARIOUS



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	282,288.77	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE	VARIOUS
T4982	NGC US, LLC	281,003.58	PREFUND HEALTH HOMES INCENTIVE	HEALTH HOMES
T2167	PG&E	277,810.36	ANNUAL TRUE-UP FOR 2018 USAGE/UTILITIES	CORPORATE SERVICES
T5005	CRAYON SOFTWARE EXPERTS LLC	272,333.82	ANNUAL MICROSOFT ENTERPRISE AGREEMENT	MIS INFRASTRUCTURE
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	237,674.92	PROFESSIONAL SERVICES - NETWORKX MODELER AND PRICER	CAPITAL PROJECT
T5026	TEL-TEC SECURITY SYSTEMS	236,146.31	INSTALLATION OF NEW BUILDING SECURITY SYSTEM	CAPITAL PROJECT - NEW BUILDING
T1408	DELL MARKETING L.P.	207,966.43	SOFTWARE LICENSE / EQUIPMENT	CAPITAL PROJECT - NEW BUILDING OCCUPATION/MIS
T4582	HEALTHX, INC.	196,000.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS
T4696	ZNALYTICS, LLC	195,190.00	PROFESSIONAL SERVICES	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T4193	TECHNOSOCIALWORK.COM DBA STRIA	180,556.93	OCR SERVICES	CLAIMS
T1189	APPLE ONE INC,	174,944.23	TEMPORARY HELP - MIS ; MS; CS	VARIOUS
T4308	TRUXTUN PLACE PARTNERS	151,337.24	TRUXTUN - RENT & UTILITIES	CORPORATE SERVICES
T4546	LEVEL 3 COMMUNICATIONS, LLC	116,986.28	DISASTER RECOVERY, INTERNET, LONG DISTANCE CALLS	PROVIDER RELATIONS
T3011	OFFICE ALLY, INC.	111,304.25	EDI CLAIM PROCESSING	CLAIMS
T4396	KAISER FOUNDATION HEALTH-DHMO	101,632.80	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4792	KP LLC	98,740.98	PRINTING AND SHIPPING OF PROVIDER DIRECTORIES	PROVIDER RELATIONS
T3469	CPACINC.COM INC	94,328.34	VMWARE/VEEAM LICENSING W/ SUPPORT & MAINTENANCE FOR NEW BUILDING	MIS INFRASTRUCTURE
T4967	ADMINISTRATIVE SOLUTIONS, INC.	91,421.85	EMPLOYEE PAID VOLUNTARY INSURANCE/FSA CARD DEPOSIT	PAYROLL DEDUCTION
T1071	CLINICA SIERRA VISTA	88,888.00	EMERGENCY ROOM DIVERSION GRANT	COMMUNITY GRANTS



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4460	PAYSPAN, INC	87,157.16	ELECTRONIC CLAIMS/PAYMENTS	ACCOUNTING
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	86,143.83	EDI CLAIM PROCESSING	CLAIMS
T1861	CEREDIAN BENEFITS SERVICES	80,804.45	MONTHLY SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT IMPLEMENTATION & AMENDMENTS	HUMAN RESOURCES
T2918	STINSON'S	80,556.17	OFFICE EQUIPMENT AND SUPPLIES	VARIOUS
T1272	COFFEY COMMUNICATIONS INC.	80,259.40	MEMBER NEWSLETTER/ WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE
T1005	COLONIAL LIFE & ACCIDENT	69,737.22	EMPLOYEE PREMIUM	VARIOUS
T4686	CENTRIC HEALTH	69,518.58	TRANSITION OF CARE CLINIC FUNDING - JUNE 2018- NOVEMBER 2018	UTILIZATION MANAGEMENT
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	65,000.00	2019 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T4902	CHANGE HEALTHCARE LLC	62,923.18	EDI CLAIMS, CLAIM CHECK	CLAIMS / MIS
T2584	UNITED STATES POSTAL SVC.-HASLER	60,000.00	POSTAGE-METERED	VARIOUS
T4514	AJ KLEIN INC T. DENATALE, B.GOLDNER	58,051.38	LEGAL SERVICES	ADMINISTRATION
T4654	DELAWIE	56,924.40	PROFESSIONAL SERVICES	CAPITAL PROJECT - NEW BUILDING
T4563	SPH ANALYTICS	54,158.80	PROVIDER AND MEMBER SATISFACTION SURVEYS	MEMBER SERVICES/ PROVIDER RELATIONS
T4909	GEM PHYSICIANS MEDICAL GROUP, INC.	54,003.59	HEALTH HOME GRANTS	COMMUNITY GRANTS
T5013	ELIZA CORPORATION***	53,342.00	HEALTH SERVICES MEMBER OUTREACH PILOT AGREEMENT	HEALTH EDUCATION
T4963	LINKEDIN CORPORATION	52,000.00	ONLINE JOB POSTINGS/CANDIDATE SEARCH CAPABILITIES	HUMAN RESOURCES
T5025	SHANNON M DEAN	50,000.00	COMPENSATION DISTRIBUTION	ADMINISTRATION
T5024	GALLAGHER BENEFIT SERVICES INC	49,500.00	REVIEW CURRENT PBM RFP QUESTIONNAIRE AND ADD ANY MODIFICATIONS	UTILIZATION MANAGEMENT



