



**KERN HEALTH
SYSTEMS**

**FINANCE COMMITTEE
MEETING**

Friday, August 6, 2021

at

8:00 a.m.

**Kern Health Systems
2900 Buck Owens Blvd.
1st Floor – Board Room
Bakersfield, CA 93308**

For more information, call (661) 664-5000

AGENDA

FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Friday, August 6, 2021

8:00 A.M.

All agenda item supporting documentation is available for public review at Kern Health Systems in the Administration Department, 2900 Buck Owens Boulevard, Bakersfield, CA 93308 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 OR ELECTRONIC DEVICES
DURING MEETINGS.**

COMMITTEE TO RECONVENE

Members: Deats, Martinez, 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 Kern Health Systems Finance Committee meeting on June 4, 2021-
APPROVE
- 4) Report on Kern Health Systems investment portfolio for the second quarter ending June 30, 2021 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 5) Report from the Milliman actuary firm regarding capital reserves (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 6) Proposed Agreement with Commercial Cleaning Systems, Inc., for janitorial services for 2900 Buck Owens Blvd., from September 6, 2021 through September 5, 2022 (Fiscal Impact: \$192,000; Budgeted) –
APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 7) Request to Issue an RFP to Expand Kern Health Systems' Solar System Panels (Fiscal Impact: None) –
APPROVE
- 8) Report on Kern Health Systems financial statements for May 2021 and June 2021 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

Agenda

Finance Committee Meeting
Kern Health Systems

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- 9) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for May 2021 and June 2021 and IT Technology Consulting Resources for the period ended June 30, 2021 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

ADJOURN TO FRIDAY, OCTOBER 8, 2021 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, 2900 Buck Owens Boulevard, Bakersfield, California 93308 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
2900 Buck Owens Boulevard
Bakersfield, California 93308

Friday, June 4, 2021

8:00 A.M.

COMMITTEE RECONVENED

Members: Deats, Martinez, McGlew, Melendez, Rhoades
ROLL CALL: All members present

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

SUMMARY

Finance Committee Meeting
Kern Health Systems

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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
- CA-3) Minutes for KHS Finance Committee meeting on April 9, 2021- APPROVED
Melendez-Rhoades: All Ayes
- 4) Report on Kern Health Systems investment portfolio for the first quarter ending March 31, 2021 (Fiscal Impact: None) - IRA COHEN, UBS FINANCIAL SERVICES, INC., HEARD; RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-Rhoades: All Ayes
- 5) Proposed renewal and binding of insurance coverages for crime, excess crime, property, general liability, excess liability, sexual abuse, pollution, workers' compensation, fiduciary liability, cyber insurance, managed care errors and omissions, earthquake insurance, flood insurance and deadly weapon response program from July 1, 2021 through June 30, 2022 (Fiscal Impact: \$1,100,000 Estimated; Budgeted) – CHRIS TOBIN AND CANDACE PORTER, ALLIANT INSURANCE, HEARD; APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Melendez: All Ayes
- 6) Report from the Milliman actuary firm regarding capital reserves (Fiscal Impact: None) – CRAIG B. KEIZUR, MILLIMAN, HEARD; RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Melendez: All Ayes
- 7) Proposed Agreement with Stria, LLC for on-site Claims mailroom functions and Optical Character Recognition services, from June 14, 2021 through June 14, 2024, in an amount not to exceed \$1,221,000 (Fiscal Impact: \$407,000 estimated annually; Budgeted) - APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Melendez: All Ayes

DIRECTOR MELENDEZ LEFT THE DAIS AT 9:27 A.M. AND DID NOT RETURN

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- 8) Proposed Agreement with PaySpan, Inc., for the provider payment services, from August 21, 2021 through August 21, 2024, in an amount not to exceed \$480,000 per three years (Fiscal Impact: \$160,000 estimated annually; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Martinez-McGlew – 4 Ayes; 1 Absent - Melendez
- DIRECTOR RHOADES LEFT THE DAIS AT 9:33 A.M. AND DID NOT RETURN
- 9) Proposed Amendment to PMO Partners, LLC Agreement, for consulting services, from June 10, 2021 through July 30, 2021, in an amount not to exceed \$50,000 (Fiscal Impact: \$147,152 estimated annually; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Martinez - 3 Ayes; 2 Absent – Melendez, Rhoades
- 10) Proposed Retroactive Amendment No. 33 to Physician Services Agreement and Amendment No. 58 to Hospital and Other Facility Services Agreement with Kern Medical Center for Medi-Cal Managed Care Capitation Rate Range Increases pursuant to the Intergovernmental Agreement regarding the transfer of public funds between the County of Kern and the California Department of Health Care Services (Fiscal Impact: None) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Martinez - 3 Ayes; 2 Absent – Melendez, Rhoades
- 11) Proposed Retroactive Amendment to Hospital and Other Facility Services Agreement with Kern Valley Hospital for Medi-Cal Managed Care Capitation Rate Range Increases pursuant to the Intergovernmental Agreement regarding the transfer of public funds between Kern Valley Healthcare District and the California Department of Health Care Services (Fiscal Impact: None) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Deats-Martinez - 2 Ayes; 1 Recusal – McGlew; 2 Absent – Melendez, Rhoades
- 12) Proposed Retroactive Amendment to Hospital and Other Facility Services Agreement with Tehachapi Valley Hospital for Medi-Cal Managed Care Capitation Rate Range Increases pursuant to the Intergovernmental Agreement regarding the transfer of public funds between Tehachapi Valley Healthcare District and the California Department of Health Care Services (Fiscal Impact: None) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Martinez - 3 Ayes; 2 Absent – Melendez, Rhoades
- 13) Proposed 2021 Budget changes relating to Pharmacy, Hospital Directed Payments, Grants and the 2021 Capital Budget and 2021 Corporate Projects (Fiscal Impact to Net Position: Negative \$7,000,000; Not-Budgeted) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Martinez-McGlew - 3 Ayes; 2 Absent – Melendez, Rhoades

SUMMARY

Finance Committee Meeting
Kern Health Systems

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- 14) Report on Kern Health Systems financial statements for February 2021, March 2021 and April 2021 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Martinez - 3 Ayes; 2 Absent – Melendez, Rhoades

- 15) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for February 2021, March 2021 and April 2021 and IT Technology Consulting Resources for the period ended April 30, 2021 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Martinez - 3 Ayes; 2 Absent – Melendez, Rhoades

ADJOURN TO FRIDAY, AUGUST 6, 2021 AT 8:00 A.M.



To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 6, 2021

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, 2021**

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.

Description		Dollar Amount	% of Portfolio	Maximum Allowed Per Policy	Approximate Current Yield	Liquidity	Principal Fluctuation
Wells Fargo - Cash		(1) \$ 300,000	0.12%	100%		1 Day	None
Money Market Accounts	(A)	(1) \$ 5,600,000	2.18%	40%	0.01%	1 Day	None
Local Agency Investment Fund (LAIF)	(B)	(2) \$ 73,900,000	28.73%	50%	0.30%	2 Days	None
US T-Bills at Wells Fargo		(1) \$ 50,000,000	19.44%	100%	0.03%	1 Day	Subject to Interest Rate Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	(1) \$ 73,500,000	28.58%		0.09%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 203,300,000	79.04%		0.15%		

Long Term Portfolio (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)	\$ 51,300,000	19.95%		0.41%	3 Days	Subject to Interest Rate and Credit Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	\$ 2,600,000	1.01%		0.23%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 53,900,000	20.96%		0.40%		
Total Portfolio		\$ 257,200,000	100.00%		0.20%		

Yield Curve	Yield Curve			
	Treasuries	AA Corporate Bonds	A Corporate Bonds	CD's
1 year	0.06%	0.11%	0.18%	0.10%
2 year	0.21%	0.27%	0.32%	0.25%
3 year	0.39%	0.52%	0.57%	0.40%
5 year	0.78%	1.02%	1.16%	0.85%

- (A) Money market fund comprised of US Treasury and Repurchase Agreement Obligations.
- (B) LAIF is part of a \$193 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 commercial paper, corporate bonds and notes.
- (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 various Risk Corridors. 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 2021 capital projects.



UBS Client Review

as of June 30, 2021

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
 EX XX120
Risk profile:
 Return Objective:

Name
 • BOND PORTFOLIO
 Conservative
 Current Income

Type
 • Portfolio Management Program

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Portfolio review

as of June 30, 2021

Asset allocation review

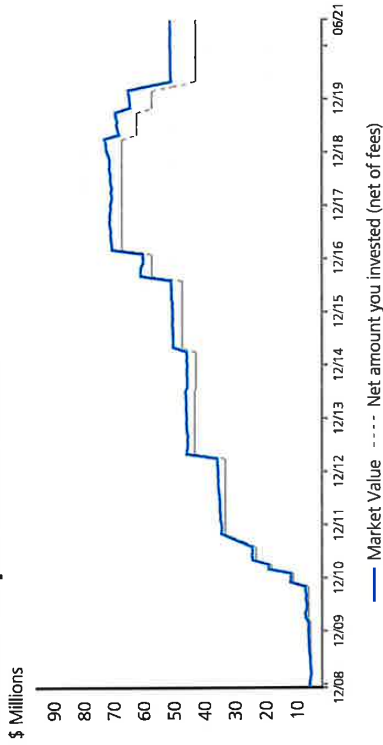
	Value on 06/30/2021 (\$)	% of Portfolio
A Cash	73,238.18	0.14
Cash	73,238.18	0.14
B Fixed Income	51,239,707.29	99.86
US	51,239,707.29	99.86
C Equity	0.00	0.00
D Commodities	0.00	0.00
E Non-Traditional	0.00	0.00
F Other	0.00	0.00
Total Portfolio	\$51,312,945.47	100%

Balanced mutual funds are allocated in the 'Other' category



EX XX170 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Sources of portfolio value



Portfolio value and investment results

	Performance returns (annualized > 1 year)			
	For the period of 12/31/2020 to 03/31/2021	2019 06/30/2021	2019 12/31/2018 to 12/31/2019	2020 12/31/2020
Opening value	51,314,838.66	51,290,289.38	72,312,732.45	64,774,148.39
Net deposits/withdrawals	-16,449.05	-16,623.68	-10,132,680.50	-14,501,724.78
Div./interest income	158,305.49	199,253.40	1,519,927.03	1,016,268.55
Change in accr. interest	35,203.97	-3,453.30	-87,250.44	-103,279.91
Change in value	-201,609.70	-156,520.33	1,161,419.85	129,426.41
Closing value	51,290,289.38	51,312,945.47	64,774,148.39	51,314,838.66
Net Time-weighted ROR	-0.05	0.04	3.61	1.78

Net deposits and withdrawals include program and account fees.

Past performance does not guarantee future results and current performance may be lower/higher than past data presented.

Report created on: July 14, 2021

Summary of gains and losses

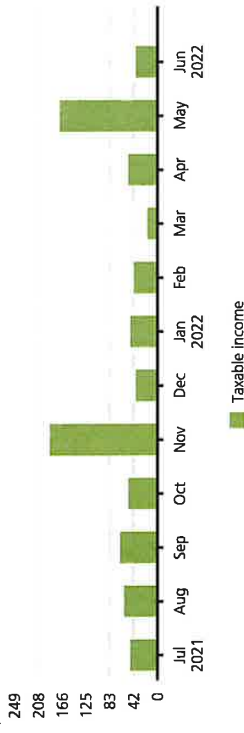
	Short term (\$)	Long term (\$)	Total (\$)
2020 Realized gains and losses	23,642.27	224,416.40	248,058.67
Taxable	23,642.27	224,416.40	248,058.67
Tax-deferred	0.00	0.00	0.00
2021 Year to date	996.34	1,316.16	2,312.50
Taxable	996.34	1,316.16	2,312.50
Tax-deferred	0.00	0.00	0.00



Portfolio review - as of June 30, 2021 (continued)

Expected cash flow

\$ Thousands



Total taxable income: \$831,404.55

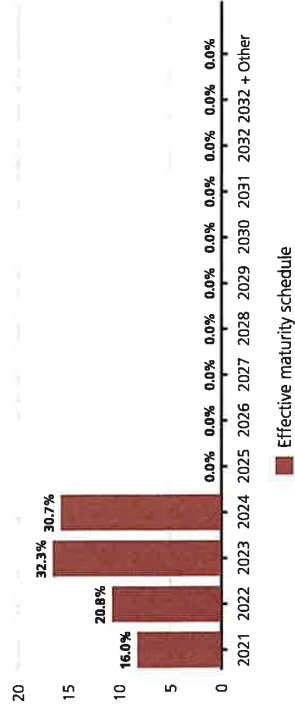
Total expected cash flow: \$831,404.55

Cash flows displayed account for known events such as maturities and mandatory puts.

EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for: Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Bond maturity schedule

\$ Millions



Effective maturity schedule

Cash, mutual funds and some preferred securities are not included.

Equity sector analysis

Compared to S&P 500 index

	Value on 06/30/2021 (\$)	Actual (%)	Model (%)	Gap (%)
Communication Services	0.00	0.00	11.63	-11.63
Consumer Discretionary	0.00	0.00	11.65	-11.65
Consumer Staples	0.00	0.00	6.51	-6.51
Energy	0.00	0.00	2.79	-2.79
Financials	0.00	0.00	11.04	-11.04
Health Care	0.00	0.00	12.71	-12.71
Industrials	0.00	0.00	7.69	-7.69
Information Technology	0.00	0.00	27.62	-27.62
Materials	0.00	0.00	2.60	-2.60
Real Estate	0.00	0.00	2.65	-2.65
Utilities	0.00	0.00	2.41	-2.41
Total classified equity	\$0.00	0.00	2.41	-2.41
Unclassified Securities	0.00			

Past performance does not guarantee future results and current performance may be lower/higher than past data presented.

Report created on: July 14, 2021



Asset allocation by account

as of June 30, 2021

EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for
Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

	Equities (\$/%)				Fixed Income (\$/%)				Total	
	U.S.	Global	International	U.S.	Global	International	Non-Traditional (\$/%)	Commodities (\$/%)		Other (\$/%)
Cash (\$/%)	0.00	0.00	0.00	51,239,707.29	0.00	0.00	0.00	0.00	0.00	\$51,312,945.47
Total Portfolio	0.14	0.00	0.00	99.86	0.00	0.00	0.00	0.00	0.00	100%

73,238.18	0.00	0.00	0.00	51,239,707.29	0.00	0.00	0.00	0.00	0.00	\$51,312,945.47
0.14	0.00	0.00	0.00	99.86	0.00	0.00	0.00	0.00	0.00	100.00%

EX XX120 • BOND PORTFOLIO • BSA PMP

Risk profile: Conservative
 Return objective: Current Income

	Equities (\$/%)				Fixed Income (\$/%)				Total	
	U.S.	Global	International	U.S.	Global	International	Non-Traditional (\$/%)	Commodities (\$/%)		Other (\$/%)
Cash (\$/%)	0.00	0.00	0.00	51,239,707.29	0.00	0.00	0.00	0.00	0.00	\$51,312,945.47
Total Portfolio	0.14	0.00	0.00	99.86	0.00	0.00	0.00	0.00	0.00	100%

Balanced mutual funds are allocated in the 'Other' category



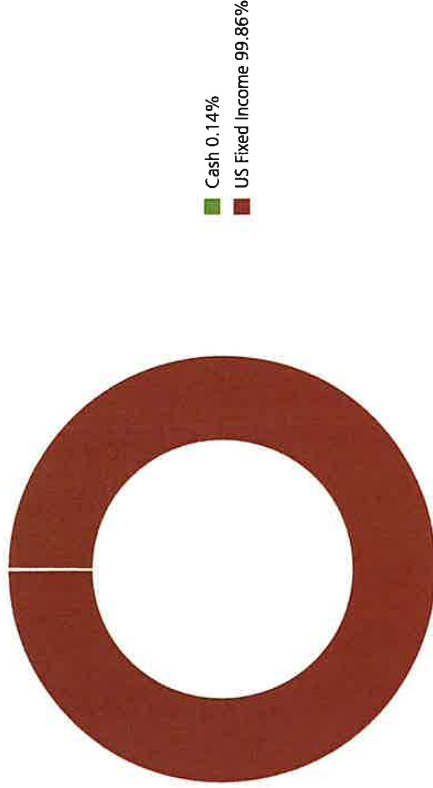
Asset allocation review

as of June 30, 2021

Summary of asset allocation

	Market value (\$)	% of Portfolio
Cash	73,238.18	0.14
Cash	73,238.18	0.14
US	73,238.18	0.14
Fixed Income	51,239,707.29	99.86
US	51,239,707.29	99.86
Government	5,199,892.55	10.13
Municipals	2,477,414.63	4.83
Corporate IG Credit	43,562,400.11	84.90
Equity	0.00	0.00
Commodities	0.00	0.00
Non-Traditional	0.00	0.00
Other	0.00	0.00
Total Portfolio	\$51,312,945.47	100%

Balanced mutual funds are allocated in the 'Other' category



■ Cash 0.14%
■ US Fixed Income 99.86%

EX XX120 • BOND PORTFOLIO • Portfolio Management Program
Prepared for Kern Health Systems
Risk profile: Conservative
Return Objective: Current Income



Bond summary

as of June 30, 2021

Bond overview

Total quantity	49,799,000
Total market value	\$51,026,882.00
Total accrued interest	\$212,825.29
Total market value plus accrued interest	\$51,239,707.29
Total estimated annual bond interest	\$914,387.05
Average coupon	1.86%
Average current yield	1.79%
Average yield to maturity	0.54%
Average yield to worst	0.41%
Average modified duration	1.68
Average effective maturity	1.92

EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for **Kem Health Systems**
 Risk profile: Conservative
 Return Objective: Current Income

Investment type allocation

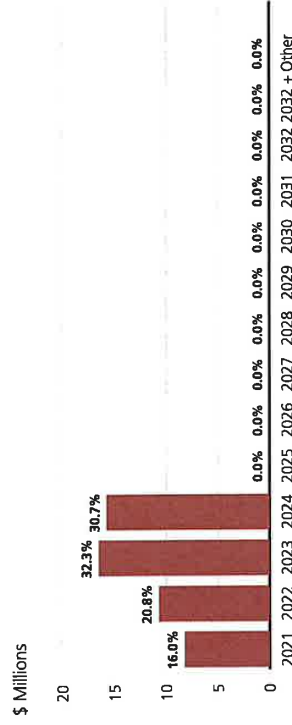
Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
Municipals	2,477,414.63	0.00	2,477,414.63	4.83
U.S. corporates	43,562,400.11	0.00	43,562,400.11	85.02
U.S. federal agencies	5,199,892.55	0.00	5,199,892.55	10.15
Total	\$51,239,707.29	\$0.00	\$51,239,707.29	100%

Credit quality of bond holdings

Effective credit rating	Issues	Value on 06/30/2021 (\$)	% of port.
A Aaa/AAA/AAA	4	5,734,437.55	11.22
B Aa/AA/AA	6	8,966,240.60	17.52
C A/A/A	25	34,034,268.01	66.37
D Ba2/BBB/BBB	2	2,504,761.13	4.89
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	0	0.00	0.00
G Not rated	0	0.00	0.00
Total	37	\$51,239,707.29	100%



Bond maturity schedule



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

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 14, 2021



Bond holdings

as of June 30, 2021

EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

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 gains/loss (\$)	Mkt. value (\$)	% of bond portfolio maturing
2021	6	8,175,000	165,490.00	2.02%	0.52%	0.21%	0.16	8,127,717.77	73,505.98	8,248,815.03	16.07%
2022	8	10,474,000	220,869.05	2.07%	0.34%	0.24%	0.85	10,565,377.54	88,712.21	10,710,826.13	20.88%
2023	10	16,450,000	107,528.00	0.65%	0.46%	0.34%	1.75	16,518,549.42	-14,609.92	16,533,857.33	32.34%
2024	13	14,700,000	420,500.00	2.68%	0.76%	0.69%	2.96	15,701,169.14	-33,540.14	15,746,208.79	30.7%
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				
2049	0	0	0		NA	NA	NA				
2050	0	0	0		NA	NA	NA				
2050 +	0	0	0		NA	NA	NA				
Other	0	0	0		NA	NA	NA				
Total	37	49,799,000	\$914,387.05	1.79%	0.54%	0.41%	1.68	\$50,912,813.87	\$114,068.13	\$51,239,707.29	

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 14, 2021



EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for: Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Bond holdings - as of June 30, 2021 (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 (%) / Modified duration	Adjusted cost basis (\$)/ Unreal. gl (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Total Bond Portfolio		49,799,000	1.86%	05/30/2023	NA	\$914,387.05 1.79%	1.68 0.54%	\$50,912,813.8 \$114,068.13	NA	\$51,026,882.00 \$212,825.29	100%
Maturing 2021											
CATERPILLAR FINANCIAL SE 01.700% 080921 DTD080916 FC020917 NTS B/E NR/NR/NR	AZ/AA	2,000,000	1.70%	08/09/2021		34,000.00 1.70%	0.17% 0.17%	1,984,080.00 19,240.00	100.166	2,003,320.00 13,316.67	3.93%
LOS ANG CAL TAX SR A 2.150 090121 DTD 122116 /CA BE/R/	Aa2/NR/NR	1,000,000	2.15%	09/01/2021		21,500.00 2.14%	0.33% 0.33%	994,250.00 8,820.00	100.307	1,003,070.00 7,106.94	1.97%
ORACLE CORP NTS B/E 01.900% 091521 DTD070716 FC031517 Baaz/BBB+/BBB+ NR/NR/NR	Aa2/NR/NR	1,425,000	1.90%	09/15/2021	08/15/2021	27,075.00 1.90%	0.88% 0.21%	1,399,934.25 28,072.50	100.211	1,428,006.75 7,896.88	2.80%
NVIDIA CORP NTS B/E 2.200% 091621 DTD091616 FC031617 CALL@MW+15BP NR/NR/NR	A2/WD/A-	1,300,000	2.20%	09/16/2021	08/16/2021	28,600.00 2.19%	1.04% 0.30%	1,304,305.62 -1,146.62	100.243	1,303,159.00 8,262.22	2.55%
CISCO SYSTEMS INC B/E 01.850% 092021 DTD092016 FC032017 CALL@MW+10BP NR/NR/NR	A1/NR/AA-	1,000,000	1.85%	09/20/2021	08/20/2021	18,500.00 1.85%	0.81% 0.19%	993,660.00 8,640.00	100.230	1,002,300.00 5,138.89	1.96%
MISSISSIPPI ST TAX SR G BE/R/ 2.470 110121 DTD 120815 MS	Aa2/AA/AA	1,450,000	2.47%	11/01/2021		35,815.00 2.45%	0.14% 0.14%	1,451,487.90 9,880.10	100.784	1,461,368.00 5,869.68	2.86%
Total 2021		8,175,000	2.02%	09/14/2021		\$165,490.00 2.02%	0.52% 0.21%	\$8,127,717.77 \$73,505.98		\$8,201,223.75 \$47,591.28	16.07%
Maturing 2022											
PEPSICO INC NTS B/E 02.250% 050222 DTD050217 FC110217 CALL@MW+10BP NR/NR/NR	A1/MD/AA+	1,089,000	2.25%	05/02/2022	04/02/2022	24,502.50 2.22%	0.39% 0.19%	1,087,301.16 18,632.79	101.555	1,105,933.95 3,947.63	2.17%
CATERPILLAR FINL SERVICE 00.950% 051322 DTD051520 FC111320 CALL@MW+15BP NR/NR/NR	A2/AA	1,500,000	0.95%	05/13/2022		14,250.00 0.94%	0.15% 0.15%	1,503,297.84 7,082.16	100.692	1,510,380.00 1,860.42	2.96%