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	49,000.00	FINANCIAL REPORTING SERVICES	ADMINISTRATION
T2707	ACT 1 PERSONNEL SERVICES, INC.	47,878.96	TEMPORARY HELP - MIS ; MS; CS	VARIOUS
T4873	L5 HEALTHCARE SOLUTIONS, INC.	42,179.00	LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	MIS
T4785	COMMIGAP	39,037.50	INTERPRETATION SERVICES	HEALTH EDUCATION
T4891	FANELLIPI	38,820.00	RELOCATION MANAGEMENT	PROJECT MANAGEMENT
T4733	UNITED STAFFING ASSOCIATES	36,509.47	TEMPORARY HELP	VARIOUS
T4294	J. SERVICES JANITORIAL	36,345.00	JANITORIAL SERVICES	CORPORATE SERVICES
T4452	WELLS FARGO	35,742.70	EXECUTIVE, MISC CORPORATE SERVICES, PROVIDER RELATIONS, MISC TRAVEL EXPENSES	VARIOUS
T4537	BURKE, WILLIAMS & SORENSEN, LLP	35,411.63	LEGAL SERVICES	ADMINISTRATION
T4698	INFINITY COMMUNICATIONS & CONSULTING, INC.	34,520.00	TECHNICAL BUILDING ARCHITECTURAL CONSULTING PHASE II	CAPITAL PROJECT - NEW BUILDING
T2232	DLT SOLUTIONS, LLC	33,663.07	SQL SERVER MAINTENANCE CONTRACT	MIS INFRASTRUCTURE
T4657	DAPONDE SZABO ROWE PC	32,847.50	CONSULTING SERVICES TO REVIEW CONTRACTS	PROVIDER RELATIONS
T3084	KERN COUNTY - COUNTY COUNSEL	31,432.30	LEGAL FEES	ADMINISTRATION
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	30,100.00	COMMUNITY SPONSORSHIP	ADMINISTRATION
T1183	MILLIMAN USA	30,028.00	ACTUARIAL SERVICES, RDT, RATE SUPPORT, VALUE-BASED PURCHASING ANALYSIS, OTHER CONSULTING SERVICES	ADMINISTRATION
T4433	MICRO-DYN MEDICAL SYSTEMS, INC	28,835.00	ANNUAL LICENSE- APR-DRG GROUPER SOFTWARE SOLUTION TO PROCESS CLAIMS PAYMENT	MIS
T2413	TREK IMAGING INC	28,747.11	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T5077	SDL, INC****	27,851.25	COMPUTER ASSISTED TRANSLATION TOOL	HEALTH EDUCATION



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4583	SOILS ENGINEERING INC	27,300.00	SOIL SAMPLING OBSERVATION-OIL DIRT DISCOVERY/REMEDIATION	CAPITAL PROJECT - NEW BUILDING
T4265	SIERRA SCHOOL EQUIPMENT COMPANY	27,128.89	CHAIRS - REPLACEMENT OF BROKEN ONES & PURCHASE	CORPORATE SERVICES
T1180	LANGUAGE LINE SERVICES, INC	26,867.11	INTERPRETATION SERVICES	MEMBER SERVICES
T5028	QUANTUM CONSULTING GROUP LLC	26,175.00	CONSULTING SERVICES	HEALTH HOMES
T4503	VISION SERVICE PLAN	25,032.17	EMPLOYEE HEALTH BENEFITS	VARIOUS
T5080	COURTNEY HILEMAN	25,000.00	COMPENSATION DISTRIBUTION	ADMINISTRATION
T3378	CARRIER CORPORATION	24,546.93	SERVICE AGREEMENT	CORPORATE SERVICE
T1128	HALL LETTER SHOP INC.	24,506.70	NEW MEMBER PACKETS / MEMBERSHIP CARDS	MEMBER SERVICES
T4561	SRI & SHARMA, LLC	21,875.00	MONTHLY PARKING RENTAL	CORPORATE SERVICES
T4961	AEROTEK SCIENTIFIC, LLC	21,799.34	TEMPORARY EMPLOYEE SERVICES	VARIOUS
T2446	AT&T MOBILITY	21,747.50	CELLULAR PHONE / INTERNET	MIS
T3986	JACQUELYN S JANS	21,667.00	PROFESSIONAL SERVICES MARKETING AND PR SERVICES	ADMINISTRATION/MARKETING
T4683	CLAUDIA M. BACA	21,640.33	PROJECT MANAGEMENT CONSULTING SERVICES	PROJECT MANAGEMENT
T4739	SECURITAS SECURITY SERVICES USA, INC	20,364.21	SECURITY SERVICES	CORPORATE SERVICES
T2961	SOLUTION BENCH, LLC	19,959.04	M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE
T5065	CHAMPS SECURITY PATROL SERVICES INC****	19,840.00	ONSITE SECURITY	CORPORATE SERVICES
T2441	LAURA BREZINSKI	19,500.00	MARKETING MATERIALS	MARKETING
T5078	SJS BUILDING MAINTENANCE & SUPPLIES***	18,998.62	JANITORIAL SERVICES	CORPORATE SERVICES
T4694	KELLY SERVICES, INC.	18,234.84	TEMPORARY EMPLOYEE SERVICES	VARIOUS
T4501	ALLIED UNIVERSAL SECURITY SERVICES	18,059.52	ONSITE SECURITY	CORPORATE SERVICES