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Report created on: July 14, 2021



EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Bond holdings - as of June 30, 2021 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$/ Curr. yield (%)	YTM (%) Modified YTW (%) duration	Adjusted cost basis (\$/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$/ Accr. interest (\$)	% of bond port.
Maturing 2022											
IBM CORP NTS B/E 02.850%	AZ/A/A-	1,500,000	2.85%	05/13/2022		42,750.00	0.22%	1,534,005.09	102.283	1,534,245.00	3.01%
051322 DTD051519 FC111519	NR/NR/NR					2.79%	0.22%	239.91		5,343.75	
CALL@MW+10BP											
QUALCOMM INC NTS B/E 03.000%	AZ/NR/A-	1,000,000	3.00%	05/20/2022		30,000.00	0.20%	1,005,494.40	102.489	1,024,890.00	2.01%
052022 DTD052015 FC112015	NR/NR/NR					2.93%	0.20%	19,395.60		3,333.33	
CALL@MW+15BP											
UNITEDHEALTH GROUP INC	A3/A/A+	1,700,000	3.35%	07/15/2022		56,950.00	0.26%	1,753,240.37	103.216	1,754,672.00	3.44%
03.350% 071522 DTD072315	NR/NR/NR					3.25%	0.26%	1,431.63		26,102.08	
FC011516 CALL@MW+20BP											
HONEYWELL INTL INC NTS	A2/A/A	1,000,000	0.48%	08/19/2022	08/19/2021	4,830.00	0.46%	1,001,091.70	100.031	1,000,310.00	1.96%
00.483% 081922 DTD081920	NR/NR/NR				100.00	0.48%	0.25%	-781.70		1,757.58	
FC021921 CALL@MW+5BP											
WALT DISNEY CO NTS B/E 01.650%	AZ/A/-BBB+	2,300,000	1.65%	09/01/2022		37,950.00	0.30%	2,290,501.00	101.569	2,336,087.00	4.58%
090122 DTD090619 FC030120	NR/NR/NR					1.62%	0.30%	45,586.00		12,544.58	
BANK OF AMER CORP 02.503%	AZ/A/A-	385,000	2.50%	10/21/2022	10/21/2021	9,636.55	1.98%	390,445.98	100.668	387,571.80	0.76%
102122 DTD102116 FC042117	NR/NR/NR				100.00	2.49%	0.33%	-2,874.18		1,847.01	
CALL@MW+20BP											
Total 2022		10,474,000	2.12%	07/02/2022		\$220,869.05	0.34%	\$10,565,377.5		\$10,654,089.75	20.88%
						2.07%	0.24%	\$88,712.21		\$56,736.38	
Maturing 2023											
JPMORGAN CHASE & CO NTS	AZ/A/A-	1,150,000	2.97%	01/15/2023	01/15/2022	34,178.00	2.05%	1,174,083.71	101.399	1,166,088.50	2.29%
02.972% 011523 DTD120816	NR/NR/NR				100.00	2.93%	0.38%	-7,995.21		15,664.92	
FC071517 CALL@MW+20BP											
PEPSICO INC NTS B/E 00.750%	A1/WD/A+	1,500,000	0.75%	05/01/2023		11,250.00	0.29%	1,511,980.62	100.843	1,512,645.00	2.96%
050123 DTD050120 FC110120	NR/NR/NR					0.74%	0.29%	664.38		1,843.75	
CALL@MW+10BP											
APPLE INC NTS B/E 00.750%	Aa1/NR/A+	3,000,000	0.75%	05/11/2023		22,500.00	0.29%	3,023,969.72	100.863	3,025,890.00	5.93%
051123 DTD051120 FC111120	NR/NR/NR					0.74%	0.29%	1,920.28		3,062.50	
CALL@MW+10BP											
JOHN DEERE CPTL CORP 00.700%	A2/A/A	1,000,000	0.70%	07/05/2023		7,000.00	0.36%	1,006,922.62	100.686	1,006,860.00	1.97%
070523 DTD060420 FC010521	NR/NR/NR					0.70%	0.36%	-62.62		3,402.78	
MED TERM NTS											
PACCAR FINANCIAL CORP	A1/NR/A+	2,000,000	0.35%	08/11/2023		7,000.00	0.42%	2,000,000.00	99.855	1,997,100.00	3.91%
00.350% 081123 DTD081120	NR/NR/NR					0.35%	0.42%	-2,900.00		2,702.78	
FC021121 MED TERM NTS											
PEPSICO INC NTS B/E 00.400%	A1/NR/A+	600,000	0.40%	10/07/2023		2,400.00	0.36%	602,305.64	100.084	600,504.00	1.18%
100723 DTD100720 FC040721	NR/NR/NR					0.40%	0.36%	-1,801.64		553.33	

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Report created on: July 14, 2021



EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

Bond holdings - as of June 30, 2021 (continued)

	Effective rating/ Underlying rating (Mdv/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / Modified YTW (%) duration	Adjusted cost basis (\$)/ Unreal. gf (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2023											
FFCB BOND 00.290 % DUE 11/02/23	NR/AAA/AA+	2,000,000	0.29%	11/02/2023	11/02/2021	5,800.00	0.38%	1,998,818.00	99.789	1,995,780.00	3.91%
DTD 110220 FC 05022021	NR/NR/NR				100.00	0.29%	0.38%	-3,038.00		934.44	
FHLMC MED TERM NTS 00.350 %	Aaa/AAA/NR	1,200,000	0.35%	11/13/2023	08/13/2021	4,200.00	0.35%	1,199,580.00	100.006	1,200,072.00	2.35%
DUE 111323 DTD 081320 FC	NR/NR/NR				100.00	0.35%	0.30%	492.00		548.33	
11132020											
FANNIE MAE NTS 00.310 % DUE	Aaa/AAA/AA+	2,000,000	0.31%	11/16/2023	11/16/2022	6,200.00	0.27%	1,999,800.00	100.090	2,001,800.00	3.92%
111623 DTD 111620 FC 05162021	NR/NR/NR				100.00	0.31%	0.24%	2,000.00		757.78	
BANK OF NY MELLON CORP	A1/AA-/A	2,000,000	0.35%	12/07/2023	11/07/2023	7,000.00	0.41%	2,001,089.11	99.860	1,997,200.00	3.91%
00.350% 120723 DTD 120720	NR/NR/NR				100.00	0.35%	0.41%	-3,889.11		447.22	
FC060721 NTS B/E											
Total 2023		16,450,000	0.66%	08/13/2023		\$107,528.00	0.46%	\$16,518,549.4		\$16,503,939.50	32.34%
						0.65%	0.34%	\$-14,609.92		\$29,917.83	
Maturing 2024											
US BANCORP MED TERM NTS	A1/A+/A+	300,000	3.38%	02/05/2024	01/05/2024	10,125.00	0.61%	322,115.28	107.105	321,315.00	0.63%
03.375% 020524 DTD020419	NR/NR/NR				100.00	3.15%	0.53%	-800.28		4,078.13	
FACTOR 1.000000000000											
MICROSSOFT CORP NTS B/E	Aaa/AAA/AA	500,000	2.88%	02/06/2024	12/06/2023	14,375.00	0.64%	531,057.22	105.759	528,795.00	1.04%
02.875% 020624 DTD020617	NR/NR/NR				100.00	2.72%	0.49%	-2,262.22		5,750.00	
FC080617 CALL@MW+12.5BP											
APPLE INC NTS B/E 2.850% 051124	Aa1/NR/AA+	400,000	2.85%	05/11/2024	03/11/2024	11,400.00	0.68%	427,190.90	106.136	424,544.00	0.83%
DTD051117 FC111117	NR/NR/NR				100.00	2.69%	0.55%	-2,646.90		1,551.67	
CALL@MW+12.5BP											
JPMORGAN CHASE & CO NTS	A2/AA-/A-	1,800,000	3.63%	05/13/2024		65,250.00	0.65%	1,952,730.85	108.433	1,951,794.00	3.83%
03.625% 051324 DTD051314	NR/NR/NR					3.34%	0.65%	-936.85		8,518.75	
FC111314 B/E											
BB&T CORP NTS B/E 02.500%	A3/A-/A-	1,000,000	2.50%	08/01/2024	07/01/2024	25,000.00	0.73%	1,059,398.85	105.407	1,054,070.00	2.07%
080124 DTD072919 FC020120	NR/NR/NR				100.00	2.37%	0.68%	-5,328.85		10,347.22	
UNITEDHEALTH GROUP INC	A3/AA+	1,000,000	2.38%	08/15/2024		23,750.00	0.69%	1,054,293.08	105.206	1,052,060.00	2.06%
02.375% 081524 DTD072519	NR/NR/NR					2.26%	0.69%	-2,233.08		8,906.25	
CALL@MW+10BP NTS											
SIMON PTY GROUP LP B/E	A3WD/A-	1,900,000	3.38%	10/01/2024	07/01/2024	64,125.00	1.00%	2,046,650.98	107.597	2,044,343.00	4.01%
03.375% 100124 DTD091014	NR/NR/NR				100.00	3.14%	0.81%	-2,307.98		15,853.13	
FC040115 CALL@MW+15BP											
BB&T CORP MED TERM NTS	A3/A-/A-	1,000,000	2.85%	10/26/2024	09/26/2024	28,500.00	0.73%	1,068,055.14	106.935	1,069,350.00	2.10%
02.850% 102624 DTD102617	NR/NR/NR				100.00	2.67%	0.68%	1,294.86		5,066.67	
FC042618 B/E											

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Report created on: July 14, 2021



EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for: Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Bond holdings - as of June 30, 2021 (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 2024												
PNC FINL SERV GRP INC MT 02.200% 110124 DTD110119 FC050120 EXP NTS B/E	A3/A+/- NR/NRNR	2,000,000	2.20%	11/01/2024	10/02/2024 100.00	44,000.00 2.10%	0.70% 0.67%	3.13	2,110,257.44 -11,797.44	104.923	2,098,460.00 7,211.11	4.11%
AFIAC INC B/E 03.625% 111524 DTD110714 FC051515 CALL@MW+20BP	A3/A+/- NR/NRNR	900,000	3.63%	11/15/2024		32,625.00 3.30%	0.72% 0.72%	3.19	985,646.81 1,500.19	109.683	987,147.00 4,078.13	1.93%
ORACLE CORP NTS B/E 02.950% 111524 DTD110917 FC051518 CALL@MW+15BP	Baa2/BBB+/- NR/NRNR	1,000,000	2.95%	11/15/2024	09/15/2024 100.00	29,500.00 2.77%	0.98% 0.89%	3.05	1,066,870.89 -1,700.89	106.517	1,065,170.00 3,687.50	2.09%
TRUIST BANK NTS B/E 02.150% 120624 DTD120619 FC060620	A2/A+/- NR/NRNR	1,000,000	2.15%	12/06/2024	11/06/2024 100.00	21,500.00 2.05%	0.78% 0.75%	3.23	1,050,094.96 -3,754.96	104.634	1,046,340.00 1,433.33	2.05%
WAL MART STORES INC NTS 02.650% 121524 DTD102017 FC061518 CALL@MW+10BP	Aa2/AAA NR/NRNR	1,900,000	2.65%	12/15/2024	10/15/2024 100.00	50,350.00 2.49%	0.73% 0.64%	3.15	2,026,806.74 -2,565.74	106.539	2,024,241.00 2,097.92	3.97%
Total 2024		14,700,000	2.87%	09/16/2024		\$420,500.00 2.68%	0.76% 0.69%	2.96	\$15,701,169.1 \$-33,540.14		\$15,667,629.00 \$78,579.79	30.70%
Total Bond Portfolio												
		49,799,000	1.86%	05/30/2023	NA	\$914,387.05 1.79%	0.54% 0.41%	1.68	\$50,912,813.8 \$114,068.13	NA	\$51,026,882.00 \$212,825.29	100% \$51,239,707.29

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 14, 2021



EX XX120 • BOND PORTFOLIO • Portfolio Management Program
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Kern Health Systems
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Additional information about your portfolio

as of June 30, 2021

Benchmark composition

Account EX XX120

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 - 11/04/2019: 100% Barclays Agg Bond
11/04/2019 - Current: 45% Barclays Corp 1-3Y; 55% Barclays Govt/Credit 1-3Y

Blended Index 2

Start - Current: 30% BofA 1Y Trs Note; 40% BofA US Corp 1-3Y A-AAA; 30% US Treasury Bill - 3 Mos



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 account 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 Advisory 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 account 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/AAP 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 weights 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 12/31/2010 and SWP sleeves before 04/30/2018.

Time-weighted Returns for accounts / SWP/AAP 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 "IPI") 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 12/31/2010. SWP/AAP 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 of 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 or 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 may be 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 deemed to be reliable. We have not independently verified this information, nor do we make any representations or warranties to the accuracy or completeness of this information.

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 its 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.

Deposits: When shown on a report, this information represents the net value of all cash and securities contributions added to your accounts from the first day to the last day of the period. On Client Summary Report and/or Portfolio Review Report, this may exclude the Opening Balance. For security contributions, securities are calculated using the end of day UBS FS price on the day securities are delivered in or out of the accounts.

Withdrawals: When shown on a report, this information represents the net value of all cash and securities withdrawals subtracted from your accounts from the first day to the last day of the period. On Client Summary and/or Portfolio Review report Withdrawals may not include program fees (including wrap fees). For security withdrawals, securities are calculated using the end of day UBS FS price on the day securities are delivered in or out of the accounts.

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 additional/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 'w' 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 account 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.

Asset Allocation: Your allocation analysis is based on your current portfolio. The Asset Allocation portion of this report shows the mix of various investment classes in your account. An asset allocation that shows a significantly higher percentage of equity investments may be more appropriate for an investor with a more aggressive investment strategy and higher tolerance for risk. Similarly, the asset allocation of a more conservative investor may show a higher percentage of fixed income investments.

Separately Managed Accounts and Pooled Investment Vehicles (such as mutual funds, closed end funds and exchanged traded funds): The asset classification displayed is based on firm's proprietary methodology for classifying assets. Please note that the asset classification assigned to rolled up strategies may include individual investments that provide exposure to other asset classes. For example, an International Developed Markets strategy may include exposure to Emerging Markets, and a US Large Cap strategy may include exposure to Mid Cap and Small Cap, etc.

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.

Ineligible Assets: We require that you hold and purchase only eligible managed assets in your advisory accounts. Please contact your Financial Advisor for a list of the eligible assets in your program. These reports may provide performance information for 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 advisory assets. 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. Neither UBS nor your Financial Advisor will act as your investment adviser with respect to Ineligible Assets.

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



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

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 unclassified, 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 dividend/interest rates per share and multiplying by the quantity of shares held in the selected account(s) as of the End Date of Report. For savings product & sweep funds this value is not calculated and is displayed as 0.

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 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.

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 paydown, 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 this reporting for Puerto Rico income tax purposes only, 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. Pursuant to the Puerto Rico Internal Revenue Code (PRIRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. 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 for purposes other than determining realized gains/losses for employees or associated persons provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

Gain/Loss reporting for Puerto Rico Income Tax Purposes: Gain/(Loss) reporting may be prepared solely for Puerto Rico income tax purposes only, if you have received gain/(loss) 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. Pursuant to the Puerto Rico Internal Revenue Code (PRIRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. 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 for purposes other than determining realized gains/losses for employees or associated persons 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 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 "0" 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.

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.

Gain/Loss reporting for Puerto Rico Income Tax Purposes: Gain/(Loss) reporting may be prepared solely for Puerto Rico income tax purposes only, if you have received gain/(loss) 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. Pursuant to the Puerto Rico Internal Revenue Code (PRIRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. 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 for purposes other than determining realized gains/losses for employees or associated persons provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

Gain/Loss 60/40: Index options listed in this report may be subject to IRS Tax Code - section 1256 categorizing them as broad-based index options. If so, the index may be eligible to be treated as 60% long term and 40% short terms for tax purposes. Please contact your tax professional to determine eligibility.

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 "0" 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.



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

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

Your Financial Advisor
THE COHEN GROUP
Phone: 661-463-3200/800-628-8022

Filtered by: Entry Date 04/01/2021-06/30/2021, Call/Redemption

Entry Date/Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
06/16/21	CALL REDEMPTION	FNMA NTS 00.475 % DUE 061623	FG0E1	2,000,000.00	REDEMPTION	2,000,000.00
06/15/21	CALL REDEMPTION	LAM RESEARCH CORP NTS 2.800% 061521 DTD060716	7516L4	2,000,000.00	REDEMPTION	2,000,000.00
06/11/21	CALL REDEMPTION	FHLMC NTS 00.350 % DUE 121123	FH45V4	2,000,000.00	REDEMPTION	2,000,000.00
05/19/21	CALL REDEMPTION	FHLMC MED TERM NTS 00.310 % DUE 081922	FF8RT1	2,000,000.00	REDEMPTION	2,000,000.00
05/11/21	CALL REDEMPTION	GENL DYNAMICS CORP NTS 03.000% 051121 DTD051118	753HG4	1,000,000.00	REDEMPTION	1,000,000.00
04/19/21	CALL REDEMPTION	BANK OF AMER CORP 02.625% 041921 DTD041916	665QX8	3,143,000.00	REDEMPTION	3,143,000.00

Filtered by: Entry Date 04/01/2021-06/30/2021, Bought

Entry Date/Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
06/17/21	BOUGHT	WAL MART STORES INC NTS 02.650% 121524 DTD102017	904Q64	1,900,000.00	\$106.743	-2,028,956.17
06/17/21	BOUGHT	JPMORGAN CHASE & CO NTS 03.625% 051324 DTD051314	731GX3	1,800,000.00	\$108.591	-1,961,525.50
06/15/21	BOUGHT	SIMON PTY GROUP LP B/E 03.375% 100124 DTD091014	840NQ1	1,900,000.00	\$107.816	2,062,041.50
05/20/21	BOUGHT	PNC FINL SERV GRP INC WT 02.200% 110124 DTD110119	800GM1	2,000,000.00	\$105.695	2,116,711.11
05/13/21	BOUGHT	TRUIST BANK NTS B/E 02.150% 120624 DTD120619	690PB4	1,000,000.00	\$105.198	1,061,595.28
04/20/21	BOUGHT	UNITEDHEALTH GROUP INC 02.375% 081524 DTD072519	8848J2	1,000,000.00	\$105.764	1,062,060.14
04/20/21	BOUGHT	BB&T CORP MED TERM NTS 02.850% 102624 DTD102617	674HH5	1,000,000.00	\$107.199	1,085,923.33
04/20/21	BOUGHT	AFLAC INC B/E 03.625% 111524 DTD110714	656XB1	900,000.00	\$110.058	1,004,750.13

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, 2021**, 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.
 333 SOUTH GRAND AVENUE
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Bank Account Statement
Wells Fargo Bank, N.A.

Statement Period
06/01/2021 - 06/30/2021

KERN HEALTH SYSTEMS
 2900 BUCK OWENS BOULEVARD
Account Value Summary USD

Account Number
 [REDACTED]

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	50,454,713.57	5,639,221.85	4%
Bonds	81,924,774.41	126,081,942.05	96%
Stocks	0.00	0.00	0%
Total Account Value	\$ 132,379,487.98	\$ 131,721,163.90	100%

Value Change Since Last Statement Period \$ (658,324.08) **1%**

Value Last Year-End \$ 119,017,553.90 **11%**

Income Summary USD

	This Period	Year-To-Date
Interest	\$ 1,059,031.55	\$ 1,309,107.91
Dividends/Capital Gains	0.00	0.00
Money Market Mutual Funds Dividends	1,082.88	6,066.66
Other	0.00	0.00
Income Total	\$ 1,060,114.43	\$ 1,315,174.57

Interest Charged USD

Description	This Period
Debit Interest For June 2021	0.00
Total Interest Charged	\$ 0.00

Money Market Mutual Funds Summary USD

Description	Amount
Opening Balance	\$ 50,454,713.57
Deposits and Other Additions	153,430,845.14
Distributions and Other Subtractions	(198,247,419.74)
Dividends Reinvested	1,082.88
Change in Value	0.00
Closing Balance	\$ 5,639,221.85

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 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 primed copy of this report along with other compliance and regulatory information is available upon written request or by visiting: <https://www.wellsfargo.com/securities/regulatory>.

Equity Extended Hours Trading: See important information relating to equities trading before and after regular trading hours at: www.wellsfargo.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 or obligations of 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
wiscustomerservice@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.

Statement Ending:

KERN HEALTH SYSTEMS

Account Number: [REDACTED]

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								
544646E24	LOS ANGELES CA UNIF SCH DIST REF-SER A-2	07/01/21	5.000%	5,000,000.000	100.0000	5,000,000.00		N
7973558G2	SAN DIEGO CA UNIF SCH DIST SER K-2	07/01/21	4.000%	4,650,000.000	100.0000	4,650,000.00		N
69448WU69	PACIFIC LIFE SHORT TERM 4(2) DISCOUNTED COMMERCIAL PAPER	07/06/21	0.000%	2,400,000.000	99.9990	2,399,976.00		
912796H85	US TREASURY BILL	07/06/21	0.000%	10,000,000.000	99.9996	9,999,956.90		
14912DU80	CATERPILLAR FIN SERV CRP DISCOUNTED COMMERCIAL PAPER	07/08/21	0.000%	3,000,000.000	99.9977	2,999,930.01		
24422ERE1	JOHN DEERE CAPITAL CORP	07/12/21	3.900%	1,000,000.000	100.1027	1,001,026.69		N
69372AUC4	PACCAR FINANCIAL CORP DISCOUNTED COMMERCIAL PAPER	07/12/21	0.000%	3,000,000.000	99.9975	2,999,924.01		
69448WUD4	PACIFIC LIFE SHORT TERM 4(2) DISCOUNTED COMMERCIAL PAPER	07/13/21	0.000%	3,000,000.000	99.9978	2,999,934.99		
912796H93	US TREASURY BILL	07/13/21	0.000%	40,000,000.000	99.9985	39,999,400.00		
542424WH5	LONG BEACH CA HARBOR REVENUE NTS-SER C	07/15/21	4.000%	1,955,000.000	100.1416	1,957,768.87		N
91411SUU2	UNIVERSITY OF CALIFORNIA	07/28/21	0.000%	5,000,000.000	99.9915	4,999,576.00		N
542433VG9	LONG BEACH CA UNIF SCH DIST ELECTION OF 2008-SER F	08/01/21	5.000%	2,000,000.000	100.3938	2,007,876.20		N
54438CIE6	LOS ANGELES CA CMNTY CLG DIST ELECTION 2016-SER B-1	08/01/21	5.000%	3,000,000.000	100.3360	3,010,080.00		N
61334PBS1	MONTGOMERY CNTY MD SER A	08/01/21	4.000%	3,000,000.000	100.3141	3,009,423.60		N
30229AV22	EXXON MOBIL CORP DISCOUNTED COMMERCIAL PAPER	08/02/21	0.000%	2,000,000.000	99.9945	1,999,890.00		
89236TGS8	TOYOTA MOTOR CREDIT CORP	08/13/21	0.285%	3,000,000.000	100.0174	3,000,520.80		N
713448BW7	PEPSICO INC	08/25/21	3.000%	1,300,000.000	100.4146	1,305,390.27		N
882724SY4	TEXAS ST TRANS	08/26/21	4.000%	3,000,000.000	100.5680	3,017,040.00		N
13063DQA9	CALIFORNIA ST REF	10/01/21	5.000%	1,065,000.000	101.2136	1,077,925.16		N
13059QAM7	CALIFORNIA SCH FIN AUTH REVENU TXBL-2020-21 SCHOOL AND CMNY C	12/30/21	0.220%	3,000,000.000	100.0230	3,000,690.90		N
437076BV3	HOME DEPOT INC	03/01/22	3.250%	3,000,000.000	102.0619	3,061,856.46		N
0258M0EG0	AMERICAN EXPRESS CREDIT	03/03/22	2.700%	3,000,000.000	101.4556	3,043,668.84		Y
717081ER0	PFIZER INC	03/11/22	2.800%	3,000,000.000	101.8174	3,054,521.64		N
13063DLI2	CALIFORNIA ST TXBL-VARIOUS PURPOSE-BID GROUP	04/01/22	2.350%	2,000,000.000	101.6359	2,032,718.40		N

Statement Ending:

KERN HEALTH SYSTEMS

Account Number: [REDACTED]

Portfolio Holdings (Continued) 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								
459200JX0	IBM CORP	05/13/22	2.850%	2,275,000,000	102.2829	2,326,935.02		N
747525AE3	QUALCOMM INC	05/20/22	3.000%	500,000,000	102.4891	512,445.26		N
74460DAB5	PUBLIC STORAGE	09/15/22	2.370%	500,000,000	102.2479	511,239.63		Y
06051GFZ7	BANK OF AMERICA CORP	10/21/22	2.503%	2,050,000,000	100.6680	2,063,694.00		Y
032556EQ1	ANAHEIM CA HSG & PUBLIC IMPT A REFUNDED-REF & IMPT-ELEC UTIL	10/01/34	5.000%	1,000,000,000	101.1981	1,011,981.10		Y
399223BU9	GROSSMONT CA HLTHCARE DIST 2006 ELECTION-SER B	07/15/40	6.125%	3,000,000,000	100.2167	3,006,501.30		Y
797272KV2	SAN DIEGO CA CMNTY CLG DIST ELECTION 2006	08/01/41	5.000%	5,000,000,000	100.4010	5,020,050.00		Y
						126,081,942.05	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
06/02/21	06/03/21	Security Receipt	30229AV22	EXXON MOBIL CORP DISCOUNTED	2,000,000.00	99.9950000	(1,999,900.00)	0.00	(1,999,900.00)
06/02/21	06/04/21	Security Receipt	61334PBS1	MONTGOMERY CNTY MD SER A	3,000,000.00	100.6260000	(3,018,780.00)	(41,000.00)	(3,059,780.00)
06/03/21	06/07/21	Security Receipt	06051GFZ7	BANK OF AMERICA CORP	2,050,000.00	100.8480000	(2,067,384.00)	(6,556.47)	(2,073,940.47)
06/10/21	06/10/21	Security Receipt	69372AUC4	PACCAR FINANCIAL CORP	3,000,000.00	99.9964440	(2,999,893.33)	0.00	(2,999,893.33)
06/10/21	06/14/21	Security Receipt	54438CYE6	LOS ANGELES CA CMNTY CLG DIST	3,000,000.00	100.6460000	(3,019,380.00)	(55,416.67)	(3,074,796.67)
06/14/21	06/16/21	Security Receipt	544646E24	LOS ANGELES CA UNIF SCH DIST	5,000,000.00	100.2060000	(5,010,300.00)	(114,583.33)	(5,124,883.33)
06/14/21	06/16/21	Security Receipt	7973558G2	SAN DIEGO CA UNIF SCH DIST SER	4,650,000.00	100.1640000	(4,657,626.00)	(85,250.00)	(4,742,876.00)
06/15/21	06/17/21	Security Receipt	032556EQ1	ANAHEIM CA HSG & PUBLIC IMPT A	1,000,000.00	101.4200000	(1,014,200.00)	(10,555.56)	(1,024,755.56)
06/15/21	06/17/21	Security Receipt	797272KV2	SAN DIEGO CA CMNTY CLG DIST	5,000,000.00	100.6060000	(5,030,300.00)	(94,444.44)	(5,124,744.44)
06/18/21	06/18/21	Security Receipt	14912DU80	CATERPILLAR FIN SERV CORP	3,000,000.00	99.9977780	(2,999,933.33)	0.00	(2,999,933.33)
06/23/21	06/24/21	Security Receipt	912796H93	US TREASURY BILL	30,000,000.00	99.9984170	(29,999,525.00)	0.00	(29,999,525.00)
06/23/21	06/25/21	Security Receipt	399223BU9	GROSSMONT CA HLTHCARE DIST	3,000,000.00	100.3360000	(3,010,080.00)	(81,666.67)	(3,091,746.67)
06/23/21	06/25/21	Security Receipt	542424WH5	LONG BEACH CA HARBOR REVENUE	1,955,000.00	100.2180000	(1,959,261.90)	(34,755.56)	(1,994,017.46)
06/25/21	06/28/21	Security Receipt	912796H85	US TREASURY BILL	10,000,000.00	99.9992220	(9,999,922.22)	0.00	(9,999,922.22)

Statement Ending:

KERN HEALTH SYSTEMS

Account Number: [REDACTED]

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
Transaction Activity USD									
06/29/21	06/30/21	Security Receipt	912796H93	US TREASURY BILL	10,000,000.00	99.9989170	(9,999,891.67)	0.00	(9,999,891.67)
Income / Payment Activity USD									
06/01/21	06/01/21	Matured	64966LP62	NEW YORK NY			3,000,000.00		3,000,000.00
06/01/21	06/01/21	Interest	64966LP62	NEW YORK NY				75,000.00	75,000.00
06/11/21	06/11/21	Matured	69372ATA0	PACCAR FINANCIAL CORP			5,000,000.00		5,000,000.00
06/11/21	06/11/21	Matured	69372ATA0	PACCAR FINANCIAL CORP			0.00		0.00
06/15/21	06/15/21	Matured	677521Y83	OHIO ST			3,285,000.00		3,285,000.00
06/15/21	06/15/21	Matured	677521Y83	OHIO ST			0.00		0.00
06/15/21	06/15/21	Interest	677521Y83	OHIO ST				82,125.00	82,125.00
06/15/21	06/15/21	Matured	6497065F1	NEW YORK CITY NY MUNI WTR FIN			3,000,000.00		3,000,000.00
06/15/21	06/15/21	Matured	6497065F1	NEW YORK CITY NY MUNI WTR FIN			0.00		0.00
06/15/21	06/15/21	Matured	6497065F1	NEW YORK CITY NY MUNI WTR FIN			90,000.00		90,000.00
06/15/21	06/15/21	Matured	91324PDG4	UNITEDHEALTH GROUP INC			3,150,000.00		3,150,000.00
06/15/21	06/15/21	Matured	91324PDG4	UNITEDHEALTH GROUP INC			0.00		0.00
06/15/21	06/15/21	Interest	91324PDG4	UNITEDHEALTH GROUP INC				3,573.23	3,573.23
06/18/21	06/18/21	Matured	50000DTJ5	KOCH INDUSTRIES INC DISCOUNTED			5,000,000.00		5,000,000.00
06/18/21	06/18/21	Matured	50000DTJ5	KOCH INDUSTRIES INC DISCOUNTED			0.00		0.00
06/24/21	06/24/21	Matured	544351PK9	LOS ANGELES CA			5,000,000.00		5,000,000.00
06/24/21	06/24/21	Matured	544351PK9	LOS ANGELES CA			0.00		0.00
06/24/21	06/24/21	Interest	544351PK9	LOS ANGELES CA				189,444.44	189,444.44
06/30/21	06/30/21	Matured	769110CU9	RIVERSIDE CNTY CA TRANS			5,000,000.00		5,000,000.00
06/30/21	06/30/21	Matured	769110CU9	RIVERSIDE CNTY CA TRANS			0.00		0.00
06/30/21	06/30/21	Interest	769110CU9	RIVERSIDE CNTY CA TRANS				199,444.44	199,444.44
06/30/21	06/30/21	Matured	544657HX0	LOS ANGELES CNTY CA TRANS-SER			5,000,000.00		5,000,000.00
06/30/21	06/30/21	Matured	544657HX0	LOS ANGELES CNTY CA TRANS-SER			0.00		0.00
06/30/21	06/30/21	Interest	544657HX0	LOS ANGELES CNTY CA TRANS-SER				194,444.44	194,444.44
06/30/21	06/30/21	Matured	797356AY8	SAN DIEGO CA UNIF SCH DIST			5,000,000.00		5,000,000.00
06/30/21	06/30/21	Matured	797356AY8	SAN DIEGO CA UNIF SCH DIST			0.00		0.00
06/30/21	06/30/21	Interest	797356AY8	SAN DIEGO CA UNIF SCH DIST				225,000.00	225,000.00

Cash Activity USD

Transaction / Trade Date	Settlement / Eff. Date	Activity	Description	Debit Amount / Disbursements	Credit Amount / Receipts
06/02/21	06/02/21	ACH/DDA Transaction	DESIGNATED DDA	18,000,000.00	
06/08/21	06/08/21	ACH/DDA Transaction	DESIGNATED DDA	13,000,000.00	
06/10/21	06/10/21	ACH/DDA Transaction	DESIGNATED DDA	5,000,000.00	
06/11/21	06/11/21	ACH/DDA Transaction	DESIGNATED DDA		45,000,000.00

Statement Ending:

KERN HEALTH SYSTEMS

Account Number: XXXXXXXXXX

Daily Account Activity (Continued)

Your investment transactions during this statement period.

Cash Activity USD

Transaction / Trade Date	Settlement / Eff. Date	Activity	Description	Debit Amount / Disbursements	Credit Amount / Receipts
06/11/21	06/11/21	ACH/DDA Transaction	DESIGNATED DDA	3,000,000.00	45,000,000.00
06/14/21	06/14/21	ACH/DDA Transaction	DESIGNATED DDA	12,000,000.00	
06/15/21	06/15/21	ACH/DDA Transaction	DESIGNATED DDA	3,000,000.00	
06/17/21	06/17/21	ACH/DDA Transaction	DESIGNATED DDA	17,000,000.00	
06/22/21	06/22/21	ACH/DDA Transaction	DESIGNATED DDA	3,000,000.00	
06/28/21	06/28/21	ACH/DDA Transaction	DESIGNATED DDA	3,000,000.00	
06/29/21	06/29/21	ACH/DDA Transaction	DESIGNATED DDA	17,000,000.00	

Money Market Fund Activity

Morgan Stan TreasSvc 8314

*As of June 30, 2021

USD

Transaction Date	Activity	Shares	Price	Dividend paid this period	7 day* simple yield	30 day* simple yield	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000		0.010%	0.010%	12.50		12.50000
	Ending Balance		1.0000		0.010%	0.010%	12.50		12.50000

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*As of June 30, 2021

USD

Transaction Date	Activity	Shares	Price	Dividend paid this period	7 day* simple yield	30 day* simple yield	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000		0.000%	0.010%	50,452,928.72		50,452,928.72000
06/01/21	Purchase	3,075,000.00000					3,075,000.00		53,527,928.72000
06/01/21	Reinvest	998.15000						998.15	53,528,926.87000
06/02/21	Redemption	(18,000.000000)					(18,000,000.00)		35,528,926.87000
06/03/21	Redemption	(1,999,900.00000)					(1,999,900.00)		33,529,026.87000
06/04/21	Redemption	(3,059,780.00000)					(3,059,780.00)		30,469,246.87000
06/07/21	Redemption	(2,073,940.47000)					(2,073,940.47)		28,395,306.40000
06/08/21	Redemption	(13,000.000000)					(13,000,000.00)		15,395,306.40000
06/10/21	Redemption	(5,000.000000)					(5,000,000.00)		10,395,306.40000
06/10/21	Redemption	(2,999,893.33000)					(2,999,893.33)		7,395,413.07000
06/11/21	Purchase	5,000,000.00000					5,000,000.00		12,395,413.07000

Statement Ending:

KERN HEALTH SYSTEMS
Account Number: ██████████

Money Market Fund Activity (Continued)

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
06/11/21	Purchase	45,000,000.00000		45,000,000.00		57,395,413.07000
06/14/21	Redemption	(3,074,796.67000)		(3,074,796.67)		54,320,616.40000
06/15/21	Purchase	82,125.00000		82,125.00		54,402,741.40000
06/15/21	Purchase	3,285,000.00000		3,285,000.00		57,687,741.40000
06/15/21	Purchase	90,000.00000		90,000.00		57,777,741.40000
06/15/21	Purchase	3,000,000.00000		3,000,000.00		60,777,741.40000
06/15/21	Purchase	3,150,000.00000		3,150,000.00		63,927,741.40000
06/15/21	Purchase	3,753.23000		3,753.23		63,931,494.63000
06/15/21	Purchase	3,573.23000		3,573.23		63,935,067.86000
06/15/21	Redemption	(3,753.23000)		(3,753.23)		63,931,314.63000
06/16/21	Redemption	(9,867,759.33000)		(9,867,759.33)		54,063,555.30000
06/17/21	Redemption	(6,149,500.00000)		(6,149,500.00)		47,914,055.30000
06/17/21	Redemption	(3,000,000.00000)		(3,000,000.00)		44,914,055.30000
06/18/21	Purchase	5,000,000.00000		5,000,000.00		49,914,055.30000
06/18/21	Redemption	(2,999,933.33000)		(2,999,933.33)		46,914,121.97000
06/22/21	Redemption	(17,000,000.00000)		(17,000,000.00)		29,914,121.97000
06/24/21	Redemption	(29,914,121.97000)		(29,914,121.97)		0.00000
06/24/21	Purchase	5,104,041.41000		5,104,041.41		5,104,041.41000
06/25/21	Redemption	(5,085,764.13000)		(5,085,764.13)		18,277.28000
06/25/21	Purchase	30,000,000.00000		30,000,000.00		30,018,277.28000
06/28/21	Redemption	(9,999,922.22000)		(9,999,922.22)		20,018,355.06000
06/28/21	Redemption	(3,000,000.00000)		(3,000,000.00)		17,018,355.06000
06/29/21	Redemption	(17,000,000.00000)		(17,000,000.00)		18,355.06000
06/30/21	Redemption	(18,355.06000)		(18,355.06)		0.00000
06/30/21	Purchase	437,907.83000		437,907.83		437,907.83000
06/30/21	Purchase	5,199,444.44000		5,199,444.44		5,637,352.27000
	Ending Balance		1.0000	5,637,352.27		5,637,352.27000
	JP Morgan UST Plus Inst 3918		Dividend paid this period	7 day* simple yield	30 day* simple yield	
	*As of June 30, 2021		84.73	0.010%	0.010%	
	USD					
Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	1,772.35		1,772.35000
06/01/21	Reinvest	84.73000			84.73	1,857.08000
06/11/21	Purchase	45,000,000.00000		45,000,000.00		45,001,857.08000

Statement Ending:

KERN HEALTH SYSTEMS
Account Number: 

Money Market Fund Activity (Continued)

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
06/14/21	Redemption	(3,000,000.000000)		(3,000,000.00)		42,001,857.08000
06/15/21	Redemption	(12,000,000.000000)		(12,000,000.00)		30,001,857.08000
06/25/21	Redemption	(30,000,000.000000)		(30,000,000.00)		1,857.08000
	Ending Balance		1.0000	1,857.08		1,857.08000



PMIA/LAIF Performance Report as of 07/15/21



PMIA Average Monthly Effective Yields⁽¹⁾

Jun	0.262
May	0.315
Apr	0.339

Quarterly Performance Quarter Ended 06/30/21

LAIF Apportionment Rate ⁽²⁾ :	0.33
LAIF Earnings Ratio ⁽²⁾ :	0.00000897371743018
LAIF Fair Value Factor ⁽¹⁾ :	1.00008297
PMIA Daily ⁽¹⁾ :	0.22%
PMIA Quarter to Date ⁽¹⁾ :	0.30%
PMIA Average Life ⁽¹⁾ :	291

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 06/30/21 \$193.3 billion

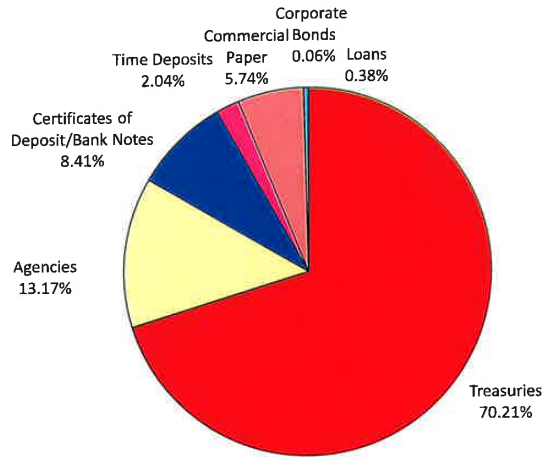


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 6, 2021

Re: Policy to Establish Minimum Tangible Net Equity

Background

Kern Health Systems (“KHS”) currently utilizes a percentage of revenue ranging from 25% - 35% to determine if it has sufficient reserves. This methodology was recommended by KHS’ actuary Optumas in 2013.

Management would like to establish a formal reserve policy based on Minimum Tangible Net Equity (“TNE”).

Discussion

KHS retained the actuary firm Milliman to give presentations regarding KHS’ reserves to the KHS Finance Committee at the June 4, 2021 meeting and to the Board of Directors at the June 10, 2021 meeting. The presentations recommended a Minimum TNE target range of 500%-600% which includes foreseeable new business opportunities and organic growth in the Minimum TNE calculation.

Following the Milliman presentation at the KHS June 4, 2021 Finance Committee, the Finance Committee referred to management to complete an analysis to aid in creating a reserve policy that would be reported out at the August Finance Committee meeting. Specifically, the Finance Committee asked management to work with Milliman to perform a more detailed, 3 to 5-year proforma for the purposes of determining prospective capital reserve requirements. Please see the attached power-point presentation addressing the Finance Committee’s request which will be presented by Craig Keizur, Principal and Consulting Actuary with Milliman. Mr. Keizur’s bio is included at the end of the presentation.

Requested Action

Approve the establishment of a new reserve policy setting a Minimum TNE Target Ratio of 500%-600%. This will ensure KHS’s long-term financial solvency and the ability to provide uninterrupted services to our members, continue to provide timely payments to our providers and to participate in additional programs required by DHCS.

Refer to KHS Board of Directors for adoption of a Board resolution.

Kern Health Systems

Five-Year Pro Forma Analysis

Kern Health System Finance Committee

Craig B. Keizur, FSA, MAAA

AUGUST 6 2021



This document has been prepared subject to the terms and conditions of the Consulting Services Agreement between Kern Health Systems and Milliman, Inc. The information contained in this document is intended for the internal use of Kern Health Systems and is only to be relied upon by your organization. No portion may be provided to any other party without Milliman, Inc.'s prior consent.