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2941	KERN PRINT SERVICES, INC.	17,590.71	MEMBER DIRECT MAILINGS AND LETTERHEAD AND ENVELOPES	HEALTH EDUCATION/MEMBER SERVICES
T4228	THE SSI GROUP, LLC	17,341.20	EDI CLAIM PROCESSING	CLAIMS
T2969	AMERICAN BUSINESS MACHINES INC	16,429.34	COPIER/SCANNER SUPPORT AND MAINTENANCE	MIS INFRASTRUCTURE
T3990	SPARKLETT'S, INC	15,594.25	BOTTLED WATER SERVICE	VARIOUS
T4417	KAISER FOUNDATION HEALTH PLAN	15,100.08	EMPLOYEE HEALTH BENEFITS	VARIOUS
T2965	VITAL SIGNS OF BAKERSFIELD	15,000.50	NEW BUILDING SIGNAGE	CAPITAL PROJECT - NEW BUILDING
T5030	KHOA NGUYEN DBA KN CONSULTING LLC	15,000.00	PROFESSIONAL SERVICES	CORPORATE SERVICE
T2933	SIERRA PRINTERS, INC***	14,707.47	PRINTING OF MEMBER EDUCATION MATERIAL / PROVIDER DIRECTORY / BUSINESS CARDS	VARIOUS
T4760	CAMERON CHANG***	14,125.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T1347	ADVANCED DATA STORAGE	13,092.27	SHREDDING SERVICE / STORAGE	CORPORATE SERVICES
T4389	EXACT STAFF, INC.	12,989.20	TEMPORARY HELP	MEMBER SERVICES
T2790	KERN COUNTY DEPARTMENT OF PUBLIC HEALTH	12,809.00	COMMUNITY ACTIVITIES	MARKETING
T4400	OPTUM360 LLC***	12,801.00	ENCODER PRO LICENSE	CLAIMS/UTILIZATION MANAGEMENT/PROVIDER RELATIONS
T4182	LAMAR ADVERTISING OF BAKERSFIELD	12,660.48	PRODUCTION FEE FOR ADS ON BUSES	MARKETING
T5081	KO LEGAL, INC.	12,500.00	LEGAL SERVICES	ADMINISTRATION
T4981	JOHN MILLER	12,310.59	PHYSICIAN MALPRACTICE INSURANCE POLICY	HUMAN RESOURCES
T2938	SAP AMERICA, INC	12,308.32	BUSINESS PROJECT ANNUAL MAINTENANCE	MIS INFRASTRUCTURE
T4544	BARNES WEALTH MANAGEMENT GROUP	12,250.00	RETIREMENT PLAN CONSULTANTS	ADMINISTRATION
T4183	LAMAR ADVERTISING OF BAKERSFIELD	11,750.00	BILLBOARD ADVERTISING	MEDIA & ADVERTISING
T1022	UNUM LIFE INSURANCE CO***	11,713.60	EMPLOYEE PREMIUM	PAYROLL DEDUCTION



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4674	STOCKDALE PLAZA OWNERS ASOCIATION INC****	11,250.00	LEASE AGREEMENT PARKING SPACE -STOCKDALE HWAY	CORPORATE SERVICES
T4708	HEALTH MANAGEMENT ASSOCIATES INC	10,500.00	CONSULTING SERVICES	ADMINISTRATION
T2869	COMMUNITY ACTION PARTNERSHIP OF KERN****	10,500.00	COMMUNITY GRANT	MARKETING
T4216	NEXSTAR BROADCASTING INC****	10,412.75	MEDIA - ADVERTISEMENTS	MARKETING
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	10,100.00	PLAN ASSESSMENT-TIMELY ACCESS INITIATIVE- RAND PROPOSAL	ADMINISTRATION
T4933	HOLLY J. CULHANE DBA PROFESSIONAL ADMINISTRATIVE****	10,081.62	PROFESSIONAL ADMINISTRATIVE SERVICES	ADMINISTRATION
T5071	WEST SIDE FAMILY HEALTH CARE	10,000.00	PROVIDER RECRUITMENT & RETENTION GRANT	COMMUNITY GRANTS
		<u>26,429,004.05</u>		
	TOTAL VENDORS OVER \$10,000	26,429,004.05		
	TOTAL VENDORS UNDER \$10,000	616,158.90		
	TOTAL VENDOR EXPENSES- MAY	<u>\$ 27,045,162.95</u>		

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



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH	427,219.62	2,540,202.95	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	209,315.62	1,449,136.91	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT IN PROCESS
T4959	BERKSHIRE HATHWAY HOMESTEAD COMPANIES***	189,551.00	189,551.00	WORKERS COMPENSATION INSURANCE PREMIUM	VARIOUS
T4609	GREGORY D. BYNUM AND ASSOCIATES, INC.	181,245.51	733,343.47	NEW BUILDING DEVELOPMENT OVERHEAD FEES	CAPITAL PROJECT - NEW BUILDING
T4237	FLUIDEDGE CONSULTING, INC.	152,917.00	1,028,710.87	CONSULTING SERVICES TO UPDATE STANDARD BUSINESS REPORTING/ ADMINISTRATION	
T4696	ZNALYTICS, LLC	105,840.00	301,030.00	PROFESSIONAL SERVICES	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	74,679.75	312,354.67	SERVICES, BASIC 101, QNXT CORE SOLUTIONS	VARIOUS
T4699	Z6OMEGA, INC.	66,532.08	798,544.87	PROFESSIONAL SERVICES MEDICAL MANAGEMENT PLATFORM	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T4483	INFUSION AND CLINICAL SERVICES, INC.	46,387.91	454,371.40	HEALTH HOME GRANT	HEALTH HOME
T1189	APPLE ONE INC.	44,263.30	219,207.53	TEMPORARY HELP - MIS ; MS; CS	PAYROLL DEDUCTION
T4165	SHI INTERNATIONAL CO.	41,328.97	328,566.50	STORAGE MAINTENANCE/ HARDWARE	VARIOUS
T4193	TECHNOSOCIALWORK.COM DBA STRIA	35,333.60	215,890.53	OCR SERVICES	CLAIMS
T1272	COFFEY COMMUNICATIONS INC.	32,635.88	112,896.28	MEMBER NEWSLETTER	HEALTH EDUCATION/MIS INFRASTRUCTURE
T2584	UNITED STATES POSTAL SVC -HASLER	30,000.00	90,000.00	POSTAGE - METERED	VARIOUS
T4308	TRUXTUN PLACE PARTNERS	29,532.53	180,869.77	TRUXTUN - LEASE & UTILITIES	PAYROLL DEDUCTION
T4582	HEALTHX, INC.	28,616.00	224,616.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	HEALTH EDUCATION
T3011	OFFICE ALLY, INC.	23,911.75	135,216.00	EDI CLAIM PROCESSING	CLAIMS
T4546	LEVEL 3 COMMUNICATIONS, LLC	22,803.73	139,790.01	DISASTER RECOVERY, INTERNET, LONG DISTANCE CALLS	PROVIDER RELATIONS
T4460	PAYSPAN, INC	22,449.17	109,606.33	ELECTRONIC CLAIMS/PAYMENTS	ACCOUNTING
T5076	MERIDIAN HEALTH SYSTEMS, P.C.***	19,630.00	19,630.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4396	KAISER FOUNDATION HEALTH-DHMO	18,890.45	120,523.25	EMPLOYEE HEALTH BENEFITS	VARIOUS
T2413	TREK IMAGING INC	17,254.08	46,001.19	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVE	VARIOUS
T4963	LINKEDIN CORPORATION	16,500.00	68,500.00	ONLINE JOB POSTINGS/CANDIDATE SEARCH CAPABILITIES	HUMAN RESOURCES