Agenda

- Recap / Background
- Summary
- Pro Forma
- Key Assumptions
- Recommendation
- Caveats and Limitations



Recap

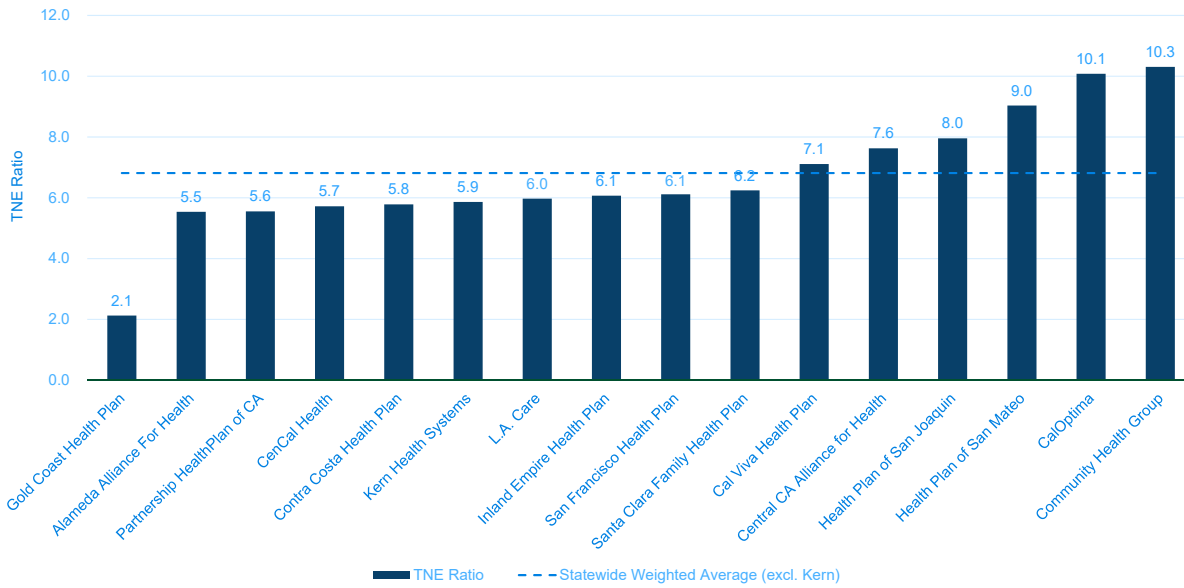
- Milliman presented to the Finance Committee and Board of Directors in early June on recommended capital reserve levels
- Recommendation was to hold 500-600% of minimum TNE, but target the “future-state”
 - With all of the changes that CalAIM is implementing, today’s reserves may be inadequate for future Medi-Cal program.
- The Finance Committee and Board of Directors requested a more detailed projection for the “future-state”. Milliman was requested to develop a pro forma analysis, projecting annual capital reserve needs through the start of the Dual Eligible Special Needs Plan (2026)
- The enclosed projections are based on the KHS 2021 revised budget, current enrollment projections, and other DHCS and CMS information



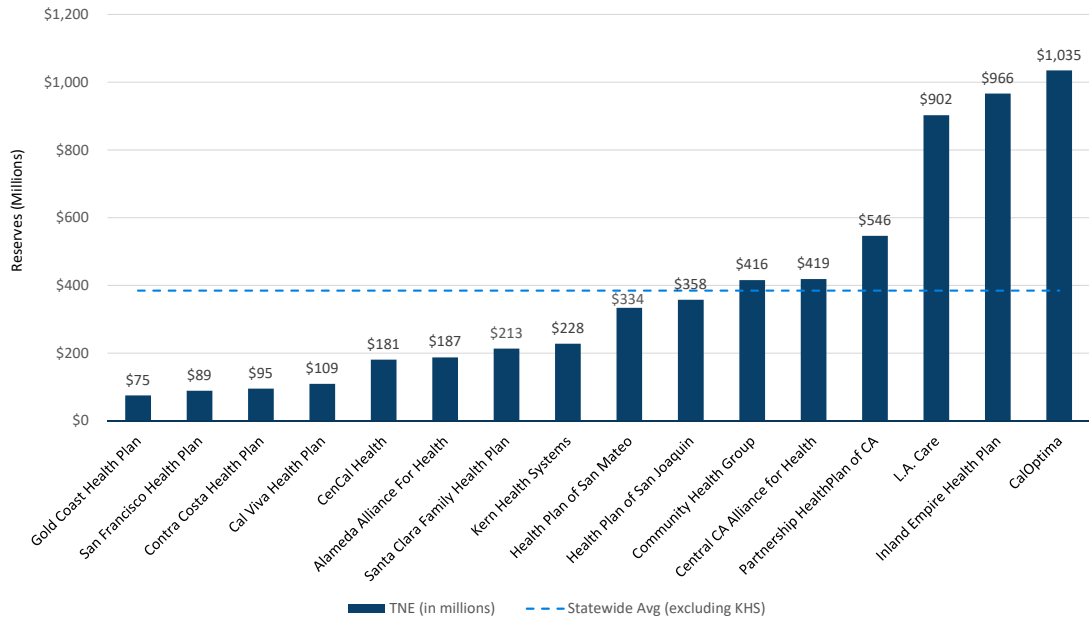
Background - Why Hold Capital Reserves?

- Capital reserves are funds or other assets that are held to provide **financial stability**
 - $\text{Assets} = \text{Liabilities} + \text{Capital Reserves}$; capital reserves are the excess of Assets over Liabilities
- Absorb volatility due to unpredictability and uncertainty of healthcare cost levels
- Support stability during periods of insufficient or delayed revenue
- Maintain ability to make investments in new programs and technology
- Holding a minimum level of capital reserves is a legal requirement
 - Tangible Net Equity (TNE)
 - Requirement to hold minimum TNE, or DMHC can take control of health plan
 - TNE requirement based upon % of non-capitated claims
 - 8% of the first \$150 million in claims, and 4% of claims in excess of \$150 million
 - Below 200% of TNE, the plan is placed on DMHC's "watch list" and can require monthly reporting and increased scrutiny
 - Below 130% of TNE, the plan is considered to be in financial jeopardy and DMHC can take control of plan

TNE Ratio Comparison - 12/31/2020



Fund Balance Comparison - 12/31/2020



Summary

CalAIM should greatly increase Kern Health Systems' membership and Medi-Cal benefit offerings, including long-term care coverage and a Medicare Advantage Dual Eligible Special Needs Plan (D-SNP), which will increase future capital reserve requirements

Year	2021	2022	2023	2024	2025	2026
Avg Members	276,000	312,000	336,000	350,000	355,000	381,000
<i>Current TNE Calculation (\$ shown in millions)</i>						
500% TNE	\$206.6	\$227.0	\$249.6	\$266.7	\$274.3	\$377.1
Projected Capital	\$219.0	\$220.0	\$221.3	\$222.7	\$224.1	\$225.8
Difference	\$12.4	(\$7.0)	(\$28.3)	(\$44.0)	(\$50.2)	(\$151.4)
Capital as % of TNE	530%	485%	443%	417%	408%	299%



Background – Other Considerations

- The projected estimates are not predictions of the future. Actual results will only match projected results if the underlying assumptions are realized. The analysis relies on multiple simplifying assumptions and does not address every potential point of variance. Examples of outcomes that were beyond our control include, but are not limited to:
 - California's success at implementing the CalAIM initiative and enrolling the targeted non-managed care populations
 - KHS's success at implementing new programs, including managing LTC and D-SNPs
 - The economy and the impact on current and future Medi-Cal enrollment
 - The global pandemic, future waves of variants, and the societal response (including potential new shut-downs, impact of pent-up demand, and future impact of past closures on healthcare)
- This presentation is intended to support discussions on future capital reserve levels and strategies and is not complete without oral comment. The results should not be used for other purposes.

KHS Finance Committee Meeting, August 6, 2021

Exhibit 1

Kern Health System

Five-Year Pro Forma Projection - CalAim Initiatives

(all dollar amounts shown in \$millions)

Calendar Year Member Months	Current State		Future State				
	with Rx	Re-base w/o Rx	2022	2023	2024	2025	2026
2021	3,316,740	3,316,740	3,748,920	4,037,191	4,203,158	4,260,758	4,576,358
Revenue							
Medi-Cal Benefits	\$887.0	\$772.5	\$876.6	\$994.0	\$1,081.3	\$1,116.9	\$1,653.8
Hospital Directed Payments	168.6	168.6	173.3	178.2	183.2	188.3	193.6
Other Pass Through Payments (MCO Tax)	112.8	112.8	125.0	128.5	132.1	135.8	139.6
Other Revenue (interest)	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Subtotal	\$1,170.4	\$1,055.9	\$1,176.9	\$1,302.7	\$1,398.6	\$1,443.1	\$1,989.0
Expenses							
Medi-Cal Benefits	\$828.4	\$714.3	\$811.5	\$919.8	\$1,000.4	\$1,033.3	\$1,542.0
Hospital Directed Payments	168.6	168.6	173.3	178.2	183.2	188.3	193.6
Other Pass Through Payments (MCO Tax)	112.8	112.8	125.0	128.5	132.1	135.8	139.6
Subtotal	\$1,109.9	\$995.7	\$1,109.8	\$1,226.5	\$1,315.7	\$1,357.4	\$1,875.2
Non-Medical Expenses	\$59.4	\$58.2	\$66.1	\$74.9	\$81.5	\$84.2	\$112.2
Net Profit - Before Grants	\$1.1	\$2.0	\$1.0	\$1.3	\$1.4	\$1.4	\$1.6
Medical Loss Ratio (non pass-through)	93.2%	92.2%	92.4%	92.4%	92.3%	92.3%	93.1%
Admin Ratio (non pass-through)	6.7%	7.5%	7.5%	7.5%	7.5%	7.5%	6.8%
Capital Reserve							
Minimum TNE	\$45.9	\$41.3	\$45.4	\$49.9	\$53.3	\$54.9	\$75.4
500% TNE	\$229.4	\$206.6	\$227.0	\$249.6	\$266.7	\$274.3	\$377.1
Capital Reserve (CR)	\$219.0	\$219.0	\$220.0	\$221.3	\$222.7	\$224.1	\$225.8
CR as % of TNE	477%	530%	485%	443%	417%	408%	299%
Difference from 500% of TNE	(\$10.4)	\$12.4	(\$7.0)	(\$28.3)	(\$44.0)	(\$50.2)	(\$151.4)

Key Assumptions

Base Data

Source data includes KHS 2021 (revised) budget and CY2021 DHCS capitation rates, with prescription drugs removed.

Enrollment Projections

2022 assumes 1,600 new eligibles (plus 400/month newborns and children through 2025) per month based on CalAim mandatory population changes, including Other Healthcare Coverage (OHC).

2023 assumes approximately 1,640/month Dual Eligibles which includes 93/month Long-Term Care residents.

2026 assumes 21,500 Dual Eligibles under Medicare Advantage Dual Special Needs Plan (D-SNP). Assumes existing D-SNP enrollees keep plan and KHS enrolls 75% of the rest.

D-SNP "Member Months" may duplicate Dual Eligibles since we count 1 month in Category of Aid "Duals" and 1 month for D-SNP.

Revenue and Claim Projections

Revenue and claim projections are based on CY2021 capitation rates, with the following adjustments.

- Prescription drug benefit was removed effective January 1, 2022.
- Estimated organ transplant costs were added effective January 1, 2022, sourced from Milliman research report: [2020 U.S. organ and tissue transplants: Cost estimates, discussion, and emerging issues \(milliman.com\)](#)
- Added Enhanced Care Management revenue and expense of \$2.45 PMPM.
- Projected trends: Medical = 2.8%/year, Maternity = 3.3%/year
- Non-medical expenses (administrative) assumes 2021 admin as a percent of revenue, and slightly lower for D-SNP.

Capital Reserves

Minimum Tangible Net Equity (TNE) defined as 8% of first \$150M in claims plus 4% of additional claims.

500% TNE target assumption based on Milliman's June 10, 2021 KHS Board presentation which recommended 500%-600% of TNE for capital reserve.

This analysis was prepared for the internal use of Kern Health Systems. This analysis is subject to the terms and conditions of the Consulting Services Agreement between Kern Health Systems and Milliman effective September 11, 2018, amended June 1, 2020.

Results presented here represent best estimates of future experience. Actual experience will vary from our estimates for many reasons, potentially including differences in population health status, reimbursement levels, delivery systems, random variation, or other factors. It is important that actual experience be monitored and adjustments made, as appropriate.

In preparation of our analysis, we relied upon the accuracy of data or information provided to us. We have not audited this information, although we have reviewed it for reasonableness. If the underlying data or information is inaccurate or incomplete, the results of our review may likewise be inaccurate or incomplete.

Milliman makes no representations or warranties regarding the contents of this analysis to third parties. Likewise, third parties are instructed that they are to place no reliance upon this analysis prepared for Kern Health System by Milliman that would result in the creation of any duty or liability under any theory of law by Milliman or its employees to third parties. Other parties receiving this report must rely upon their own experts in drawing conclusions about the capitation rates, cost projections, and other assumptions.

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. I am a member of the American Academy of Actuaries, and I meet the qualification standards for performing the analyses in this report.

Milliman

7/28/2021 10:06 AM

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Key Assumptions – Membership

- KHS (non-Kaiser) membership projection based on DHCS data
 - 400 / month newborns (then moving to Child COA)
 - 2022: 19,200 members from DHCS CalAIM transitioning managed Medi-Cal members
 - Including OHC (beneficiaries with Other Healthcare Coverage), members in rural areas, American Indians, and other groups
 - Projection brings in 1/12 per month
 - 2023: 19,700 members due to mandatory enrollment of Dual Eligibles
 - Projection brings in 1/12 per month
 - 2026: 21,500 new members from D-SNP (starting January 1, 2026)
 - Assumes existing Dual Eligibles plus 75% of DHCS projected new Duals
 - CMS has stated that members in an existing D-SNP may remain in that plan if MCO has a Medi-Cal contract with the state. Today, there are approximately 5,000 Kern County Medi-Cal Dual Eligibles in a D-SNP.
 - No other increases or decreases assumed



Key Assumptions – Revenue

- Medi-Cal gain margin in capitation rates assumed to be 2.0%, an increase of 0.5% from 2021 assumption of 1.5%
- Projected non-medical expense (administration) assumes consistent expense as a percent of revenue
- New populations
 - 2023 Dual Eligible Medi-Cal capitation estimated at ~\$500 PMPM
 - Ranges from \$8,000/month for nursing home patient to \$115/month for “healthy” Dual Eligible
 - 2026 Medicare Dual Special Needs Plan (D-SNP) CMS capitation estimated at ~\$1,900
 - Includes Part C (medical) and Part D (pharmacy) benefits
 - Rates reflect Kern County 2022 Medicare Part C payment rate, 1.20 risk score, average Part D cost estimate



Key Assumptions – Benefits / Claims

- Projected claims based on a combination of projected 2021 claims and expenses supporting 2021 DHCS capitation rates and emerging trends
 - Medical trend = 2.8%, Maternity trend = 3.3%
 - Prescription Drug benefit removed effective January 2022
 - Estimate of cost for Organ Transplants (2022) based on Milliman organ transplant study.
 - <https://www.milliman.com/en/insight/2020-us-organ-and-tissue-transplants>
 - Judgment was applied to apply Commercial and Medicare utilization to Medicaid population
 - Enhanced Care Management (ECM) estimated cost of \$2.45 added for 2022



Recommendation

- In order to withstand elevated claim levels and prepare for required capital increases due to business growth, we recommend that KHS target a range of 500 - 600% TNE
- We recommend that the capital target be based upon “future-state” business profile rather than historical business profile
- If KHS expects new business from the Duals Program and other new CalAIM initiatives, then the capital reserve target should take into account the required capital of this business



Caveats and Limitations

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In preparation of our analysis, we relied upon the accuracy of data or information provided to us. We have not audited this information, although we have reviewed it for reasonableness. If the underlying data or information is inaccurate or incomplete, the results of our review may likewise be inaccurate or incomplete.

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Thank you

Craig Keizur, FSA, MAAA
craig.keizur@milliman.com

Milliman Bio

Craig B. Keizur

FSA, MAAA

Principal, Consulting Actuary



CURRENT RESPONSIBILITY

Craig is a principal and consulting actuary with the Seattle office of Milliman. He joined the firm in 1995.

EXPERIENCE

Craig's expertise is in group healthcare, with an emphasis on government-sponsored programs, including Medicaid, Medicare, and special programs. His experience covers a broad range of perspectives, including payors, providers, and purchasers, helping to review the past and present in order to make strategic decisions for the future. Types of clients he has supported include the following:

- Medicaid, low-income, and uninsured programs
- Medicare Advantage (including Part D), and Medicare Supplement plan sponsors
- Other government programs (e.g., Veterans)
- Managed care organizations (HMO, PPO)
- Hospitals and physician groups
- BCBS and traditional insurance companies
- Large and small employer groups
- Collectively bargained labor unions
- Native American tribal organizations

His consulting assignments have included:

- Actuarial modeling of healthcare variables to test their impact of proposed changes to current and projected healthcare costs
- Feasibility studies for entering new markets, such as Medicare or Medicaid
- Research and data mining of large public and proprietary databases to estimate prevailing usage and unit cost for a variety of needs.
- Medicare Part C and Part D bid support
- Medicaid rate setting
- Expert testimony support

- Review and implementation of risk-adjustment algorithms
- Projecting liabilities for claims incurred but not paid
- Developing and analyzing changes to provider reimbursement contracts
- Pricing and experience analysis for collective bargaining negotiations, supporting both sides of the negotiating table (employers and unions)
- Developing regulatory rate filings for individual and group business
- Review and development of group and individual underwriting and rating models
- Projecting financial liabilities and capital needs for the Native American population
- Assessing the financial value of new healthcare technologies and practices
- Actuarial support for other nonmedical benefit types, including Rx, dental, vision, disability, and other welfare benefits

In addition to experience at Milliman, Craig has also worked as a consulting actuary for a national employee benefits consulting firm, and as an actuarial analyst for a major group insurance company.

PROFESSIONAL DESIGNATIONS

- Fellow, Society of Actuaries
- Member, American Academy of Actuaries

EDUCATION

- BS (honors), Actuarial Science / Mathematics, Central Washington University, Ellensburg

PUBLICATIONS

- Coauthored [Risk-Based Capital Requirements for Managed Care Organizations](#)



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milliman.com



To: KHS Finance Committee

From: Alonso Hurtado, Director of Procurement and Facilities

Date: August 6, 2021

Re: Commercial Cleaning Systems, Inc. Agreement

Background

KHS has been utilizing Commercial Cleaning Systems, Inc. (“CCS”) to provide commercial janitorial services for the Buck Owens location since 2019. The KHS Corporate Services Department has been very satisfied with the quality of services being provided and their ability to provide sanitization services for the prevention of COVID-19.

Discussion

In June 2021, KHS posted an RFP for janitorial services. CCS was selected as the vendor for these services. CCS will provide Commercial Janitorial Services for five days a week.

These services include the cleaning services our 110,000 square foot facility which houses 18 conference rooms, 10 restrooms, stairs and perimeter areas around the building, 48 private offices, 370 cubicles and a break area for approximately 450 employees. In addition, CCS will provide a janitor during working hours that will assist with maintaining KHS common areas. CSS services will include sanitization and additional services for the prevention of COVID-19 transmission.

Financial Impact

Cost for a one-year term will not exceed \$192,000.

Requested Action

Approve; Refer to the Board of Directors.

Kern Health Systems

Commercial Janitorial Services

Alonso Hurtado
Director Procurement and Facilities
August 6, 2021



Agenda

- Background
- Request for Proposal
- Scope of Services
- Recommendation
- Questions



Background

- KHS has been utilizing Commercial Cleaning Systems, Inc. (“CCS”) to provide commercial janitorial services for the Buck Owens location since 2019.
- In June 2021, KHS posted an RFP for Commercial Janitorial Services for its facility. KHS received two proposals.



Request for Proposal

VENDOR	PER MONTH	ANNUAL COST
CCS, Inc.	\$ 16,000.00	\$ 192,000.00
Karla's Janitorial	\$ 20,000.00	\$ 240,000.00

- 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.



Scope of Services

- Daily Janitorial Services for KHS four story 110,000 square feet facility
 - 18 conference rooms
 - 10 Restrooms
 - 48 private offices
 - 370 cubicles
 - 3 common areas (board room, break room and training room)
 - Stairs and perimeter areas around the building
- Services include sanitization and additional services for the prevention of COVID-19 transmission
- Additional daily janitor from 9 AM – 3 PM



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 \$192,000 for Commercial Janitorial Services.



Questions

Please contact:

Alonso Hurtado
Director Procurement and Facilities
661-664-5000
Alonso.Hurtado@khs-net.com



Proposed administrative contract over \$100,000, August 6, 2021

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

KHS has been utilizing Commercial Cleaning Systems, Inc. (“CCS”) to provide commercial janitorial services for the Buck Owens location since 2019. The KHS Corporate Services Department has been very satisfied with the quality of services being provided and their ability to provide sanitization services for the prevention of COVID-19.

d. Discussion

In June 2021, KHS posted an RFP for janitorial services. CCS was selected as the vendor for these services. CCS will provide commercial janitorial services for its new facility five days a week. These services include the cleaning services our 110,000 square feet facility which houses 18 conference rooms, 48 private offices, 370 cubicles and a break area for approximately 450 employees. In addition, CCS will provide a janitor during working hours that will assist with maintaining KHS common areas. CSS services will include sanitization and additional services for the prevention of COVID-19 transmission.

e. Fiscal Impact

Not to exceed \$192,000 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 is attached.

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

This contract has been approved by Legal.



KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

Department Name: CS

Department Head: Alonso Hurtado

Vendor Name: Commercial Cleaning Systems, Inc.

Contact name & e-mail: Jaime Jacobo, jjacob@ccsbts.com

What services will this vendor provide to KHS? CCS will provide with Janitorial and Porter services five days a week for 2900 Buck Owens Blvd.

Description of Contract	
<p>Type of Agreement: <u>Professional Services</u></p> <p><input checked="" type="checkbox"/> Contract</p> <p><input type="checkbox"/> Purchase</p> <p><input type="checkbox"/> New agreement</p> <p><input type="checkbox"/> Continuation of Agreement</p> <p><input type="checkbox"/> Addendum</p> <p><input checked="" type="checkbox"/> Amendment No. 2</p> <p><input type="checkbox"/> Retroactive Agreement</p> <p><input checked="" type="checkbox"/> Summary of Quotes and/or Bids attached. <i>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.</i></p>	<p>Background: <u>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.</u></p> <p>Brief Explanation: <u>In June 2021, 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></p>
<p>Brief vendor selection justification: <u>Commercial Cleaning Systems was selected as the vendor based on company experience, price and references.</u></p>	
<p><input type="checkbox"/> Sole source – no competitive process can be performed.</p>	
<p>Brief reason for sole source: _____</p>	
<p><input type="checkbox"/> Conflict of Interest Form is required for this Contract</p>	
<p><input type="checkbox"/> HIPAA Business Associate Agreement is required for this Contract</p>	
Fiscal Impact	
<p>KHS Governing Board previously approved this expense in KHS' FY 2021 Administrative Budget <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES</p>	
<p>Will this require additional funds? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES</p>	
<p>Capital project <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES</p>	
<p>Project type: _____</p>	
<p>Budgeted Cost Center <u>340</u> GL# <u>5510</u></p>	

Form updated 11/21/19

Maximum cost of this agreement not to exceed: \$192,000.00 per one year

Notes:

Contract Terms and Conditions

Effective date: 9/06/21

Termination date: 9/05/22

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

Approvals

Compliance DMHC/DHCS Review:

~~Director of Compliance and Regulatory Affairs~~

~~Date~~

Legal Review:

Legal Counsel

Date

Approved per PSA

Signed 8/24/19

Contract Owner:

Department Head

Date

Purchasing:

Director of Procurement and Facilities

Date

Approved by Alonso Hurtado

per contract meeting 7/28/21

Approved by Alonso Hurtado

per meeting 7/28/21

Reviewed as to Budget:

Chief Financial Officer or Controller

Date

Recommended by the Executive Committee:

Chief Operating Officer

Date

[Signature]

7/28/21

[Signature]

7/28/21

IT Approval:

Chief Information Officer or IT Director

Date

Chief Executive Officer Approval:

Chief Executive Officer

Date

Approved by Richard Pruitt

per contract meeting 7/28/21

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

KHS Board Chairman

Date



To: KHS Finance Committee

From: Alonso Hurtado; Director of Procurement and Facilities

Date: August 6, 2021

Re: Solar Panels

Background

During the KHS June 2021 Finance Committee meeting a member of the Finance Committee requested an analysis of the current Solar Panel system and referred to Management to complete an analysis related to purchasing additional solar Panels.