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4982	NGC US, LLC	15,000.00	296,003.58	PREFUND HEALTH HOMES INCENTIVE	HEALTH HOMES
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	14,839.07	100,982.90	EDI CLAIM PROCESSING	CLAIMS
T4967	ADMINISTRATIVE SOLUTIONS, INC.	13,968.71	105,390.56	EMPLOYEE PAID VOLUNTARY INSURANCE/FSA CARD DEPOSIT	PAYROLL DEDUCTION
T1128	HALL LETTER SHOP, INC.	13,830.65	38,337.35	NEW MEMBER PACKETS / MEMBERSHIP CARDS	MEMBER SERVICES
T5065	CHAMP'S SECURITY PATROL SERVICES INC.	13,340.00	33,180.00	ONSITE SECURITY	CORPORATE SERVICES
T5078	SJS BUILDING MAINTENANCE & SUPPLIES	11,964.00	30,962.62	JANITORIAL SERVICES	CORPORATE SERVICES
T1861	CEREDIAN BENEFITS SERVICES	11,935.75	92,740.20	DAYFORCE HUMAN CAPITAL MANAGEMENT IMPLEMENTATION & AMENDM	VARIOUS
T4902	CHANGE HEALTHCARE LLC	11,152.01	74,075.19	EDI CLAIMS, CLAIM CHECK	CLAIMS / MIS
T4785	COMMIGAP	11,100.00	50,137.50	INTERPRETATION SERVICES	HEALTH EDUCATION
T4961	AEROTEK SCIENTIFIC, LLC	10,699.36	32,498.70	TEMPORARY EMPLOYEE SERVICES	VARIOUS
T3475	CALIFORNIA STATE CONTROLLERS OFFICE****	10,695.12	10,695.12	2014 UNCLAIMED PROPERTY	ACCOUNTING
T4654	DELAWIE	10,432.06	67,356.46	PROFESSIONAL SERVICES	CAPITAL PROJECT - NEW BUILDING
T4733	UNITED STAFFING ASSOCIATES	10,319.40	46,828.87	TEMPORARY HELP - MIS; MS; CS	PAYROLL DEDUCTION
T5012	KERN MEDICAL CENTER FOUNDATION****	10,000.00	10,000.00	VALLEY FEVER INSTITUTE DONATION	MARKETING
		<u>2,006,114.08</u>			
	TOTAL VENDORS OVER \$10,000	2,006,114.08			
	TOTAL VENDORS UNDER \$10,000	237,005.22			
	TOTAL VENDOR EXPENSES- JUNE	<u>\$ 2,243,119.30</u>			

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



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4290	S.C. ANDERSON, INC.	10,582,643.54	NEW BUILDING CONSTRUCTION SERVICES	CAPITAL PROJECT - NEW BUILDING
T1045	KAISER FOUNDATION HEALTH	2,540,202.95	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	1,449,136.91	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT IN PROCESS/ MIS
T4237	FLUIDEDGE CONSULTING, INC.	1,028,710.87	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING AND CORPORATE PROJECTS	VARIOUS
T4699	ZeOMEGA, INC.	798,544.87	2019 ANNUAL LICENSE AND MAINTENANCE / PROFESSIONAL SERVICES - MEDICAL MANAGEMENT PLATFORM	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T4609	GREGORY D. BYNUM AND ASSOCIATES, INC.	733,343.47	NEW BUILDING DEVELOPMENT OVERHEAD FEES	CAPITAL PROJECT - NEW BUILDING
T1001	KERN MEDICAL CENTER	705,918.51	HEALTH HOME GRANTS	COMMUNITY GRANTS
T2704	MCG HEALTH LLC	623,873.90	SOFTWARE LICENSE - HEALTH CARE MANAGEMENT 6/5/19-6/4/20	UTILIZATION MANAGEMENT
T3130	OPTUMINSIGHT, INC.	541,208.00	CES DIRECT LICENSE - 12/18- 12/19 ANNUAL FEE / OUTSOURCED ANALYSIS	CAPITAL PROJECT IN PROGRESS/PROVIDER RELATIONS
T3449	CDW GOVERNMENT	529,089.27	FORTINET FORTIGATE FIREWALL APPLIANCES, LICENSES, AND SUPPORT	CAPITAL PROJECT - NEW BUILDING OCCUPATION
T2726	DST PHARMACY SOLUTIONS, INC.	526,159.72	PHARMACY AND CLAIMS PROCESSING	PHARMACY
T4483	INFUSION AND CLINICAL SERVICES, INC.	454,371.40	HEALTH HOME GRANTS	COMMUNITY GRANTS
T5015	SENTINEL ENGINEERING	412,813.48	JUNIPER NETWORKS HARDWARE, SOFTWARE, LICENSING AND SUPPORT FOR 1 YEAR FOR NEW BUILDING	CAPITAL PROJECT - NEW BUILDING OCCUPATION
T4165	SHI INTERNATIONAL CO.	328,566.50	SERVERS FOR PRIMARY APPLICATIONS AND MAINTENANCE SUPPORT/ STORAGE MAINTENANCE/ HARDWARE	CAPITAL PROJECT-NEW BUILDING OCCUPATION/ VARIOUS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	312,354.67	PROFESSIONAL SERVICES - NETWORKX MODELER AND PRICER	CAPITAL PROJECT
T4696	ZNALYTICS, LLC	301,030.00	PROFESSIONAL SERVICES	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T4391	OMINI FAMILY HEALTH	296,471.55	HEALTH HOME GRANTS	COMMUNITY GRANTS
T4982	NGC US, LLC	296,003.58	PREFUND HEALTH HOMES INCENTIVE	HEALTH HOMES