Discussion

Existing Carport Solar system includes 420 Solar Panels at a cost of \$494,750. Current system provides approximately 11% of the total electric cost for KHS at an estimated savings of \$27,000 per year.

After evaluating areas for future Solar Panels, Management made three different recommendations for the expansion of current Solar Panels system.

- Option A calls for the installation of solar panels on the Carport area of KHS' facility. This project will have a cost of \$1,800,000. The additional panels will reduce KHS' electric consumption by an estimated additional 100%. Payback period is estimated at 8.5 years.
- Option B calls for the installation of solar panels on the Carport area of KHS' facility. This project will have a cost of \$900,000. The additional panels will reduce KHS' electric consumption by an estimated additional 50%. Payback period is estimated at 8.5 years.
- Option C calls for the installation of solar panels on the rooftop of KHS' facility. This project will have a cost of \$390,000. The additional panels will reduce KHS' electric consumption by an estimated additional 14%. Payback period is estimated at 13 years.

Requested Action

Approve management to undertake an RFP process to solicit vendors to provide proposals to expand KHS' carport solar panels system.

Kern Health Systems

Solar Panels

Alonso Hurtado
Director of Facilities and Procurement
August 6, 2021



Agenda

- Background
- Existing Carport Solar Panels
- Purchase of Additional Panels Option A 100% (Carport)
- Purchase of Additional Panels Option B 50% (Carport)
- Purchase of Additional Panels Option C 14% (Rooftop)
- Savings
- Summary
- Recommendation
- Questions



Background

During the KHS June 2021 Finance Committee meeting a member of the Finance Committee requested an analysis of the current solar panel system and referred to Management to complete an analysis related to purchasing additional solar panels.



Existing Carport Solar Panels

- Cost of current System \$494,750
 - 62 covered spaces/420 Panels
 - August 2020 through July 2021: Total current savings \$27,000
 - Savings per year will increase based on kWh cost (Estimated increase 4% per year)
- Payback period of 14 years
- Doesn't qualify for State or local incentives
- Current PG&E Cost: \$18,000/monthly (net of monthly savings \$2,250)
- Panels cover an estimated 11% of monthly cost (\$2,250/\$20,750)
- Generate an estimated 120,000 kWh annual



Purchase of Additional Panels Option A 100 %

- Location: Carport
- Cost: \$1.8MM
- Payback period: 8.5 years estimated (\$1.8MM/\$216,000 projected annual savings)
- Estimated annual energy savings/production percentage: 100% estimated
- Energy generated: 1.2MM kWh estimated annually
- Covers 70% of open parking area



Purchase of Additional Panels Option B 50 %

- Location: Carport
- Cost: \$900,000
- Payback period: 8.5 years estimated (\$900,000/\$108,000 projected annual savings)
- Estimated annual energy savings/production percentage: 50% estimated
- Energy generated: 600,000 kWh estimated annually
- Covers 35% of open parking area



Purchase of Additional Panels Option C 14%

- Location: Rooftop
- Cost: \$390,000
- Payback period: 13 years estimated ($\$390,000 / \$30,000$ annual projected savings)
- Estimated annual energy savings/production percentage: 14% estimated ($\$30,000 / \$216,000$)
- Energy generated: 150,000 kWh estimated annually
- Risks
 - Roof penetrations may cause leaks if not sealed correctly
 - Possible premature failure of roof system due to penetrations
 - May void or reduce roof warranty
 - May require additional roof edge guarding for servicing the system



Savings

- **CURRENT**
- 420 Solar Panels savings: \$27,000 annually – 11% of total cost

- **ADDITIONAL PANELS**

- Option A 100% (Carport): \$216,000 annually – 100% total cost
- Option B 50% (Carport): \$108,000 annually – 50% total cost
- Option C (Rooftop): \$30,000 annually – 14% total cost

Note: the savings provided by the existing carport panels are already factored in; therefore, any of the above options reflects the percentage reduction of the remaining energy costs



Summary

	<u>Current</u>	<u>Option A Carport</u>	<u>Option B Carport</u>	<u>Option C Rooftop</u>
System Cost	\$495K	\$1.8MM	\$900K	\$390K
Electricity Savings Percentage	11%	100%	50%	14%
System Annual Production	120K kWh	1.2MM kWh	600K kWh	150K kWh
Estimated Years to Payback	14	8.5	8.5	13
Estimated Internal Rate of Return	7.8%	11.1%	11.1%	6.4%
Estimated Electricity Savings over 25 Years	\$631K	\$6.25MM	\$3.13MM	\$455K



Recommendation

Approve management to undertake an RFP process to solicit vendors to provide proposals to expand KHS' solar panels system that would:

- Provide clean renewable energy for the foreseeable future
- Demonstrate KHS' environmental stewardship
- Provide an effective hedge against volatile utility rates
- Generate long-term financial savings



Questions

Please contact:

Alonso Hurtado

Director of Facilities and Procurement

661-664-5000

Alonso.Hurtado@khks-net.com





To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 6, 2021

Re: May 2021 Financial Results

The May results reflect a \$474,811 Net Increase in Net Position which is a \$682,850 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$8.2 million favorable variance primarily due to:
 - A) \$4.8 million favorable variance primarily due to higher than expected budgeted membership.
 - B) \$1.0 million favorable variance in the Behavioral Health Integration Incentive Program primarily due to a timing difference of incurred expenses by participating program providers and is offset against amounts included in 2C below.

The objective of the program is to incentivize the improvement of physical and behavioral health outcomes, care delivery efficiency, and patient experience by establishing or expanding a fully integrated and coordinated delivery system designed to meet the care for the whole patient. All funds received from DHCS are directly paid to the three DHCS approved providers.

- C) \$1.0 million favorable variance in MCO Tax Premiums primarily due to receiving revised MCO Tax rates for calendar year 2021 from DHCS and higher than expected budgeted membership.
 - D) \$.8 million favorable variance in Premium-Hospital Directed Payments primarily due to higher than expected membership offset against amounts included in 2E below.
 - E) \$.6 million favorable variance in Rate/Income Adjustments primarily due to retroactive revenue received for the prior year.
- 2) Total Medical Costs reflect a \$8.0 million unfavorable variance primarily due to:
 - A) \$5.2 million unfavorable variance in Inpatient primarily due to higher than expected utilization over the last several months.
 - B) \$1.9 million unfavorable variance in Outpatient Hospital due to higher than expected utilization.

- C) \$.8 million unfavorable variance in Other Medical primarily from Behavioral Health Integration Incentive Program Expense occurring from a timing difference of incurred expenses by participating program providers and is offset against amounts included in 1B above.
- D) \$1.1 million favorable variance in Pharmacy primarily due from formulary modifications that capitalized on new generics that came to market and less costly brands within the same therapeutic class. There was also a timing impact from the lengthening of the day supply per prescription of maintenance medications that occurred beginning in March 2020. Additionally, the Flu Season was not as severe as expected due to increased social distancing, washing hands, wearing masks and an increase in flu vaccine administration due to our efforts in reaching out to our members during the 4th quarter of 2020
- E) \$.8 million unfavorable variance in Hospital Directed Payments primarily due to higher than expected membership offset against amounts included in 1D above.

The May Medical Loss Ratio is 94.9% which is unfavorable to the 93.2% budgeted amount. The May Administrative Expense Ratio is 5.5% which is favorable to the 6.7% budgeted amount.

The results for the 5 months ended May 31, 2021 reflect a Net Increase in Net Position of \$8,715,464. This is a \$9,557,948 favorable variance to budget and includes approximately \$1.1 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 93.3 % which is slightly unfavorable to the 93.1% budgeted amount. The year-to-date Administrative Expense Ratio is 5.5% which is favorable to the 6.7% budgeted amount.

**Kern Health Systems
Financial Packet
May 2021**

KHS – Medi-Cal Line of Business

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Statement of Revenue, Expenses, and Changes in Net Position	Page 2
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KHS Group Health Plan – Healthy Families Line of Business

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

KHS Administrative Analysis and Other Reporting

Monthly Member Count	Page 15
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF MAY 31, 2021			
ASSETS	MAY 2021	APRIL 2021	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 122,347,895	\$ 140,721,084	\$ (18,373,189)
Short-Term Investments	134,643,645	89,951,219	44,692,426
Premiums Receivable - Net	105,682,122	102,839,001	2,843,121
Premiums Receivable - Hospital Direct Payments	275,957,375	294,625,083	(18,667,708)
Interest Receivable	173,916	87,840	86,076
Provider Advance Payment	5,468,548	5,506,518	(37,970)
Other Receivables	1,282,710	1,116,542	166,168
Prepaid Expenses & Other Current Assets	1,844,150	2,205,711	(361,561)
Total Current Assets	\$ 647,400,361	\$ 637,052,998	\$ 10,347,363
CAPITAL ASSETS - NET OF ACCUM DEPREE:			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,887,883	1,933,173	(45,290)
Computer Hardware and Software - Net	13,678,855	13,980,339	(301,484)
Building and Building Improvements - Net	34,969,810	35,045,504	(75,694)
Capital Projects in Progress	13,324,442	13,032,352	292,090
Total Capital Assets	\$ 67,951,696	\$ 68,082,074	\$ (130,378)
LONG TERM ASSETS:			
Restricted Investments	300,000	300,000	-
Officer Life Insurance Receivables	1,556,621	1,556,621	-
Total Long Term Assets	\$ 1,856,621	\$ 1,856,621	\$ -
DEFERRED OUTFLOWS OF RESOURCES	\$ 3,018,341	\$ 3,018,341	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 720,227,019	\$ 710,010,034	\$ 10,216,985
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accrued Salaries and Employee Benefits	\$ 4,366,553	\$ 4,099,845	266,708
Accrued Other Operating Expenses	1,362,738	1,466,394	(103,656)
Accrued Taxes and Licenses	17,659,424	8,754,282	8,905,142
Claims Payable (Reported)	25,382,584	26,958,004	(1,575,420)
IBNR - Inpatient Claims	38,338,820	36,006,825	2,331,995
IBNR - Physician Claims	15,349,160	14,854,906	494,254
IBNR - Accrued Other Medical	22,047,294	22,163,584	(116,290)
Risk Pool and Withholds Payable	6,974,486	6,433,771	540,715
Statutory Allowance for Claims Processing Expense	2,225,904	2,225,904	-
Other Liabilities	67,641,962	63,575,538	4,066,424
Accrued Hospital Directed Payments	275,957,385	279,625,083	(3,667,698)
Total Current Liabilities	\$ 477,306,310	\$ 466,164,136	\$ 11,142,174
NONCURRENT LIABILITIES:			
Net Pension Liability	7,032,377	8,432,377	(1,400,000)
TOTAL NONCURRENT LIABILITIES	\$ 7,032,377	\$ 8,432,377	\$ (1,400,000)
DEFERRED INFLOWS OF RESOURCES	\$ 86,684	\$ 86,684	\$ -
NET POSITION:			
Net Position - Beg. of Year	227,086,184	227,086,184	-
Increase (Decrease) in Net Position - Current Year	8,715,464	8,240,653	474,811
Total Net Position	\$ 235,801,648	\$ 235,326,837	\$ 474,811
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 720,227,019	\$ 710,010,034	\$ 10,216,985

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, 2021	YEAR-TO-DATE MEMBER MONTHS		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
188,036	183,000	5,036	Family Members	924,253	911,000	13,253
75,207	70,565	4,642	Expansion Members	363,767	352,825	10,942
15,756	15,230	526	SPD Members	81,794	76,150	5,644
8,200	7,000	1,200	Other Members	40,341	35,000	5,341
11,692	10,500	1,192	Kaiser Members	56,789	52,500	4,289
298,891	286,295	12,596	Total Members - MCAL	1,466,944	1,427,475	39,469
REVENUES						
34,872,666	32,032,931	2,839,735	Title XIX - Medicaid - Family and Other	168,819,551	159,752,554	9,066,997
28,728,667	26,523,701	2,204,966	Title XIX - Medicaid - Expansion Members	140,608,676	132,618,504	7,990,172
16,024,510	15,294,634	729,876	Title XIX - Medicaid - SPD Members	77,655,384	76,473,169	1,182,215
9,876,747	8,904,649	972,098	Premium - MCO Tax	48,670,040	44,523,244	4,146,796
14,811,749	14,032,808	778,941	Premium - Hospital Directed Payments	72,847,850	70,040,705	2,807,145
195,233	166,142	29,091	Investment Earnings And Other Income	272,321	827,212	(554,891)
-	79,981	(79,981)	Reinsurance Recoveries	-	398,743	(398,743)
79,899	-	79,899	Rate Adjustments - Hospital Directed Payments	78,295,242	-	78,295,242
595,656	-	595,656	Rate/Income Adjustments	3,784,173	-	3,784,173
105,185,127	97,034,845	8,150,282	TOTAL REVENUES	590,953,237	484,634,131	106,319,106
EXPENSES						
15,744,708	15,135,143	(609,565)	Medical Costs:			
4,658,383	4,723,998	65,615	Physician Services	76,084,297	75,514,973	(569,324)
5,023,372	5,560,012	536,640	Other Professional Services	24,119,696	23,593,921	(525,775)
20,578,157	15,391,962	(5,186,195)	Emergency Room	22,953,790	27,730,771	4,776,981
84,297	79,981	(4,316)	Inpatient	95,750,313	76,837,854	(18,912,459)
8,842,725	6,983,754	(1,858,971)	Reinsurance Expense	406,872	398,743	(8,129)
10,960,637	10,140,521	(820,116)	Outpatient Hospital	38,403,672	34,865,807	(3,537,865)
9,349,484	10,486,088	1,136,604	Other Medical	53,738,323	50,594,408	(3,143,915)
540,715	524,011	(16,705)	Pharmacy	47,211,388	52,363,963	5,152,575
-	-	-	Pay for Performance Quality Incentive	2,665,865	2,612,453	(53,413)
14,811,759	14,032,808	(778,951)	Risk Corridor Expense	-	-	-
597	-	(597)	Hospital Directed Payments	72,847,860	70,040,705	(2,807,155)
58,763	-	(58,763)	Hospital Directed Payment Adjustment	77,422,552	-	(77,422,552)
449,838	-	(449,838)	Non-Claims Expense Adjustment	863,617	-	(863,617)
91,103,435	83,058,279	(8,045,156)	IBNR, Incentive, Paid Claims Adjustment	2,927,407	-	(2,927,407)
14,081,692	13,976,566	105,126	Total Medical Costs	515,395,652	414,553,597	(100,842,055)
2,748,394	2,856,030	107,636	GROSS MARGIN	75,557,585	70,080,534	5,477,051
996,889	1,071,006	74,117	Administrative:			
57,943	133,106	75,163	Compensation	13,578,199	14,280,152	701,953
422,382	500,520	78,138	Purchased Services	4,567,235	5,355,030	787,795
230,567	385,959	155,392	Supplies	309,109	665,531	356,422
(215)	-	215	Depreciation	2,121,131	2,502,602	381,471
4,455,960	4,946,622	490,662	Other Administrative Expenses	1,126,210	1,929,796	803,586
95,559,395	88,004,901	(7,554,494)	Administrative Expense Adjustment	(200,953)	-	200,953
9,625,732	9,029,944	595,788	Total Administrative Expenses	21,500,931	24,733,111	3,232,180
8,905,142	8,904,649	(493)	TOTAL EXPENSES	536,896,583	439,286,707	(97,609,876)
720,590	125,295	595,295	OPERATING INCOME (LOSS) BEFORE TAX	54,056,654	45,347,424	8,709,230
			MCO TAX	44,551,042	44,523,244	(27,798)
			OPERATING INCOME (LOSS) NET OF TAX	9,505,612	824,180	8,681,432
NONOPERATING REVENUE (EXPENSE)						
-	-	-	Gain on Sale of Assets	-	-	-
(162,794)	(166,667)	3,873	Provider Recruitment and Retention Grants	(331,234)	(833,333)	502,099
(82,985)	(166,667)	83,682	Health Home	(458,914)	(833,331)	374,417
(245,779)	(333,334)	87,555	TOTAL NONOPERATING REVENUE (EXPENSE)	(790,148)	(1,666,664)	876,516
474,811	(208,039)	682,850	NET INCREASE (DECREASE) IN NET POSITION	8,715,464	(842,484)	9,557,948
94.9%	93.2%	-1.7%	MEDICAL LOSS RATIO	93.3%	93.1%	-0.3%
5.5%	6.7%	1.1%	ADMINISTRATIVE EXPENSE RATIO	5.5%	6.7%	1.2%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED MAY 31, 2021			YEAR-TO-DATE		
						ACTUAL	BUDGET	VARIANCE
			ENROLLMENT					
188,036	183,000	5,036	Family Members	924,253	911,000	13,253		
75,207	70,565	4,642	Expansion Members	363,767	352,825	10,942		
15,756	15,230	526	SPD Members	81,794	76,150	5,644		
8,200	7,000	1,200	Other Members	40,341	35,000	5,341		
11,692	10,500	1,192	Kaiser Members	56,789	52,500	4,289		
298,891	286,295	12,596	Total Members - MCAL	1,466,944	1,427,475	39,469		
			REVENUES					
177.71	168.59	9.11	Title XIX - Medicaid - Family and Other	175.02	168.87	6.14		
381.99	375.88	6.12	Title XIX - Medicaid - Expansion Members	386.53	375.88	10.66		
1,017.04	1,004.24	12.80	Title XIX - Medicaid - SPD Members	949.40	1,004.24	(54.84)		
34.39	32.29	2.10	Premium - MCO Tax	34.51	32.38	2.13		
51.57	50.88	0.69	Premium - Hospital Directed Payments	51.66	50.94	0.72		
0.68	0.60	0.08	Investment Earnings And Other Income	0.19	0.60	(0.41)		
0.00	0.29	(0.29)	Reinsurance Recoveries	0.00	0.29	(0.29)		
0.28	0.00	0.28	Rate Adjustments - Hospital Directed Payments	55.52	0.00	55.52		
2.07	0.00	2.07	Rate/Income Adjustments	2.68	0.00	2.68		
366.24	351.84	14.41	TOTAL REVENUES	419.07	352.47	66.60		
			EXPENSES					
			Medical Costs:					
54.82	54.88	0.06	Physician Services	53.95	54.92	0.97		
16.22	17.13	0.91	Other Professional Services	17.10	17.16	0.06		
17.49	20.16	2.67	Emergency Room	16.28	20.17	3.89		
71.65	55.81	(15.84)	Inpatient	67.90	55.88	(12.02)		
0.29	0.29	(0.00)	Reinsurance Expense	0.29	0.29	0.00		
30.79	25.32	(5.47)	Outpatient Hospital	27.23	25.36	(1.88)		
38.16	36.77	(1.40)	Other Medical	38.11	36.80	(1.31)		
32.55	38.02	5.47	Pharmacy	33.48	38.08	4.60		
1.88	1.90	0.02	Pay for Performance Quality Incentive	1.89	1.90	0.01		
0.00	0.00	0.00	Risk Corridor Expense	0.00	0.00	0.00		
51.57	50.88	(0.69)	Hospital Directed Payments	51.66	50.94	(0.72)		
0.00	0.00	(0.00)	Hospital Directed Payment Adjustment	54.90	0.00	(54.90)		
0.20	0.00	(0.20)	Non-Claims Expense Adjustment	0.61	0.00	(0.61)		
1.57	0.00	(1.57)	IBNR, Incentive, Paid Claims Adjustment	2.08	0.00	(2.08)		
317.21	301.16	(16.05)	Total Medical Costs	365.49	301.50	(63.99)		
49.03	50.68	(1.65)	GROSS MARGIN	53.58	50.97	2.61		
			Administrative:					
9.57	10.36	0.79	Compensation	9.63	10.39	0.76		
3.47	3.88	0.41	Purchased Services	3.24	3.89	0.66		
0.20	0.48	0.28	Supplies	0.22	0.48	0.26		
1.47	1.81	0.34	Depreciation	1.50	1.82	0.32		
0.80	1.40	0.60	Other Administrative Expenses	0.80	1.40	0.60		
(0.00)	0.00	0.00	Administrative Expense Adjustment	(0.14)	0.00	0.14		
15.52	17.94	2.42	Total Administrative Expenses	15.25	17.99	2.74		
332.73	319.10	(13.63)	TOTAL EXPENSES	380.74	319.49	(61.25)		
33.52	32.74	0.77	OPERATING INCOME (LOSS) BEFORE TAX	38.33	32.98	5.35		
31.01	32.29	1.28	MCO TAX	31.59	32.38	0.79		
2.51	0.45	2.05	OPERATING INCOME (LOSS) NET OF TAX	6.74	0.60	6.14		
			NONOPERATING REVENUE (EXPENSE)					
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00		
(0.57)	(0.60)	0.04	Reserve Fund Projects/Community Grants	(0.23)	(0.61)	0.37		
(0.29)	(0.60)	0.32	Health Home	(0.33)	(0.61)	0.28		
(0.86)	(1.21)	0.35	TOTAL NONOPERATING REVENUE (EXPENSE)	(0.56)	(1.21)	0.65		
1.65	(0.75)	2.41	NET INCREASE (DECREASE) IN NET POSITION	6.18	(0.61)	6.79		
94.9%	93.2%	-1.7%	MEDICAL LOSS RATIO	93.3%	93.1%	-0.3%		
5.5%	6.7%	1.1%	ADMINISTRATIVE EXPENSE RATIO	5.5%	6.7%	1.2%		