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	282,288.77	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE	VARIOUS
T2167	PG&E	277,810.36	ANNUAL TRUE-UP FOR 2018 USAGE/UTILITIES	CORPORATE SERVICES
T5005	CRAYON SOFTWARE EXPERTS LLC	272,333.82	ANNUAL MICROSOFT ENTERPRISE AGREEMENT	MIS INFRASTRUCTURE
T5026	TEL-TEC SECURITY SYSTEMS	236,146.31	INSTALLATION OF NEW BUILDING SECURITY SYSTEM	CAPITAL PROJECT - NEW BUILDING
T4582	HEALTHX, INC.	224,616.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS
T1189	APPLE ONE INC,	219,207.53	TEMPORARY HELP - MIS ; MS; CS	VARIOUS
T4193	TECHNOSOCIALWORK.COM DBA STRIA	215,890.53	OCR SERVICES	CLAIMS
T1408	DELL MARKETING L.P.	207,966.43	SOFTWARE LICENSE	MIS
T4859	BERKSHIRE HATHWAY HOMESTATE COMPANIES***	189,551.00	WORKERS COMPENSATION INSURANCE PREMIUM	VARIOUS
T4308	TRUXTUN PLACE PARTNERS	180,869.77	TRUXTUN - RENT & UTILITIES	CORPORATE SERVICES
T4546	LEVEL 3 COMMUNICATIONS, LLC	139,790.01	DISASTER RECOVERY , INTERNET, LONG DISTANCE CALLS	PROVIDER RELATIONS
T3011	OFFICE ALLY, INC.	135,216.00	EDI CLAIM PROCESSING	CLAIMS
T4396	KAISER FOUNDATION HEALTH-DHMO	120,523.25	EMPLOYEE HEALTH BENEFITS	VARIOUS
T1272	COFFEY COMMUNICATIONS INC.	112,898.28	MEMBER NEWSLETTER/ WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE
T4460	PAYSPAN, INC	109,606.33	ELECTRONIC CLAIMS/PAYMENTS	ACCOUNTING
T4792	KP LLC	106,368.01	PRINTING AND SHIPPING OF PROVIDER DIRECTORIES	PROVIDER RELATIONS
T4967	ADMINISTRATIVE SOLUTIONS, INC.	105,390.56	EMPLOYEE PAID VOLUNTARY INSURANCE/FSA CARD DEPOSIT	PAYROLL DEDUCTION
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	100,982.90	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T1861	CEREDIAN BENEFITS SERVICES	92,740.20	MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/DAYFORCE HUMAN CAPITAL MANAGEMENT IMPLEMENTATION & AMENDMENTS	HUMAN RESOURCES
T3469	CPACINC.COM INC	94,328.34	VMWARE/VEEAM LICENSING W/ SUPPORT & MAINTENANCE FOR NEW BUILDING	MIS INFRASTRUCTURE