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH MAY 31, 2021															
	MAY 2020	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	DECEMBER 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	13 MONTH TOTAL	
ENROLLMENT															
Members - MCAL	256,134	259,592	261,732	264,749	278,100	272,481	275,080	277,452	278,517	276,880	282,972	284,587	287,199	3,555,475	
REVENUES															
Title XIX - Medicaid - Family and Other	28,170,470	30,522,053	29,997,411	30,548,160	30,419,692	33,387,274	30,920,096	32,216,002	33,254,490	33,365,704	33,587,650	33,739,041	34,872,666	415,000,709	
Title XIX - Medicaid - Expansion Members	23,386,527	24,776,875	24,533,357	24,848,094	25,069,155	27,568,938	25,504,052	27,197,954	27,548,311	27,720,576	28,063,951	28,547,171	28,728,667	343,493,628	
Title XIX - Medicaid - SPD Members	14,967,019	15,603,750	15,224,387	15,192,022	15,191,965	14,457,143	16,007,482	15,504,966	15,326,978	15,368,431	15,407,903	15,527,562	16,024,510	199,804,118	
Premium - MCO Tax	7,915,091	8,023,287	8,236,232	8,333,151	8,332,682	9,166,454	8,420,487	8,830,398	9,577,432	9,657,982	9,752,737	9,805,142	9,876,747	115,927,822	
Premium - Hospital Directed Payments	11,614,663	12,149,677	(8,860,821)	9,112,870	9,112,869	9,955,034	9,313,088	9,738,038	15,121,903	15,230,282	12,949,303	14,734,613	14,811,749	134,983,268	
Investment Earnings And Other Income	323,827	62,534	315,583	173,465	(14,474)	151,948	166,556	147,197	4,303	-	(249,580)	205,894	195,233	1,598,957	
Reinsurance Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rate Adjustments - Hospital Directed Payments	36,524	(10,733)	(52,075,301)	4,234	2,924	77	10,627	(2,692)	39,990	21,877	78,150,342	3,134	79,899	26,260,902	
Rate/Income Adjustments	444,891	476,588	135,705	291,820	70,321	(582,499)	127,031	226,726	799,886	594,678	1,527,455	266,498	595,656	4,974,756	
TOTAL REVENUES	86,859,012	91,604,031	17,506,553	88,503,816	88,185,134	94,104,369	90,469,419	93,858,589	101,673,293	102,076,001	179,189,761	102,829,055	105,185,127	1,242,044,160	
EXPENSES															
Medical Costs:															
Physician Services	12,429,908	11,806,601	13,357,636	13,134,194	14,514,021	14,157,774	13,867,872	12,660,363	14,907,160	14,731,540	15,058,794	15,642,095	15,744,708	182,012,666	
Other Professional Services	3,489,408	3,385,134	4,421,687	4,619,091	4,841,378	3,806,785	4,389,484	4,935,401	4,421,552	4,883,941	5,048,627	5,107,193	4,658,383	58,008,064	
Emergency Room	4,212,272	3,363,172	3,651,975	4,813,363	4,926,059	4,814,428	4,638,713	3,194,257	4,676,327	4,420,437	4,353,449	4,480,205	5,023,372	56,568,029	
Inpatient	14,410,696	17,115,732	17,082,368	16,635,497	17,879,275	17,137,251	17,212,070	19,183,080	19,853,180	19,321,533	17,577,565	18,419,878	20,578,157	232,406,282	
Reinsurance Expense	69,310	73,356	75,202	76,284	76,523	77,652	84,521	77,390	81,215	80,770	80,461	80,129	84,297	1,017,110	
Outpatient Hospital	5,199,240	6,447,664	6,446,825	6,894,371	6,804,640	6,653,372	6,209,999	6,565,195	7,108,674	6,610,422	7,160,111	8,681,740	8,842,725	89,624,978	
Other Medical	10,860,308	9,199,742	11,504,806	9,055,443	14,033,235	12,916,278	10,958,385	13,070,247	10,641,113	10,412,229	11,840,899	9,883,445	10,960,637	145,336,767	
Pharmacy	8,616,291	8,313,457	8,780,407	9,180,669	9,829,083	9,259,169	8,717,167	9,651,881	9,100,359	9,049,621	10,299,227	9,412,697	9,349,484	119,559,512	
Pay for Performance Quality Incentive	508,354	519,184	523,464	529,498	529,498	556,200	544,962	-	529,182	529,183	526,070	540,715	540,715	6,377,025	
Risk Corridor Expense	-	4,700,000	(2,000,000)	-	(2,700,000)	-	-	-	-	-	-	-	-	-	
Hospital Directed Payments	11,614,663	12,149,677	(8,860,821)	9,112,870	9,112,869	9,955,034	9,313,088	9,738,038	15,121,903	15,230,282	12,949,303	14,734,613	14,811,759	134,983,278	
Hospital Directed Payment Adjustment	36,524	(10,733)	(52,075,301)	(233,958)	4,234	77	6,596	(1,263)	39,990	21,878	77,356,953	3,134	597	25,148,728	
Non-Claims Expense Adjustment	167,936	(325,027)	(23,790)	(157)	(777,546)	5,124	(209,309)	1,598	287,063	233,372	212,564	71,855	58,763	(297,554)	
IBNR, Incentive, Paid Claims Adjustment	11,543	(426,819)	344,451	(120,764)	(4,317,566)	(5,474)	205,986	316,193	4,787	858,658	1,700,070	(85,946)	449,838	(1,065,043)	
Total Medical Costs	71,626,453	76,311,140	3,228,909	73,696,401	74,755,703	79,333,670	75,939,534	79,392,380	86,772,505	86,383,866	164,164,093	86,971,753	91,103,435	1,049,679,842	
GROSS MARGIN	15,232,559	15,292,891	14,277,644	14,807,415	13,429,431	14,770,699	14,529,885	14,466,209	14,900,788	15,692,135	15,025,668	15,857,302	14,081,692	192,364,318	
Administrative:															
Compensation	2,375,693	2,835,739	2,732,099	2,597,575	2,636,509	2,613,272	2,456,357	2,766,869	2,772,584	2,908,104	2,457,160	2,691,957	2,748,394	34,592,312	
Purchased Services	903,379	1,142,683	859,845	819,771	421,612	689,841	745,537	1,172,530	818,908	824,152	941,200	986,086	996,889	11,322,433	
Supplies	59,208	29,774	71,551	63,919	71,111	34,967	106,489	39,305	57,592	57,416	4,446	131,712	57,943	785,433	
Depreciation	924,253	418,036	417,768	418,389	419,251	419,796	419,850	421,301	422,833	422,834	426,541	426,541	422,382	5,979,775	
Other Administrative Expenses	223,548	345,337	240,778	254,091	296,858	137,960	242,696	351,189	277,245	267,201	102,962	248,235	230,567	3,218,667	
Administrative Expense Adjustment	-	(212,229)	-	-	-	-	-	1,407,045	18,296	(271,318)	57,294	(5,010)	(215)	993,863	
Total Administrative Expenses	4,486,081	4,559,340	4,322,041	4,153,745	3,845,341	3,895,836	3,970,929	6,158,239	4,367,458	4,208,389	3,989,603	4,479,521	4,455,960	56,892,483	
TOTAL EXPENSES	76,112,534	80,870,480	7,550,950	77,850,146	78,601,044	83,229,506	79,910,463	85,550,619	91,139,963	90,592,255	168,153,696	91,451,274	95,559,395	1,106,572,325	
OPERATING INCOME (LOSS) BEFORE TAX	10,746,478	10,733,551	9,955,603	10,653,670	9,584,090	10,874,863	10,558,956	8,307,970	10,533,330	11,483,746	11,036,065	11,377,781	9,625,732	135,471,835	
MCO TAX	7,914,997	7,915,244	8,904,648	8,905,117	8,904,649	8,904,648	8,904,649	8,904,649	8,902,943	8,904,649	8,933,228	8,905,080	8,905,142	104,904,501	
OPERATING INCOME (LOSS) NET OF TAX	2,831,481	2,818,307	1,050,955	1,748,553	679,441	1,970,215	1,654,307	(596,679)	1,630,387	2,579,097	2,102,837	2,472,701	720,590	30,567,334	
TOTAL NONOPERATING REVENUE (EXPENSE)	(587,120)	(479,019)	462,756	(687,453)	(176,843)	(1,188,755)	(931,682)	1,433,032	(137,472)	(151,159)	(88,360)	(167,372)	(245,779)	(2,945,232)	
NET INCREASE (DECREASE) IN NET POSITION	2,244,361	2,339,288	1,513,711	1,061,100	502,598	781,460	722,625	836,353	1,492,915	2,427,938	2,014,471	2,305,329	474,811	27,622,102	
MEDICAL LOSS RATIO	89.1%	89.8%	91.4%	91.2%	92.8%	92.5%	91.6%	92.5%	93.1%	92.2%	94.3%	92.3%	94.9%	92.2%	
ADMINISTRATIVE EXPENSE RATIO	6.7%	6.4%	6.2%	5.8%	5.4%	5.2%	5.5%	8.2%	5.7%	5.5%	5.1%	5.7%	5.5%	5.9%	

KHS Finance Committee Meeting, August 6, 2021

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH MAY 31, 2021														
	MAY 2020	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	DECEMBER 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	13 MONTH TOTAL
ENROLLMENT														
Members - MCAL	256,134	259,592	261,732	264,749	278,100	272,481	275,080	277,452	278,517	276,880	282,972	284,587	287,199	3,555,475
REVENUES														
Title XIX - Medicaid - Family and Other	158.57	169.56	165.45	166.87	166.16	173.40	164.62	168.64	174.01	177.17	172.94	173.28	177.82	169.54
Title XIX - Medicaid - Expansion Members	373.98	388.48	377.98	376.19	379.54	393.46	371.41	384.47	388.83	397.58	382.20	385.72	382.40	381.51
Title XIX - Medicaid - SPD Members	938.61	987.39	981.08	972.23	972.22	945.03	1,012.68	989.03	957.28	816.21	1,005.21	978.42	1,008.27	964.37
Premium - MCO Tax	30.90	30.91	31.47	31.48	29.96	33.64	30.61	31.83	34.39	34.88	34.47	34.45	34.39	32.61
Premium - Hospital Directed Payments	45.35	46.80	(33.85)	34.42	32.77	36.53	33.86	35.10	54.29	55.01	45.76	51.78	51.57	37.96
Investment Earnings And Other Income	1.26	0.24	1.21	0.66	(0.05)	0.56	0.61	0.53	0.02	0.42	(0.88)	0.72	0.68	0.45
Reinsurance Recoveries	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
Rate Adjustments - Hospital Directed Payments	0.14	(0.04)	(198.96)	0.02	0.01	0.00	0.04	(0.01)	0.14	0.08	276.18	0.01	0.28	7.39
Rate/Income Adjustments	1.74	1.84	0.52	1.10	0.25	(2.14)	0.46	0.82	2.87	2.15	5.40	0.94	2.07	1.40
TOTAL REVENUES	339.12	352.88	66.89	334.29	317.10	345.36	328.88	338.29	365.05	368.67	633.24	361.33	366.24	349.33
EXPENSES														
Medical Costs:														
Physician Services	48.53	45.48	51.04	49.61	52.19	51.96	50.41	45.63	53.52	53.21	53.22	54.96	54.82	51.19
Other Professional Services	13.62	13.84	16.89	17.45	17.41	13.97	15.96	17.79	15.88	17.64	17.84	17.95	16.22	16.32
Emergency Room	16.45	12.96	13.95	18.18	17.71	17.67	16.86	11.51	16.79	15.97	15.38	15.74	17.49	15.91
Inpatient	56.26	65.93	65.27	62.83	64.29	62.89	62.57	69.14	71.28	69.78	62.12	64.72	71.65	65.37
Reinsurance Expense	0.27	0.28	0.29	0.29	0.28	0.28	0.31	0.28	0.29	0.29	0.28	0.28	0.29	0.29
Outpatient Hospital	20.30	24.84	24.63	26.04	24.47	24.42	22.58	23.66	25.52	23.87	25.30	30.51	30.79	25.21
Other Medical	42.40	35.44	43.96	34.20	50.46	47.40	39.84	47.11	38.21	37.61	41.84	34.73	38.16	40.88
Pharmacy	33.64	32.03	33.55	34.68	35.34	33.98	31.69	34.79	32.67	32.68	36.40	33.07	32.55	33.63
Pay for Performance Quality Incentive	1.98	2.00	2.00	2.00	1.90	2.04	1.98	0.00	1.90	1.91	1.86	1.90	1.88	1.79
Risk Corridor Expense	0.00	18.11	(7.64)	0.00	(9.71)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hospital Directed Payments	45.35	46.80	(33.85)	34.42	32.77	36.53	33.86	35.10	54.29	55.01	45.76	51.78	51.57	37.96
Hospital Directed Payment Adjustment	0.14	(0.04)	(198.96)	(0.88)	0.02	0.00	0.02	(0.00)	0.14	0.08	273.37	0.01	0.00	7.07
Non-Claims Expense Adjustment	0.66	(1.25)	(0.09)	(0.00)	(2.80)	0.02	(0.76)	0.01	1.03	0.84	0.75	0.25	0.20	(0.08)
IBNR, Incentive, Paid Claims Adjustment	0.05	(1.64)	1.32	(0.46)	(15.53)	(0.02)	0.75	1.14	0.02	3.10	6.01	(0.30)	1.57	(0.30)
Total Medical Costs	279.64	293.97	12.34	278.36	268.81	291.15	276.06	286.15	311.55	311.99	580.14	305.61	317.21	295.23
GROSS MARGIN	59.47	58.91	54.55	55.93	48.29	54.21	52.82	52.14	53.50	56.67	53.10	55.72	49.03	54.10
Administrative:														
Compensation	9.28	10.92	10.44	9.81	9.48	9.59	8.93	9.97	9.95	10.50	8.68	9.46	9.57	9.73
Purchased Services	3.53	4.40	3.29	3.10	1.52	2.53	2.71	4.23	2.94	2.98	3.33	3.46	3.47	3.18
Supplies	0.23	0.11	0.27	0.24	0.26	0.13	0.39	0.14	0.21	0.21	0.02	0.46	0.20	0.22
Depreciation	3.61	1.61	1.60	1.58	1.51	1.54	1.53	1.52	1.52	1.53	1.51	1.50	1.47	1.68
Other Administrative Expenses	0.87	1.33	0.92	0.96	1.07	0.51	0.88	1.27	1.00	0.97	0.36	0.87	0.80	0.91
Administrative Expense Adjustment	0.00	(0.82)	0.00	0.00	0.00	0.00	0.00	5.07	0.07	(0.98)	0.20	(0.02)	(0.00)	0.28
Total Administrative Expenses	17.51	17.56	16.51	15.69	13.83	14.30	14.44	22.20	15.68	15.20	14.10	15.74	15.52	16.00
TOTAL EXPENSES	297.16	311.53	28.85	294.05	282.64	305.45	290.50	308.34	327.23	327.19	594.24	321.35	332.73	311.23
OPERATING INCOME (LOSS) BEFORE TAX	41.96	41.35	38.04	40.24	34.46	39.91	38.39	29.94	37.82	41.48	39.00	39.98	33.52	38.10
MCO TAX	30.90	30.49	34.02	33.64	32.02	32.68	32.37	32.09	31.97	32.16	31.57	31.29	31.01	29.51
OPERATING INCOME (LOSS) NET OF TAX	11.05	10.86	4.02	6.60	2.44	7.23	6.01	(2.15)	5.85	9.31	7.43	8.69	2.51	8.60
TOTAL NONOPERATING REVENUE (EXPENSE)	(2.29)	(1.85)	1.77	(2.60)	(0.64)	(4.36)	(3.39)	5.16	(0.49)	(0.55)	(0.31)	(0.59)	(0.86)	(0.83)
NET INCREASE (DECREASE) IN NET POSITION	8.76	9.01	5.78	4.01	1.81	2.87	2.63	3.01	5.36	8.77	7.12	8.10	1.65	7.77
MEDICAL LOSS RATIO	89.1%	89.8%	91.4%	91.2%	92.8%	92.5%	91.6%	92.5%	93.1%	92.2%	94.3%	92.3%	94.9%	92.2%
ADMINISTRATIVE EXPENSE RATIO	6.7%	6.4%	6.2%	5.8%	5.4%	5.2%	5.5%	8.2%	5.7%	5.5%	5.1%	5.7%	5.5%	5.9%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED MAY 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			REVENUES			
			Title XIX - Medicaid - Family & Other			
26,986,849	24,749,254	2,237,595	Premium - Medi-Cal	132,435,081	123,416,564	9,018,517
2,126,708	2,520,887	(394,179)	Premium - Maternity Kick	11,153,627	12,604,435	(1,450,808)
61,155	79,115	(17,960)	Premium - Hep C Kick	205,306	393,910	(188,604)
631,939	489,027	142,912	Premium - BHT Kick	2,947,778	2,434,841	512,937
189,866	176,880	12,986	Premium - Health Home Kick	788,188	880,674	(92,486)
3,622,774	3,481,860	140,914	Premium - Provider Enhancement	17,872,036	17,350,821	521,215
180,487	169,133	11,354	Premium - Ground Emergency Medical Transportation	889,272	843,424	45,848
960,348	274,969	685,379	Premium - Behavioral Health Integration Program	1,976,045	1,369,055	606,990
112,540	91,806	20,734	Other	552,218	458,830	93,388
34,872,666	32,032,931	2,839,735	Total Title XIX - Medicaid - Family & Other	168,819,551	159,752,554	9,066,997
			Title XIX - Medicaid - Expansion Members			
25,789,947	24,002,303	1,787,644	Premium - Medi-Cal	127,135,037	120,011,515	7,123,522
362,406	214,253	148,153	Premium - Maternity Kick	1,818,868	1,071,265	747,603
183,465	202,017	(18,552)	Premium - Hep C Kick	995,954	1,010,084	(14,130)
301,756	356,121	(54,365)	Premium - Health Home Kick	1,363,380	1,780,605	(417,225)
1,520,185	1,455,050	65,135	Premium - Provider Enhancement	7,505,430	7,275,250	230,180
181,787	165,235	16,552	Premium - Ground Emergency Medical Transportation	897,372	826,175	71,197
357,334	102,122	255,212	Premium - Behavioral Health Integration Program	736,245	510,610	225,635
31,787	26,600	5,187	Other	156,390	133,000	23,390
28,728,667	26,523,701	2,204,966	Total Title XIX - Medicaid - Expansion Members	140,608,676	132,618,504	7,990,172
			Title XIX - Medicaid - SPD Members			
14,401,623	13,474,791	926,832	Premium - Medi-Cal	70,440,326	67,373,953	3,066,373
61,155	100,288	(39,133)	Premium - Hep C Kick	183,465	501,438	(317,973)
618,801	763,566	(144,765)	Premium - BHT Kick	2,701,658	3,817,829	(1,116,171)
256,710	351,842	(95,132)	Premium - Health Home Kick	1,194,125	1,759,210	(565,085)
470,233	454,632	15,601	Premium - Provider Enhancement	2,299,978	2,273,160	26,818
135,632	127,475	8,157	Premium - Ground Emergency Medical Transportation	663,396	637,375	26,021
80,356	22,041	58,315	Premium - Behavioral Health Integration Program	172,436	110,205	62,231
16,024,510	15,294,634	729,876	Total Title XIX - Medicaid - SPD Members	77,655,384	76,473,169	1,182,215

CURRENT MONTH			KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED MAY 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
3,699,457	3,061,917	(637,540)	PHYSICIAN SERVICES			
11,103,264	10,566,016	(537,248)	Primary Care Physician Services	16,756,142	15,268,009	(1,488,133)
932,687	1,497,910	565,223	Referral Specialty Services	52,899,115	52,733,460	(165,655)
9,300	9,300	-	Urgent Care & After Hours Advise	6,383,740	7,468,203	1,084,463
15,744,708	15,135,143	(609,565)	Hospital Admitting Team	45,300	45,300	-
			TOTAL PHYSICIAN SERVICES	76,084,297	75,514,973	(569,324)
			OTHER PROFESSIONAL SERVICES			
305,213	294,661	(10,552)	Vision Service Capitation	1,473,157	1,469,037	(4,120)
221,546	212,115	(9,431)	221 - Business Intelligence	1,069,141	1,060,575	(8,566)
602,089	597,920	(4,169)	310 - Health Services - Utilization Management - UM Allocation *	2,969,142	2,989,600	20,458
147,314	189,152	41,838	311 - Health Services - Quality Improvement - UM Allocation *	699,538	945,760	246,222
120,314	123,337	3,023	312 - Health Services - Education - UM Allocation *	580,325	616,683	36,358
76,277	80,283	4,006	313 - Health Services - Pharmacy - UM Allocation *	378,189	401,415	23,226
138,809	210,465	71,656	314 - Health Homes - UM Allocation *	672,807	1,052,325	379,518
269,323	270,692	1,369	315 - Case Management - UM Allocation *	1,342,973	1,353,460	10,487
56,419	56,773	354	616 - Disease Management - UM Allocation *	307,551	283,865	(23,686)
1,204,226	1,252,593	48,367	Behavior Health Treatment	5,933,145	6,252,669	319,524
43,140	189,347	146,207	Mental Health Services	767,583	945,223	177,640
1,473,713	1,246,660	(227,053)	Other Professional Services	7,926,145	6,223,309	(1,702,836)
4,658,383	4,723,998	65,615	TOTAL OTHER PROFESSIONAL SERVICES	24,119,696	23,593,921	(525,775)
5,023,372	5,560,012	536,640	EMERGENCY ROOM	22,953,790	27,730,771	4,776,981
20,578,157	15,391,962	(5,186,195)	INPATIENT HOSPITAL	95,750,313	76,837,854	(18,912,459)
84,297	79,981	(4,316)	REINSURANCE EXPENSE PREMIUM	406,872	398,743	(8,129)
8,842,725	6,983,754	(1,858,971)	OUTPATIENT HOSPITAL SERVICES	38,403,672	34,865,807	(3,537,865)
			OTHER MEDICAL			
1,314,492	1,548,758	234,266	Ambulance and NEMT	6,706,609	7,726,445	1,019,836
707,296	425,387	(281,909)	Home Health Services & CBAS	3,291,564	2,123,694	(1,167,870)
359,626	491,325	131,699	Utilization and Quality Review Expenses	2,080,137	2,456,625	376,488
1,114,812	1,299,960	185,148	Long Term/SNF/Hospice	6,839,556	6,494,278	(345,278)
228,752	394,456	165,704	Health Home Capitation & Incentive	1,368,427	1,969,120	600,693
5,342,952	5,119,662	(223,290)	Provider Enhancement Expense - Prop. 56	26,344,759	25,527,403	(817,356)
494,669	461,843	(32,826)	Provider Enhancement Expense - GEMT	2,096,645	2,306,974	210,329
-	-	-	Provider COVID-19 Expenses	2,125,900	-	(2,125,900)
1,398,038	399,132	(998,906)	Behavioral Health Integration Program	2,884,726	1,989,870	(894,856)
10,960,637	10,140,521	(820,116)	TOTAL OTHER MEDICAL	53,738,323	50,594,408	(3,143,915)
			PHARMACY SERVICES			
8,518,642	9,368,400	849,758	RX - Drugs & OTC	42,552,254	46,782,000	4,229,746
290,418	381,420	91,002	RX - HEP-C	1,309,846	1,905,433	595,587
690,067	769,571	79,504	Rx - DME	4,038,931	3,842,829	(196,102)
(149,643)	(33,302)	116,341	RX - Pharmacy Rebates	(689,643)	(166,299)	523,344
9,349,484	10,486,088	1,136,604	TOTAL PHARMACY SERVICES	47,211,388	52,363,963	5,152,575
540,715	524,011	(16,705)	PAY FOR PERFORMANCE QUALITY INCENTIVE	2,665,865	2,612,453	(53,413)
-	-	-	RISK CORRIDOR EXPENSE	-	-	-
14,811,759	14,032,808	(778,951)	HOSPITAL DIRECTED PAYMENTS	72,847,860	70,040,705	(2,807,155)
597	-	(597)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	77,422,552	-	(77,422,552)
58,763	-	(58,763)	NON-CLAIMS EXPENSE ADJUSTMENT	863,617	-	(863,617)
449,838	-	(449,838)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	2,927,407	-	(2,927,407)
91,103,435	83,058,279	(8,045,156)	Total Medical Costs	515,395,652	414,553,597	(100,842,055)

KHS7/21/2021
Management Use Only

* Medical costs per DMHC regulations

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED MAY 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
PHYSICIAN SERVICES						
12.88	11.10	(1.78)	Primary Care Physician Services	11.88	11.10	(0.78)
38.66	38.31	(0.35)	Referral Specialty Services	37.51	38.35	0.84
3.25	5.43	2.18	Urgent Care & After Hours Advise	4.53	5.43	0.90
0.03	0.03	0.00	Hospital Admitting Team	0.03	0.03	0.00
54.82	54.88	0.06	TOTAL PHYSICIAN SERVICES	53.95	54.92	0.97
OTHER PROFESSIONAL SERVICES						
1.06	1.07	0.01	Vision Service Capitation	1.04	1.07	0.02
0.77	0.77	(0.00)	221 - Business Intelligence	0.76	0.77	0.01
2.10	2.17	0.07	310 - Health Services - Utilization Management - UM Allocation *	2.11	2.17	0.07
0.51	0.69	0.17	311 - Health Services - Quality Improvement - UM Allocation *	0.50	0.69	0.19
0.42	0.45	0.03	312 - Health Services - Education - UM Allocation *	0.41	0.45	0.04
0.27	0.29	0.03	313 - Health Services - Pharmacy - UM Allocation *	0.27	0.29	0.02
0.48	0.76	0.28	314 - Health Homes - UM Allocation *	0.48	0.77	0.29
0.94	0.98	0.04	315 - Case Management - UM Allocation *	0.95	0.98	0.03
0.20	0.21	0.01	616 - Disease Management - UM Allocation *	0.22	0.21	(0.01)
4.19	4.54	0.35	Behavior Health Treatment	4.21	4.55	0.34
0.15	0.69	0.54	Mental Health Services	0.54	0.69	0.14
5.13	4.52	(0.61)	Other Professional Services	5.62	4.53	(1.09)
16.22	17.13	0.91	TOTAL OTHER PROFESSIONAL SERVICES	17.10	17.16	0.06
17.49	20.16	2.67	EMERGENCY ROOM	16.28	20.17	3.89
71.65	55.81	(15.84)	INPATIENT HOSPITAL	67.90	55.88	(12.02)
0.29	0.29	(0.00)	REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.00
30.79	25.32	(5.47)	OUTPATIENT HOSPITAL SERVICES	27.23	25.36	(1.88)
OTHER MEDICAL						
4.58	5.62	1.04	Ambulance and NEMT	4.76	5.62	0.86
2.46	1.54	(0.92)	Home Health Services & CBAS	2.33	1.54	(0.79)
1.25	1.78	0.53	Utilization and Quality Review Expenses	1.48	1.79	0.31
3.88	4.71	0.83	Long Term/SNF/Hospice	4.85	4.72	(0.13)
0.80	1.43	0.63	Health Home Capitation & Incentive	0.97	1.43	0.46
18.60	18.56	(0.04)	Provider Enhancement Expense - Prop. 56	18.68	18.57	(0.12)
1.72	1.67	(0.05)	Provider Enhancement Expense - GEMT	1.49	1.68	0.19
0.00	0.00	0.00	Provider COVID-19 Expenses	1.51	0.00	(1.51)
4.87	1.45	(3.42)	Behavioral Health Integration Program	2.05	1.45	(0.60)
38.16	36.77	(1.40)	TOTAL OTHER MEDICAL	38.11	36.80	(1.31)
PHARMACY SERVICES						
29.66	33.97	4.31	RX - Drugs & OTC	30.18	34.02	3.85
1.01	1.38	0.37	RX - HEP-C	0.93	1.39	0.46
2.40	2.79	0.39	Rx - DME	2.86	2.79	(0.07)
(0.52)	(0.12)	0.40	RX - Pharmacy Rebates	(0.49)	(0.12)	0.37
32.55	38.02	5.47	TOTAL PHARMACY SERVICES	33.48	38.08	4.60
1.88	1.90	0.02	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.89	1.90	0.01
0.00	0.00	0.00	RISK CORRIDOR EXPENSE	0.00	0.00	0.00
51.57	50.88	(0.69)	HOSPITAL DIRECTED PAYMENTS	51.66	50.94	(0.72)
0.00	0.00	(0.00)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	54.90	0.00	(54.90)
0.20	0.00	(0.20)	NON-CLAIMS EXPENSE ADJUSTMENT	0.61	0.00	(0.61)
1.57	0.00	(1.57)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	2.08	0.00	(2.08)
317.21	301.16	(16.05)	Total Medical Costs	365.49	301.50	(63.99)

* Medical costs per DMHC regulations

KHS Finance Committee Meeting, August 6, 2021

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH MAY 31, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	YEAR TO DATE 2021
PHYSICIAN SERVICES						
Primary Care Physician Services	2,962,264	2,963,060	3,567,494	3,563,867	3,699,457	16,756,142
Referral Specialty Services	10,512,215	10,171,851	9,997,168	11,114,617	11,103,264	52,899,115
Urgent Care & After Hours Advise	1,423,381	1,588,229	1,484,832	954,611	932,687	6,383,740
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	45,300
TOTAL PHYSICIAN SERVICES	14,907,160	14,731,540	15,058,794	15,642,095	15,744,708	76,084,297
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	294,054	292,442	292,443	289,005	305,213	1,473,157
221 - Business Intelligence	210,663	222,415	197,310	217,207	221,546	1,069,141
310 - Health Services - Utilization Management - UM Allocation *	595,003	563,907	605,345	602,798	602,089	2,969,142
311 - Health Services - Quality Improvement - UM Allocation *	138,388	123,443	154,295	136,098	147,314	699,538
312 - Health Services - Education - UM Allocation *	120,621	124,149	95,259	119,982	120,314	580,325
313 - Health Services - Pharmacy - UM Allocation *	75,046	75,369	75,552	75,945	76,277	378,189
314 - Health Homes - UM Allocation *	120,170	119,317	173,098	121,413	138,809	672,807
315 - Case Management - UM Allocation *	270,657	261,834	281,125	260,034	269,323	1,342,973
616 - Disease Management - UM Allocation *	62,998	58,064	72,219	57,851	56,419	307,551
Behavior Health Treatment	867,517	947,944	1,407,309	1,506,149	1,204,226	5,933,145
Mental Health Services	292,517	181,749	96,618	153,559	43,140	767,583
Other Professional Services	1,373,918	1,913,308	1,598,054	1,567,152	1,473,713	7,926,145
TOTAL OTHER PROFESSIONAL SERVICES	4,421,552	4,883,941	5,048,627	5,107,193	4,658,383	24,119,696
EMERGENCY ROOM	4,676,327	4,420,437	4,353,449	4,480,205	5,023,372	22,953,790
INPATIENT HOSPITAL	19,853,180	19,321,533	17,577,565	18,419,878	20,578,157	95,750,313
REINSURANCE EXPENSE PREMIUM	81,215	80,770	80,461	80,129	84,297	406,872
OUTPATIENT HOSPITAL SERVICES	7,108,674	6,610,422	7,160,111	8,681,740	8,842,725	38,403,672
OTHER MEDICAL						
Ambulance and NEMT	1,400,971	1,208,039	1,444,178	1,338,929	1,314,492	6,706,609
Home Health Services & CBAS	490,933	582,371	853,147	657,817	707,296	3,291,564
Utilization and Quality Review Expenses	228,696	372,499	688,633	430,683	359,626	2,080,137
Long Term/SNF/Hospice	1,616,577	1,132,832	1,933,711	1,041,624	1,114,812	6,839,556
Health Home Capitation & Incentive	211,140	294,005	334,675	299,855	228,752	1,368,427
Provider Enhancement Expense - Prop. 56	5,190,164	5,226,990	5,265,692	5,318,961	5,342,952	26,344,759
Provider Enhancement Expense - GEMT	456,380	456,381	265,311	423,904	494,669	2,096,645
Provider COVID-19 Expenses	674,580	767,440	683,880	-	-	2,125,900
Behaviorial Health Integration Program	371,672	371,672	371,672	371,672	1,398,038	2,884,726
TOTAL OTHER MEDICAL	10,641,113	10,412,229	11,840,899	9,883,445	10,960,637	53,738,323
PHARMACY SERVICES						
RX - Drugs & OTC	8,174,252	8,080,594	9,316,542	8,462,224	8,518,642	42,552,254
RX - HEP-C	245,144	264,815	249,449	260,020	290,418	1,309,846
Rx - DME	815,963	839,212	868,236	825,453	690,067	4,038,931
RX - Pharmacy Rebates	(135,000)	(135,000)	(135,000)	(135,000)	(149,643)	(689,643)
TOTAL PHARMACY SERVICES	9,100,359	9,049,621	10,299,227	9,412,697	9,349,484	47,211,388
PAY FOR PERFORMANCE QUALITY INCENTIVE	529,182	529,183	526,070	540,715	540,715	2,665,865
RISK CORRIDOR EXPENSE	-	-	-	-	-	-
HOSPITAL DIRECTED PAYMENTS	15,121,903	15,230,282	12,949,303	14,734,613	14,811,759	72,847,860
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	39,990	21,878	77,356,953	3,134	597	77,422,552
NON-CLAIMS EXPENSE ADJUSTMENT	287,063	233,372	212,564	71,855	58,763	863,617
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	4,787	858,658	1,700,070	(85,946)	449,838	2,927,407
Total Medical Costs	86,772,505	86,383,866	164,164,093	86,971,753	91,103,435	515,395,652

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH MAY 31, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	YEAR TO DATE 2021
PHYSICIAN SERVICES						
Primary Care Physician Services	10.64	10.70	12.61	12.52	12.88	11.88
Referral Specialty Services	37.74	36.74	35.33	39.06	38.66	37.51
Urgent Care & After Hours Advise	5.11	5.74	5.25	3.35	3.25	4.53
Hospital Admitting Team	0.03	0.03	0.03	0.03	0.03	0.03
TOTAL PHYSICIAN SERVICES	53.52	53.21	53.22	54.96	54.82	53.95
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	1.06	1.06	1.03	1.02	1.06	1.04
221 - Business Intelligence	0.76	0.80	0.70	0.76	0.77	0.76
310 - Health Services - Utilization Management - UM Allocation *	2.14	2.04	2.14	2.12	2.10	2.11
311 - Health Services - Quality Improvement - UM Allocation *	0.50	0.45	0.55	0.48	0.51	0.50
312 - Health Services - Education - UM Allocation *	0.43	0.45	0.34	0.42	0.42	0.41
313 - Health Services - Pharmacy - UM Allocation *	0.27	0.27	0.27	0.27	0.27	0.27
314 - Health Homes - UM Allocation *	0.43	0.43	0.61	0.43	0.48	0.48
315 - Case Management - UM Allocation *	0.97	0.95	0.99	0.91	0.94	0.95
616 - Disease Management - UM Allocation *	0.23	0.21	0.26	0.20	0.20	0.22
Behavior Health Treatment	3.11	3.42	4.97	5.29	4.19	4.21
Mental Health Services	1.05	0.66	0.34	0.54	0.15	0.54
Other Professional Services	4.93	6.91	5.65	5.51	5.13	5.62
TOTAL OTHER PROFESSIONAL SERVICES	15.88	17.64	17.84	17.95	16.22	17.10
EMERGENCY ROOM	16.79	15.97	15.38	15.74	17.49	16.28
INPATIENT HOSPITAL	71.28	69.78	62.12	64.72	71.65	67.90
REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.28	0.28	0.29	0.29
OUTPATIENT HOSPITAL SERVICES	25.52	23.87	25.30	30.51	30.79	27.23
OTHER MEDICAL						
Ambulance and NEMT	5.03	4.36	5.10	4.70	4.58	4.76
Home Health Services & CBAS	1.76	2.10	3.01	2.31	2.46	2.33
Utilization and Quality Review Expenses	0.82	1.35	2.43	1.51	1.25	1.48
Long Term/SNF/Hospice	5.80	4.09	6.83	3.66	3.88	4.85
Health Home Capitation & Incentive	0.76	1.06	1.18	1.05	0.80	0.97
Provider Enhancement Expense - Prop. 56	18.63	18.88	18.61	18.69	18.60	18.68
Provider Enhancement Expense - GEMT	1.64	1.65	0.94	1.49	1.72	1.49
Provider COVID-19 Expenses	2.42	2.77	2.42	0.00	0.00	1.51
Behavioral Health Integration Program	1.33	1.34	1.31	1.31	4.87	2.05
TOTAL OTHER MEDICAL	38.21	37.61	41.84	34.73	38.16	38.11
PHARMACY SERVICES						
RX - Drugs & OTC	29.35	29.18	32.92	29.74	29.66	30.18
RX - HEP-C	0.88	0.96	0.88	0.91	1.01	0.93
Rx - DME	2.93	3.03	3.07	2.90	2.40	2.86
RX - Pharmacy Rebates	(0.48)	(0.49)	(0.48)	(0.47)	(0.52)	(0.49)
TOTAL PHARMACY SERVICES	32.67	32.68	36.40	33.07	32.55	33.48
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.90	1.91	1.86	1.90	1.88	1.89
RISK CORRIDOR EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00
HOSPITAL DIRECTED PAYMENTS	54.29	55.01	45.76	51.78	51.57	51.66
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	0.14	0.08	273.37	0.01	0.00	54.90
NON-CLAIMS EXPENSE ADJUSTMENT	1.03	0.84	0.75	0.25	0.20	0.61
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.02	3.10	6.01	(0.30)	1.57	2.08
Total Medical Costs	311.55	311.99	580.14	305.61	317.21	365.49

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED MAY 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
482,689	377,031	(105,658)	110 - Executive	1,885,883	1,885,156	(727)
86,601	212,651	126,050	210 - Accounting	921,892	1,063,256	141,364
349,136	362,443	13,307	220 - Management Information Systems	1,813,316	1,812,216	(1,100)
46,180	64,468	18,288	221 - Business Intelligence	58,488	322,340	263,852
261,073	281,931	20,858	222 - Enterprise Development	1,215,614	1,409,655	194,041
459,371	448,524	(10,847)	225 - Infrastructure	1,914,833	2,242,618	327,785
542,410	576,323	33,913	230 - Claims	2,665,017	2,881,615	216,598
127,251	149,779	22,528	240 - Project Management	595,903	748,897	152,994
116,283	101,775	(14,508)	310 - Health Services - Utilization Management	536,581	508,874	(27,707)
20,088	27,902	7,814	311 - Health Services - Quality Improvement	95,428	139,511	44,083
-	55	55	312 - Health Services - Education	59	275	216
145,687	142,146	(3,541)	313- Pharmacy	723,659	710,729	(12,930)
-	6,642	6,642	314 - Health Homes	4,225	33,208	28,983
23,420	22,357	(1,063)	315 - Case Management	116,781	111,784	(4,997)
29,065	29,325	260	616 - Disease Management	158,452	146,626	(11,826)
295,300	323,502	28,202	320 - Provider Network Management	1,379,346	1,617,512	238,166
566,155	656,475	90,320	330 - Member Services	2,889,407	3,282,376	392,969
567,567	702,275	134,708	340 - Corporate Services	2,811,213	3,511,374	700,161
61,212	66,363	5,151	360 - Audit & Investigative Services	312,049	331,815	19,766
21,513	69,250	47,737	410 - Advertising Media	225,102	346,250	121,148
51,803	73,950	22,147	420 - Sales/Marketing/Public Relations	287,158	369,748	82,590
203,371	251,455	48,084	510 - Human Resources	1,091,478	1,257,275	165,797
(215)	-	215	Administrative Expense Adjustment	(200,953)	-	200,953
4,455,960	4,946,622	490,662	Total Administrative Expenses	21,500,931	24,733,111	3,232,180

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED MAY 31, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	YEAR TO DATE 2021
110 - Executive	353,943	483,744	293,288	272,219	482,689	1,885,883
210 - Accounting	203,619	198,129	146,511	287,032	86,601	921,892
220 - Management Information Systems (MIS)	340,212	345,719	394,230	384,019	349,136	1,813,316
221 - Business Intelligence	-	-	-	12,308	46,180	58,488
222 - Enterprise Development	250,306	269,236	185,800	249,199	261,073	1,215,614
225 - Infrastructure	365,340	337,172	345,070	407,880	459,371	1,914,833
230 - Claims	550,124	558,095	460,086	554,302	542,410	2,665,017
240 - Project Management	99,808	119,159	128,304	121,381	127,251	595,903
310 - Health Services - Utilization Management	103,641	120,732	82,239	113,686	116,283	536,581
311 - Health Services - Quality Improvement	18,870	16,833	21,040	18,597	20,088	95,428
312 - Health Services - Education	-	-	-	59	-	59
313- Pharmacy	141,859	137,379	151,340	147,394	145,687	723,659
314 - Health Homes	-	-	4,225	-	-	4,225
315 - Case Management	23,536	22,769	24,444	22,612	23,420	116,781
616 - Disease Management	32,453	29,912	37,220	29,802	29,065	158,452
320 - Provider Network Management	304,995	273,211	231,758	274,082	295,300	1,379,346
330 - Member Services	567,625	586,939	545,846	622,842	566,155	2,889,407
340 - Corporate Services	561,450	559,640	535,874	586,682	567,567	2,811,213
360 - Audit & Investigative Services	68,976	83,366	38,089	60,406	61,212	312,049
410 - Advertising Media	27,368	39,637	81,326	55,258	21,513	225,102
420 - Sales/Marketing/Public Relations	53,401	69,703	46,252	65,999	51,803	287,158
510 - Human Resources	281,636	228,332	179,367	198,772	203,371	1,091,478
Total Department Expenses	4,349,162	4,479,707	3,932,309	4,484,531	4,456,175	21,701,884
ADMINISTRATIVE EXPENSE ADJUSTMENT	18,296	(271,318)	57,294	(5,010)	(215)	(200,953)
Total Administrative Expenses	4,367,458	4,208,389	3,989,603	4,479,521	4,455,960	21,500,931

KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF MAY 31, 2021			
ASSETS	MAY 2021	APRIL 2021	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,136,738	\$ 1,136,738	-
Interest Receivable	822	411	411
TOTAL CURRENT ASSETS	\$ 1,137,560	\$ 1,137,149	\$ 411
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Other Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	\$ -	\$ -	\$ -
NET POSITION:			
Net Position- Beg. of Year	1,138,066	1,138,066	-
Increase (Decrease) in Net Position - Current Year	(506)	(917)	411
Total Net Position	\$ 1,137,560	\$ 1,137,149	\$ 411
TOTAL LIABILITIES AND NET POSITION	\$ 1,137,560	\$ 1,137,149	\$ 411

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED MAY 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
ENROLLMENT						
-	-	-	Members	-	-	-
REVENUES						
-	-	-	Premium	-	-	-
411	-	411	Interest	2,057	-	2,057
-	-	-	Other Investment Income	(2,563)	-	(2,563)
411	-	411	TOTAL REVENUES	(506)	-	(506)
EXPENSES						
-	-	-	Medical Costs	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-
-	-	-	Total Medical Costs	-	-	-
411	-	411	GROSS MARGIN	(506)	-	(506)
-	-	-	Administrative	-	-	-
-	-	-	Management Fee Expense and Other Admin Exp	-	-	-
-	-	-	Total Administrative Expenses	-	-	-
-	-	-	TOTAL EXPENSES	-	-	-
411	-	411	OPERATING INCOME (LOSS)	(506)	-	(506)
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-
411	-	411	NET INCREASE (DECREASE) IN NET POSITION	(506)	-	(506)
0%	0%	0%	MEDICAL LOSS RATIO	0%	0%	0%
0%	0%	0%	ADMINISTRATIVE EXPENSE RATIO	0%	0%	0%

KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT

KERN HEALTH SYSTEMS

MEDI-CAL		2021 MEMBER MONTHS	JAN'21	FEB'21	MAR'21	APR'21	MAY'21	JUN'21	JUL'21	AUG'21	SEP'21	OCT'21	NOV'21	DEC'21
ADULT AND FAMILY														
ADULT	265,408		51,548	53,449	52,941	53,378	54,092	0	0	0	0	0	0	0
CHILD	658,845		131,669	126,764	133,240	133,228	133,944	0	0	0	0	0	0	0
SUB-TOTAL ADULT & FAMILY	924,253		183,217	180,213	186,181	186,606	188,036	0	0	0	0	0	0	0
OTHER MEMBERS														
PARTIAL DUALS - FAMILY	2,594		403	523	529	576	563	0	0	0	0	0	0	0
PARTIAL DUALS - CHILD	-1		0	-1	0	0	0	0	0	0	0	0	0	0
PARTIAL DUALS - BCCTP	10		2	2	2	2	2	0	0	0	0	0	0	0
BCCTP - TABACCO SETTLEMENT	0		0	0	0	0	0	0	0	0	0	0	0	0
FULL DUALS (SPD)														
SPD FULL DUALS	37,738		7,484	7,591	7,505	7,523	7,635	0	0	0	0	0	0	0
SUBTOTAL OTHER MEMBERS	40,341		7,889	8,115	8,036	8,101	8,200	0	0	0	0	0	0	0
TOTAL FAMILY & OTHER	964,594		191,106	188,328	194,217	194,707	196,236	0	0	0	0	0	0	0
SPD														
SPD (AGED AND DISABLED)	81,794		16,011	18,829	15,328	15,870	15,756	0	0	0	0	0	0	0
MEDI-CAL EXPANSION														
ACA Expansion Adult-Citizen	359,682		70,649	69,251	72,532	73,089	74,161	0	0	0	0	0	0	0
ACA Expansion Duals	4,085		751	472	895	921	1,046	0	0	0	0	0	0	0
SUB-TOTAL MED-CAL EXPANSION	363,767		71,400	69,723	73,427	74,010	75,207	0	0	0	0	0	0	0
TOTAL KAISER	56,789		11,047	11,196	11,349	11,505	11,692	0	0	0	0	0	0	0
TOTAL MEDI-CAL MEMBERS	1,466,944		289,564	288,076	294,321	296,092	298,891	0	0	0	0	0	0	0



To: KHS Finance Committee

From: Robert Landis, CFO

Date: August 6, 2021

Re: June 30, 2021 Financial Results

The June results reflect a \$823,022 Net Increase in Net Position which is a \$1,075,831 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$15.9 million favorable variance primarily due to:
 - A) \$5.5 million favorable variance primarily due to higher than expected budgeted membership.
 - B) \$2.0 million favorable variance in the Behavioral Health Integration Incentive Program primarily due to a timing difference of incurred expenses by participating program providers and is offset against amounts included in 2C below.
 - C) \$1.1 million favorable variance in MCO Tax Premiums primarily due to receiving revised MCO Tax rates for calendar year 2021 from DHCS and higher than expected budgeted membership.
 - D) \$8.1 million favorable variance in Premium-Hospital Directed Payments primarily due to receiving updated rates for calendar year 2021 from DHCS (approximately \$6 million for the period January-May) and higher than expected membership offset against amounts included in 2D below.