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2584	UNITED STATES POSTAL SVC.-HASLER	90,000.00	POSTAGE-METERED	VARIOUS
T1071	CLINICA SIERRA VISTA	89,888.00	EMERGENCY ROOM DIVERSION GRANT	COMMUNITY GRANTS
T2918	STINSON'S	86,646.77	OFFICE SUPPLIES	VARIOUS
T4902	CHANGE HEALTHCARE LLC	74,075.19	EDI CLAIMS, CLAIM CHECK	CLAIMS / MIS
T1005	COLONIAL LIFE & ACCIDENT	69,737.22	EMPLOYEE PREMIUM	VARIOUS
T4686	CENTRIC HEALTH	69,518.58	TRANSITION OF CARE CLINIC FUNDING - JUNE 2018- NOVEMBER 2018	UTILIZATION MANAGEMENT
T4963	LINKEDIN CORPORATION	68,500.00	ONLINE JOB POSTINGS/CANDIDATE SEARCH CAPABILITIES	HUMAN RESOURCES
T4654	DELAWIE	67,356.46	PROFESSIONAL SERVICES	CAPITAL PROJECT - NEW BUILDING
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	65,000.00	2019 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T4514	AJ KLEIN INC T. DENATALE, B.GOLDNER	58,953.98	LEGAL SERVICES	ADMINISTRATION
T4563	SPH ANALYTICS	54,158.80	PROVIDER AND MEMBER SATISFACTION SURVEYS	MEMBER SERVICES/ PROVIDER RELATIONS
T4909	GEM PHYSICIANS MEDICAL GROUP, INC.	54,003.59	HEALTH HOME GRANTS	COMMUNITY GRANTS
T5013	ELIZA CORPORATION	53,342.00	HEALTH SERVICES MEMBER OUTREACH PILOT AGREEMENT	HEALTH EDUCATION
T4785	COMMGAP	50,137.50	INTERPRETATION SERVICES	HEALTH EDUCATION
T5025	SHANNON M DEAN	50,000.00	COMPENSATION DISTRIBUTION	ADMINISTRATION
T5024	GALLAGHER BENEFIT SERVICES INC	49,500.00	REVIEW CURRENT PBM RFP QUESTIONNAIRE AND ADD ANY MODIFICATIONS	UTILIZATION MANAGEMENT
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	49,000.00	FINANCIAL REPORTING SERVICES	ADMINISTRATION
T2707	ACT 1 PERSONNEL SERVICES, INC.	47,878.96	TEMPORARY HELP - MIS ; MS; CS	VARIOUS
T4733	UNITED STAFFING ASSOCIATES	46,828.87	TEMPORARY HELP	VARIOUS
T2413	TREK IMAGING INC	46,001.19	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4991	FANELIPM	45,290.00	RELOCATION MANAGEMENT	PROJECT MANAGEMENT
T4873	L5 HEALTHCARE SOLUTIONS, INC.	42,179.00	LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	MIS
T1128	HALL LETTER SHOP INC.	38,337.35	NEW MEMBER PACKETS / MEMBERSHIP CARDS	MEMBER SERVICES
T4657	DAPONDE SZABO ROWE PC	36,622.00	CONSULTING SERVICES TO REVIEW CONTRACTS	PROVIDER RELATIONS
T4452	WELLS FARGO	36,443.55	EXECUTIVE, MISC CORPORATE SERVICES, PROVIDER RELATIONS, MISC TRAVEL EXPENSES	VARIOUS
T4294	J. SERVICES JANITORIAL	36,345.00	JANITORIAL SERVICES	CORPORATE SERVICES
T3084	KERN COUNTY - COUNTY COUNSEL	35,958.90	LEGAL FEES	ADMINISTRATION
T4537	BURKE, WILLIAMS & SORENSEN, LLP	35,411.63	LEGAL SERVICES	ADMINISTRATION
T4698	INFINITY COMMUNICATIONS & CONSULTING, INC.	34,520.00	TECHNICAL BUILDING ARCHITECTURAL CONSULTING PHASE II	CAPITAL PROJECT - NEW BUILDING
T4265	SIERRA SCHOOL EQUIPMENT COMPANY	33,938.90	CHAIRS - REPLACEMENT OF BROKEN ONES & PURCHASE	CORPORATE SERVICES
T2232	DLT SOLUTIONS, LLC	33,663.07	SQL SERVER MAINTENANCE CONTRACT	MIS INFRASTRUCTURE
T5065	CHAMP'S SECURITY PATROL SERVICES INC	33,180.00	ONSITE SECURITY	CORPORATE SERVICES
T4961	AEROTEK SCIENTIFIC, LLC	32,498.70	TEMPORARY EMPLOYEE SERVICES	VARIOUS
T1183	MILLIMAN USA	31,833.50	ACTUARIAL SERVICES, RDT, RATE SUPPORT, VALUE-BASED PURCHASING ANALYSIS, OTHER CONSULTING SERVICES	ADMINISTRATION
T5078	SJS BUILDING MAINTENANCE & SUPPLIES	30,962.62	JANITORIAL SERVICES	CORPORATE SERVICES
T1180	LANGUAGE LINE SERVICES, INC	30,862.95	INTERPRETATION SERVICES	MEMBER SERVICES
T4583	SOILS ENGINEERING INC	30,130.00	SOIL SAMPLING OBSERVATION-OIL DIRT DISCOVERY/MEDIATION	CAPITAL PROJECT - NEW BUILDING
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	30,100.00	COMMUNITY SPONSORSHIP	ADMINISTRATION
T4503	VISION SERVICE PLAN	30,000.19	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4433	MICRO-DYN MEDICAL SYSTEMS, INC	28,835.00	ANNUAL LICENSE- APR-DRG GROUPER SOFTWARE SOLUTION TO PROCESS CLAIMS PAYMENT	MIS



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5077	SDL, INC	27,851.25	COMPUTER ASSISTED TRANSLATION TOOL	HEALTH EDUCATION
T4683	CLAUDIA M. BACA	26,305.65	PROJECT MANAGEMENT CONSULTING SERVICES	PROJECT MANAGEMENT
T2446	AT&T MOBILITY	26,281.81	CELLULAR PHONE / INTERNET	MIS
T4561	SRI & SHARMA, LLC	26,250.00	MONTHLY PARKING RENTAL	CORPORATE SERVICES
T5028	QUANTUM CONSULTING GROUP LLC	26,175.00	CONSULTING SERVICES	HEALTH HOMES
T3986	JACQUELYN S JANS	26,042.00	PROFESSIONAL SERVICES MARKETING AND PR SERVICES	ADMINISTRATION/ MARKETING
T5080	COURTNEY HILEMAN	25,000.00	COMPENSATION DISTRIBUTION	ADMINISTRATION
T3378	CARRIER CORPORATION	24,971.93	SERVICE AGREEMENT	CORPORATE SERVICE
T4739	SECURITAS SECURITY SERVICES USA, INC	24,374.05	SECURITY SERVICES	CORPORATE SERVICES
T2961	SOLUTION BENCH, LLC	23,665.54	M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE
T2441	LAURA BREZINSKI	22,800.00	MARKETING MATERIALS	MARKETING
T4501	ALLIED UNIVERSAL SECURITY SERVICES	21,523.20	ONSITE SECURITY	CORPORATE SERVICES
T4228	THE SSI GROUP, LLC	20,636.40	EDI CLAIM PROCESSING	CLAIMS
T2941	KERN PRINT SERVICES, INC.	20,428.97	MEMBER DIRECT MAILINGS AND LETTERHEAD AND ENVELOPES	HEALTH EDUCATION/ MEMBER SERVICES
T5076	MERIDIAN HEALTH SYSTEMS, P.C.***	19,630.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4182	LAMAR ADVERTISING OF BAKERSFIELD	19,410.48	PRODUCTION FEE FOR ADS ON BUSES	MARKETING
T3990	SPARKLETT'S, INC	18,901.08	BOTTLED WATER SERVICE	VARIOUS
T2969	AMERICAN BUSINESS MACHINES INC	18,857.08	COPIER/SCANNER SUPPORT AND MAINTENANCE	MIS INFRASTRUCTURE
T4544	BARNES WEALTH MANAGEMENT GROUP	18,375.00	RETIREMENT PLAN CONSULTANTS	ADMINISTRATION
T4694	KELLY SERVICES, INC.	18,234.84	TEMPORARY EMPLOYEE SERVICES	VARIOUS
T4216	NEXSTAR BROADCASTING INC	16,362.75	MEDIA - ADVERTISEMENTS	MARKETING
T1347	ADVANCED DATA STORAGE	15,812.10	SHREDDING SERVICE / STORAGE	CORPORATE SERVICES



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1650	UNIVISION TELEVISION GROUP****	15,699.50	TELEVISION ADVERTISEMENT WITH THE GOAL OF MEMBER RETENTION	MARKETING
T4417	KAISER FOUNDATION HEALTH PLAN	15,100.08	EMPLOYEE HEALTH BENEFITS	VARIOUS
T2933	SIERRA PRINTERS, INC	15,076.95	PRINTING OF MEMBER EDUCATION MATERIAL / PROVIDER DIRECTORY /BUSINESS CARDS	VARIOUS
T2965	VITAL SIGNS OF BAKERSFIELD	15,000.50	NEW BUILDING SIGNAGE	CAPITAL PROJECT - NEW BUILDING
T5030	KHOA NGUYEN DBA KN CONSULTING LLC	15,000.00	PROFESSIONAL SERVICES	CORPORATE SERVICE
T1022	UNUM LIFE INSURANCE CO	14,756.40	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T4183	LAMAR ADVERTISING OF BAKERSFIELD	14,500.00	BILLBOARD ADVERTISING	MEDIA & ADVERTISING
T4933	HOLLY J. CULHANE DBA PROFESSIONAL ADMINISTRATIVE	14,206.62	PROFESSIONAL ADMINISTRATIVE SERVICES	ADMINISTRATION
T4760	CAMERON CHANG	14,125.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4195	SCRIPPS MEDIA, INC. DBA KERO-TV****	13,838.25	MEDIA - TELEVISION ADVERTISEMENTS	MARKETING
T4674	STOCKDALE PLAZA OWNERS ASSOCIATION INC	13,500.00	LEASE AGREEMENT PARKING SPACE -STOCKDALE HWAY	CORPORATE SERVICES
T1503	PETROLEUM CLUB OF BAKERSFIELD****	13,102.99	HEDIS PROVIDER RECOGNITION DINNER/PHARMACY FORUM	VARIOUS
T4989	EXACT STAFF, INC.	12,989.20	TEMPORARY HELP	MEMBER SERVICES
T2790	KERN COUNTY DEPARTMENT OF PUBLIC HEALTH	12,809.00	COMMUNITY ACTIVITIES	MARKETING
T4400	OPTUM360 LLC	12,801.00	ENCODER PRO LICENSE	CLAIMS/ UTILIZATION MANAGEMENT/PROVIDER RELATIONS
T5081	KO LEGAL, INC.	12,500.00	LEGAL SERVICES	ADMINISTRATION
T4981	JOHN MILLER	12,310.59	PHYSICIAN MALPRACTICE INSURANCE POLICY	HUMAN RESOURCES
T2938	SAP AMERICA, INC	12,308.32	BUSINESS PROJECT ANNUAL MAINTENANCE	MIS INFRASTRUCTURE
T4731	LOGMEIN USA INC****	11,316.00	INTERNET SERVICES	MIS
T4784	AXIOM COMMISSIONING GROUP INC****	11,314.45	PROFESSIONAL SERVICES	CAPITAL PROJECT - NEW BUILDING



June AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T3475	CALIFORNIA STATE CONTROLLER'S OFFICE****	10,695.12	2014 UNCLAIMED PROPERTY	ACCOUNTING
T4708	HEALTH MANAGEMENT ASSOCIATES INC	10,500.00	CONSULTING SERVICES	ADMINISTRATION
T2869	COMMUNITY ACTION PARTNERSHIP OF KERN	10,500.00	COMMUNITY GRANT	MARKETING
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	10,100.00	PLAN ASSESSMENT-TIMELY ACCESS INITIATIVE- RAND PROPOSAL	ADMINISTRATION
T5071	WEST SIDE FAMILY HEALTH CARE	10,000.00	PROVIDER RECRUITMENT & RETENTION GRANT	COMMUNITY GRANTS
T5012	KERN MEDICAL CENTER FOUNDATION****	10,000.00	VALLEY FEVER INSTITUTE DONATION	MARKETING
		<u>28,634,546.16</u>		
	TOTAL VENDORS OVER \$10,000	28,634,546.16		
	TOTAL VENDORS UNDER \$10,000	653,836.09		
	TOTAL VENDOR EXPENSES- JUNE	<u>\$29,288,382.25</u>		

Note:

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

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
January							
J. Services	\$ 62,160.00	Yes	CS	Alonso Hurtado	Janitorial Services for Stockdale and Truxmont	1/1/2019	12/31/2019
Jacquelyn S. Jans	\$ 52,500.00	Yes	MRK	Louie Iurriria	Marketing and Corporate Image Consultant	1/1/2019	12/31/2019
CPAC, Inc.	\$ 49,350.00	Yes	IT	Richard Pruitt	6 VMware & 6 Veeam licensing with support & maint	1/29/2019	1/28/2024
Poppyrock Design	\$ 39,600.00	Yes	MRK	Louie Iurriria	Graphic Design of member, provider and marketing	1/1/2019	12/31/2019
ZeOmega	\$ 72,000.00	Yes	UM	Deborah Murr	Quote#792-Dedicated implementation manager for 3 months	1/1/2019	3/31/2019
ZeOmega	\$ 33,000.00	Yes	UM	Deborah Murr	Quote#827-Inclusion HHP site outreach rules & NOA language into JIVA MMP	1/29/2019	12/31/2019
CenturyLink	\$ 61,000.00	Yes	IT	Richard Pruitt	IG-3G connection for Buck Owens building	1/1/2019	12/31/2019
Quantum Consulting Group	\$ 31,000.00	Yes	HHP	Julie Worthing	Beverly Gibbs consulting services for HHP	1/3/2019	12/31/2019
LinkedIn	\$ 52,000.00	Yes	HR	Anita Martin	Online training to manage learners	1/1/2019	1/1/2020
DLT	\$ 33,514.12	Yes	IT	Richard Pruitt	66 Spotlight SQL licenses w/ support co-termed	1/18/2019	1/31/2020
February							
LifeSigns	\$ 45,000.00	Yes	HE	Isabel Silba	ASL interpreting services for members	2/28/2019	2/27/2020
March							
KP	\$ 46,569.60	Yes	PR	Louie Iurriria	Printing and shipping of Provider Directories	3/8/2019	4/30/2019
CPAC, Inc.	\$ 38,199.52	Yes	IT	Richard Pruitt	IDF w/support and maintenance for new facility	3/8/2019	3/7/2025
April							
Univision	\$ 35,802.00	Yes	MRK	Louie Iurriria	Spanish TV Advertisements	4/1/2019	11/30/2019
SJS Building Maintenance	\$ 81,550.00	Yes	CS	Alonso Hurtado	Professional janitorial services	4/15/2019	10/31/2019
Cognizant	\$ 59,692.86	Yes	IT	Richard Pruitt	Professional services for NetworX pricer, PCR#1	4/15/2019	5/17/2019
ZeOmega	\$ 72,000.00	Yes	UM	Deborah Murr	Quote#854, Implementation Manager resource	4/1/2019	6/30/2019
Nexstar	\$ 41,990.00	Yes	MRK	Louie Iurriria	English & Spanish TV commercials	4/1/2019	11/30/2019
Scripps	\$ 35,995.00	Yes	MRK	Louie Iurriria	Airing English & Spanish TV commercials	4/1/2019	11/30/2019
Lamar Transit	\$ 37,910.48	Yes	PR	Louie Iurriria	GET Bus Advertisement	4/15/2019	11/24/2019
Eliza Corporation	\$ 57,000.00	Yes	HE	Michael Pitts	HRA project for outreach of SPD members	4/26/2019	4/25/2020
May							
SHI	\$ 41,328.97	Yes	IT	Richard Pruitt	Cisco licenses co-termed	5/23/2019	5/22/2020
American Business Machine	\$ 47,735.00	Yes	IT	Richard Pruitt	4 Multi-functional printers for UM, MRKT, MS	5/23/2019	9/30/2019
SHI	\$ 86,258.14	Yes	IT	Richard Pruitt	Cisco phones for new BLDG	5/23/2019	5/23/2022
June							
Milliman, Inc	\$ 50,000.00	Yes	ACCT	Robin Plumb	Auctional services-Amendment#1	6/1/2019	6/1/2020
Language Line	\$ 70,000.00	Yes	HE	Isabel Silba	Interpreting services for members	6/15/2019	6/14/2020
SHI	\$ 34,412.00	Yes	IT	Richard Pruitt	Four (4) new VMware & Veeam licenses for new building	6/21/2019	6/20/2024

2019 TECHNOLOGY CONSULTING RESOURCES																		
ITEM #	PROJECT	CAP/EXP	BUDGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD	TOTAL	REMAINING BALANCE
1	COBA	EXP	\$18,500	\$18,500													\$18,500	\$0
2	QI Site	CAP	\$9,300	\$3,600	\$3,600												\$7,200	\$2,100
3	Mfills	CAP	\$34,860	\$15,960	\$760		\$0										\$16,720	\$18,140
4	Health Home Program Expansion	CAP	\$137,673	\$19,320	\$45,400	\$26,460											\$91,180	\$46,493
5	Medical Management	CAP	\$361,700	\$55,560	\$64,920	\$72,230	\$75,005										\$267,715	\$93,985
6	Diabetes Prevention Program (DPP)	CAP	\$280,403	\$19,980	\$20,520	\$21,600	\$0										\$62,100	\$218,303
7	Hospital Directed Payments (HDP)	EXP	\$28,305	\$16,480	\$680		\$0										\$17,170	\$11,135
8	Corporate Website Support	EXP	\$52,290		\$0	\$0	\$0										\$0	\$52,290
9	New Building Move	CAP	\$531,300	\$47,626	\$44,936	\$46,321	\$52,842										\$191,724	\$339,576
10	2019 HHP State Alignment	CAP	\$240,000			\$0	\$16,720										\$16,720	\$223,280
11	Internal Dashboards (4)	CAP	\$628,363	\$32,640	\$43,320	\$47,880	\$48,720										\$172,560	\$455,803
12	Member Engagement - Pre and Post Natal	CAP	\$72,961			\$5,250	\$0										\$5,250	\$67,711
13	Computer Assisted Translation Tool	CAP	\$19,915			\$0	\$0										\$0	\$19,915
14	Telehealth-E-consults/Teledocs	EXP	\$69,581			\$5,250	\$0										\$5,250	\$64,331
15	CES Upgrade	EXP	\$33,000			\$0	\$0										\$0	\$33,000
16	Orchestrator Job Migration Cont.	EXP	\$109,950			\$0	\$0										\$0	\$109,950
17	2D Profiling Internal Management (CE)	CAP	\$300,930				\$0										\$0	\$300,930
18	APM/Network Modeler and Pricer - Professional	CAP	\$281,781	\$24,480	\$29,458	\$29,278	\$28,800										\$112,015	\$169,766
19	Microsoft Server Upgrades	EXP	\$58,800			\$0	\$0										\$0	\$58,800
20	Call Center Knowledge Management Solution	CAP	\$8,715														\$0	\$8,715
21	CACTUS Upgrade	CAP	\$227,188														\$0	\$227,188
22	KHS Biztalk	EXP	\$11,200														\$0	\$11,200
23	SPD/HRA	EXP	\$85,225														\$0	\$85,225
24	HEDIS Quality Measures Revisions	EXP	\$75,328														\$0	\$75,328
25	RPT Reconciliation	EXP	\$24,150														\$0	\$24,150
26	Staff Augmentation	EXP	\$1,445,983	\$149,513	\$169,494	\$199,870	\$223,768										\$742,645	\$703,338
Totals:			\$5,141,401	\$403,669	\$423,087	\$454,139	\$445,855										\$1,726,749	\$3,414,652