- 2) Total Medical Costs reflect a \$15.6 million unfavorable variance primarily due to:
 - A) \$5.3 million unfavorable variance in Inpatient primarily due to higher than expected utilization over the last several months.
 - B) \$1.8 million unfavorable variance in Outpatient Hospital due to higher than expected utilization.
 - C) \$2.3 million unfavorable variance in Other Medical primarily from Behavioral Health Integration Incentive Program Expense occurring from a timing difference of incurred expenses by participating program providers and is offset against amounts included in 1B above.

- D) \$8.1 million unfavorable variance in Hospital Directed Payments primarily due to receiving updated rates for calendar year 2021 from DHCS (approximately \$6 million for the period January-May) and higher than expected membership offset against amounts included in 1D above.
- E) \$2.2 million favorable variance primarily from IBNR Adjustments relating to the prior year.

The June Medical Loss Ratio is 94.6% which is unfavorable to the 93.2% budgeted amount. The June Administrative Expense Ratio is 5.4% which is favorable to the 6.7% budgeted amount.

The results for the 6 months ended June 30, 2021 reflect a Net Increase in Net Position of \$9,538,486. This is a \$10,633,779 favorable variance to budget and includes approximately \$3.2 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 93.6 % which is unfavorable to the 93.1% budgeted amount. The year-to-date Administrative Expense Ratio is 5.5% which is favorable to the 6.7% budgeted amount.

**Kern Health Systems
Financial Packet
June 2021**

KHS – Medi-Cal Line of Business

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KHS Group Health Plan – Healthy Families Line of Business

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KHS Administrative Analysis and Other Reporting

Monthly Member Count	Page 15
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF JUNE 30, 2021			
ASSETS	JUNE 2021	MAY 2021	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 79,830,015	\$ 122,347,895	\$ (42,517,880)
Short-Term Investments	177,394,888	134,643,645	42,751,243
Premiums Receivable - Net	106,156,355	105,682,122	474,233
Premiums Receivable - Hospital Direct Payments	298,099,551	275,957,375	22,142,176
Interest Receivable	584,568	173,916	410,652
Provider Advance Payment	5,286,547	5,468,548	(182,001)
Other Receivables	1,015,728	1,282,710	(266,982)
Prepaid Expenses & Other Current Assets	2,222,270	1,844,150	378,120
Total Current Assets	\$ 670,589,922	\$ 647,400,361	\$ 23,189,561
CAPITAL ASSETS - NET OF ACCUM DEP:RE:			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,841,168	1,887,883	(46,715)
Computer Hardware and Software - Net	13,407,181	13,678,855	(271,674)
Building and Building Improvements - Net	34,894,116	34,969,810	(75,694)
Capital Projects in Progress	13,417,023	13,324,442	92,581
Total Capital Assets	\$ 67,650,194	\$ 67,951,696	\$ (301,502)
LONG TERM ASSETS:			
Restricted Investments	300,000	300,000	-
Officer Life Insurance Receivables	1,597,244	1,556,621	40,623
Total Long Term Assets	\$ 1,897,244	\$ 1,856,621	\$ 40,623
DEFERRED OUTFLOWS OF RESOURCES	\$ 3,018,341	\$ 3,018,341	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 743,155,701	\$ 720,227,019	\$ 22,928,682
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accrued Salaries and Employee Benefits	\$ 3,653,652	\$ 4,366,553	(712,901)
Accrued Other Operating Expenses	1,378,654	1,362,738	15,916
Accrued Taxes and Licenses	26,564,073	17,659,424	8,904,649
Claims Payable (Reported)	17,483,523	25,382,584	(7,899,061)
IBNR - Inpatient Claims	34,190,863	38,338,820	(4,147,957)
IBNR - Physician Claims	15,134,753	15,349,160	(214,407)
IBNR - Accrued Other Medical	23,891,464	22,047,294	1,844,170
Risk Pool and Withholds Payable	7,520,158	6,974,486	545,672
Statutory Allowance for Claims Processing Expense	2,157,367	2,225,904	(68,537)
Other Liabilities	69,337,902	67,641,962	1,695,940
Accrued Hospital Directed Payments	298,099,561	275,957,385	22,142,176
Total Current Liabilities	\$ 499,411,970	\$ 477,306,310	\$ 22,105,660
NONCURRENT LIABILITIES:			
Net Pension Liability	7,032,377	7,032,377	-
TOTAL NONCURRENT LIABILITIES	\$ 7,032,377	\$ 7,032,377	\$ -
DEFERRED INFLOWS OF RESOURCES	\$ 86,684	\$ 86,684	\$ -
NET POSITION:			
Net Position - Beg. of Year	227,086,184	227,086,184	-
Increase (Decrease) in Net Position - Current Year	9,538,486	8,715,464	823,022
Total Net Position	\$ 236,624,670	\$ 235,801,648	\$ 823,022
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 743,155,701	\$ 720,227,019	\$ 22,928,682

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, 2021			YEAR-TO-DATE MEMBER MONTHS		
						ACTUAL	BUDGET	VARIANCE
189,407	183,400	6,007	Family Members	1,113,660	1,094,400	19,260		
76,037	70,565	5,472	Expansion Members	439,804	423,390	16,414		
15,645	15,230	415	SPD Members	97,439	91,380	6,059		
8,220	7,000	1,220	Other Members	48,561	42,000	6,561		
11,852	10,500	1,352	Kaiser Members	68,641	63,000	5,641		
301,161	286,695	14,466	Total Members - MCAL	1,768,105	1,714,170	53,935		
			REVENUES					
35,878,342	32,074,141	3,804,201	Title XIX - Medicaid - Family and Other	204,697,893	191,826,695	12,871,198		
29,533,533	26,523,701	3,009,832	Title XIX - Medicaid - Expansion Members	170,142,209	159,142,205	11,000,004		
15,971,978	15,294,634	677,344	Title XIX - Medicaid - SPD Members	93,627,362	91,767,803	1,859,559		
9,961,634	8,904,649	1,056,985	Premium - MCO Tax	58,631,674	53,427,893	5,203,782		
22,138,233	14,045,142	8,093,091	Premium - Hospital Directed Payments	94,986,083	84,085,846	10,900,237		
(408,458)	166,492	(574,950)	Investment Earnings And Other Income	(136,137)	993,704	(1,129,841)		
-	80,097	(80,097)	Reinsurance Recoveries	-	478,839	(478,839)		
4,445	-	4,445	Rate Adjustments - Hospital Directed Payments	78,299,687	-	78,299,687		
(93,658)	-	(93,658)	Rate/Income Adjustments	3,690,515	-	3,690,515		
112,986,049	97,088,854	15,897,195	TOTAL REVENUES	703,939,286	581,722,985	122,216,301		
			EXPENSES					
			Medical Costs:					
16,190,717	15,151,218	(1,039,499)	Physician Services	92,275,014	90,666,191	(1,608,823)		
4,460,451	4,726,605	266,154	Other Professional Services	28,580,147	28,320,526	(259,621)		
5,040,670	5,566,942	526,272	Emergency Room	27,994,460	33,297,713	5,303,253		
20,739,625	15,404,157	(5,335,468)	Inpatient	116,489,938	92,242,012	(24,247,926)		
82,530	80,097	(2,433)	Reinsurance Expense	489,402	478,839	(10,563)		
8,800,023	6,989,050	(1,810,973)	Outpatient Hospital	47,203,695	41,854,857	(5,348,838)		
12,430,651	10,151,341	(2,279,310)	Other Medical	66,168,974	60,745,749	(5,423,225)		
10,442,688	10,492,736	50,048	Pharmacy	57,654,076	62,856,699	5,202,623		
545,673	524,771	(20,903)	Pay for Performance Quality Incentive	3,211,538	3,137,223	(74,315)		
-	-	-	Risk Corridor Expense	-	-	-		
22,138,233	14,045,142	(8,093,091)	Hospital Directed Payments	94,986,093	84,085,846	(10,900,247)		
3,943	-	(3,943)	Hospital Directed Payment Adjustment	77,426,495	-	(77,426,495)		
46,953	-	(46,953)	Non-Claims Expense Adjustment	910,570	-	(910,570)		
(2,226,487)	-	2,226,487	IBNR, Incentive, Paid Claims Adjustment	700,920	-	(700,920)		
98,695,670	83,132,058	(15,563,612)	Total Medical Costs	614,091,322	497,685,655	(116,405,667)		
14,290,379	13,956,796	333,583	GROSS MARGIN	89,847,964	84,037,330	5,810,634		
			Administrative:					
2,731,289	2,881,030	149,741	Compensation	16,309,488	17,161,182	851,694		
985,876	1,071,006	85,130	Purchased Services	5,553,111	6,426,036	872,925		
85,576	133,106	47,530	Supplies	394,685	798,637	403,952		
425,837	500,520	74,683	Depreciation	2,546,968	3,003,122	456,154		
233,637	385,959	152,322	Other Administrative Expenses	1,359,847	2,315,755	955,908		
(63,654)	-	63,654	Administrative Expense Adjustment	(264,607)	-	264,607		
4,398,561	4,971,622	573,061	Total Administrative Expenses	25,899,492	29,704,733	3,805,241		
103,094,231	88,103,680	(14,990,551)	TOTAL EXPENSES	639,990,814	527,390,388	(112,600,426)		
9,891,818	8,985,174	906,644	OPERATING INCOME (LOSS) BEFORE TAX	63,948,472	54,332,598	9,615,874		
8,904,648	8,904,649	1	MCO TAX	53,455,690	53,427,893	(27,798)		
987,170	80,525	906,645	OPERATING INCOME (LOSS) NET OF TAX	10,492,782	904,705	9,588,077		
			NONOPERATING REVENUE (EXPENSE)					
-	-	-	Gain on Sale of Assets	-	-	-		
(81,396)	(166,667)	85,271	Provider Recruitment and Retention Grants	(412,630)	(1,000,000)	587,370		
(82,752)	(166,667)	83,915	Health Home	(541,666)	(999,998)	458,332		
(164,148)	(333,334)	169,186	TOTAL NONOPERATING REVENUE (EXPENSE)	(954,296)	(1,999,998)	1,045,702		
823,022	(252,809)	1,075,831	NET INCREASE (DECREASE) IN NET POSITION	9,538,486	(1,095,293)	10,633,779		
94.6%	93.2%	-1.5%	MEDICAL LOSS RATIO	93.6%	93.1%	-0.5%		
5.4%	6.7%	1.3%	ADMINISTRATIVE EXPENSE RATIO	5.5%	6.7%	1.2%		

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED JUNE 30, 2021			YEAR-TO-DATE		
						ACTUAL	BUDGET	VARIANCE
			ENROLLMENT					
189,407	183,400	6,007	Family Members	1,113,660	1,094,400	19,260		
76,037	70,565	5,472	Expansion Members	439,804	423,390	16,414		
15,645	15,230	415	SPD Members	97,439	91,380	6,059		
8,220	7,000	1,220	Other Members	48,561	42,000	6,561		
11,852	10,500	1,352	Kaiser Members	68,641	63,000	5,641		
301,161	286,695	14,466	Total Members - MCAL	1,768,105	1,714,170	53,935		
			REVENUES					
181.55	168.46	13.09	Title XIX - Medicaid - Family and Other	176.13	168.80	7.32		
388.41	375.88	12.53	Title XIX - Medicaid - Expansion Members	386.86	375.88	10.98		
1,020.90	1,004.24	16.66	Title XIX - Medicaid - SPD Members	960.88	1,004.24	(43.36)		
34.43	32.24	2.19	Premium - MCO Tax	34.50	32.36	2.14		
76.52	50.85	25.67	Premium - Hospital Directed Payments	55.89	50.93	4.97		
(1.41)	0.60	(2.01)	Investment Earnings And Other Income	(0.08)	0.60	(0.68)		
0.00	0.29	(0.29)	Reinsurance Recoveries	0.00	0.29	(0.29)		
0.02	0.00	0.02	Rate Adjustments - Hospital Directed Payments	46.07	0.00	46.07		
(0.32)	0.00	(0.32)	Rate/Income Adjustments	2.17	0.00	2.17		
390.54	351.52	39.01	TOTAL REVENUES	414.21	352.31	61.90		
			EXPENSES					
			Medical Costs:					
55.96	54.86	(1.11)	Physician Services	54.30	54.91	0.61		
15.42	17.11	1.70	Other Professional Services	16.82	17.15	0.33		
17.42	20.16	2.73	Emergency Room	16.47	20.17	3.69		
71.69	55.77	(15.91)	Inpatient	68.55	55.86	(12.68)		
0.29	0.29	0.00	Reinsurance Expense	0.29	0.29	0.00		
30.42	25.30	(5.11)	Outpatient Hospital	27.78	25.35	(2.43)		
42.97	36.75	(6.21)	Other Medical	38.94	36.79	(2.15)		
36.10	37.99	1.90	Pharmacy	33.92	38.07	4.14		
1.89	1.90	0.01	Pay for Performance Quality Incentive	1.89	1.90	0.01		
0.00	0.00	0.00	Risk Corridor Expense	0.00	0.00	0.00		
76.52	50.85	(25.67)	Hospital Directed Payments	55.89	50.93	(4.97)		
0.01	0.00	(0.01)	Hospital Directed Payment Adjustment	45.56	0.00	(45.56)		
0.16	0.00	(0.16)	Non-Claims Expense Adjustment	0.54	0.00	(0.54)		
(7.70)	0.00	7.70	IBNR, Incentive, Paid Claims Adjustment	0.41	0.00	(0.41)		
341.14	300.99	(40.15)	Total Medical Costs	361.34	301.41	(59.93)		
49.39	50.53	(1.14)	GROSS MARGIN	52.87	50.90	1.97		
			Administrative:					
9.44	10.43	0.99	Compensation	9.60	10.39	0.80		
3.41	3.88	0.47	Purchased Services	3.27	3.89	0.62		
0.30	0.48	0.19	Supplies	0.23	0.48	0.25		
1.47	1.81	0.34	Depreciation	1.50	1.82	0.32		
0.81	1.40	0.59	Other Administrative Expenses	0.80	1.40	0.60		
(0.22)	0.00	0.22	Administrative Expense Adjustment	(0.16)	0.00	0.16		
15.20	18.00	2.80	Total Administrative Expenses	15.24	17.99	2.75		
356.35	318.99	(37.36)	TOTAL EXPENSES	376.58	319.40	(57.18)		
34.19	32.53	1.66	OPERATING INCOME (LOSS) BEFORE TAX	37.63	32.91	4.72		
30.78	32.24	1.46	MCO TAX	31.45	32.36	0.90		
3.41	0.29	3.12	OPERATING INCOME (LOSS) NET OF TAX	6.17	0.55	5.63		
			NONOPERATING REVENUE (EXPENSE)					
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00		
(0.28)	(0.60)	0.32	Reserve Fund Projects/Community Grants	(0.24)	(0.61)	0.36		
(0.29)	(0.60)	0.32	Health Home	(0.32)	(0.61)	0.29		
(0.57)	(1.21)	0.64	TOTAL NONOPERATING REVENUE (EXPENSE)	(0.56)	(1.21)	0.65		
2.84	(0.92)	3.76	NET INCREASE (DECREASE) IN NET POSITION	5.61	(0.66)	6.28		
94.6%	93.2%	-1.5%	MEDICAL LOSS RATIO	93.6%	93.1%	-0.5%		
5.4%	6.7%	1.3%	ADMINISTRATIVE EXPENSE RATIO	5.5%	6.7%	1.2%		

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH JUNE 30, 2021	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	DECEMBER 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	13 MONTH TOTAL
ENROLLMENT														
Members - MCAL	259,592	261,732	264,749	278,100	272,481	275,080	277,452	278,517	276,880	282,972	284,587	287,199	289,309	3,588,650
REVENUES														
Title XIX - Medicaid - Family and Other	30,522,053	29,997,411	30,548,160	30,419,692	33,387,274	30,920,896	32,216,002	33,254,490	33,365,704	33,597,650	33,739,941	34,872,666	35,879,242	422,708,581
Title XIX - Medicaid - Expansion Members	24,776,875	24,533,357	24,848,094	25,069,155	27,568,938	25,504,052	27,197,954	27,548,311	27,720,576	28,063,951	28,547,171	28,728,667	29,533,533	349,640,634
Title XIX - Medicaid - SPD Members	15,603,750	15,224,387	15,192,022	15,191,965	14,457,143	16,007,482	15,504,966	15,326,978	15,368,431	15,407,903	15,527,562	16,024,510	15,971,978	200,809,077
Premium - MCO Tax	8,023,287	8,236,232	8,333,151	8,332,682	9,166,454	8,420,487	8,830,398	9,577,432	9,657,982	9,752,737	9,805,142	9,876,747	9,961,634	117,974,365
Premium - Hospital Directed Payments	12,149,677	(8,860,821)	9,112,870	9,112,869	9,955,034	9,313,088	9,738,038	15,121,903	15,230,282	12,949,303	14,734,613	14,811,749	22,138,233	145,506,838
Investment Earnings And Other Income	62,534	315,583	173,465	(14,474)	151,948	166,556	147,197	4,303	116,471	(249,580)	205,894	195,233	(408,458)	866,672
Reinsurance Recoveries	(10,733)	(52,075,301)	4,234	2,924	77	10,627	(2,692)	39,990	21,877	78,150,342	3,134	79,899	4,445	26,228,823
Rate Adjustments - Hospital Directed Payments	476,588	135,705	291,820	70,321	(582,499)	127,031	226,726	799,886	594,678	1,527,455	266,498	595,656	(93,658)	4,436,207
TOTAL REVENUES	91,604,031	17,506,553	88,503,816	88,185,134	94,104,369	90,469,419	93,858,589	101,673,293	102,076,001	179,189,761	102,829,055	105,185,127	112,986,649	1,268,171,197
EXPENSES														
Medical Costs														
Physician Services	11,806,601	13,357,636	13,134,194	14,514,021	14,157,774	13,867,872	12,660,363	14,907,160	14,731,540	15,058,794	15,642,095	15,744,708	16,190,717	185,773,475
Other Professional Services	3,385,134	4,421,687	4,619,091	4,841,378	3,806,785	4,389,484	4,935,401	4,421,552	4,883,941	5,048,627	5,107,193	4,658,383	4,460,451	58,979,107
Emergency Room	3,363,172	3,651,975	4,813,363	4,926,659	4,814,428	4,638,713	3,194,257	4,627,327	4,420,437	4,353,449	4,480,205	5,023,372	5,040,670	57,396,427
Inpatient	17,115,732	17,082,368	16,635,497	17,879,275	17,137,251	17,212,070	19,183,080	19,853,180	19,321,533	17,577,565	18,419,878	20,578,157	20,739,625	238,735,211
Reinsurance Expense	73,356	75,202	76,284	76,523	77,652	84,521	77,390	81,215	80,770	80,461	80,129	84,297	82,530	1,030,330
Outpatient Hospital	6,447,664	6,446,825	6,894,371	6,804,640	6,653,372	6,209,999	6,565,195	7,108,674	6,610,422	7,160,111	8,681,740	8,842,725	8,800,023	93,225,761
Other Medical	9,199,742	11,504,806	9,055,443	14,033,235	12,916,278	10,958,385	13,070,247	10,641,113	10,412,229	11,840,899	9,883,445	10,900,637	12,430,651	146,907,110
Pharmacy	8,313,457	8,780,407	9,180,669	9,829,083	9,259,169	8,717,167	9,651,881	9,100,359	9,049,621	10,299,227	9,412,697	9,349,484	10,442,688	121,385,909
Pay for Performance Quality Incentive	519,184	523,464	529,498	529,498	556,200	544,962	-	529,182	529,183	526,070	540,715	540,715	545,673	6,414,344
Risk Corridor Expense	4,700,000	(2,000,000)	-	(2,700,000)	-	-	-	-	-	-	-	-	-	-
Hospital Directed Payments	12,149,677	(8,860,821)	9,112,870	9,112,869	9,955,034	9,313,088	9,738,038	15,121,903	15,230,282	12,949,303	14,734,613	14,811,749	22,138,233	145,506,838
Hospital Directed Payment Adjustment	(10,733)	(52,075,301)	(233,958)	4,234	77	6,596	(1,263)	39,990	21,878	77,356,953	3,134	597	3,943	25,116,147
Non-Claims Expense Adjustment	(325,027)	(23,790)	(157)	(777,546)	5,124	(209,309)	1,598	287,063	233,372	212,564	71,855	58,763	46,953	(418,537)
IBNR, Incentive, Paid Claims Adjustment	(626,819)	344,451	(120,764)	(4,217,566)	(5,474)	205,986	316,193	4,787	858,658	1,700,070	(85,946)	449,838	(2,226,487)	(3,303,073)
Total Medical Costs	76,311,140	3,228,909	73,696,401	74,755,703	79,333,670	75,939,534	79,392,380	86,772,505	86,383,866	164,164,093	86,971,753	91,103,435	98,695,670	1,076,749,059
GROSS MARGIN	15,292,891	14,277,644	14,807,415	13,429,431	14,770,699	14,529,885	14,466,209	14,900,788	15,692,135	15,025,668	15,857,302	14,081,692	14,290,379	191,422,138
Administrative														
Compensation	2,835,739	2,732,099	2,897,575	2,636,509	2,613,272	2,456,357	2,766,869	2,772,584	2,908,104	2,457,160	2,691,957	2,748,394	2,731,289	34,947,908
Purchased Services	1,142,683	859,845	819,771	421,612	689,841	745,537	1,172,530	818,908	824,152	941,200	986,086	996,889	985,876	11,404,930
Supplies	29,774	71,551	63,919	71,111	34,967	106,489	39,305	57,592	57,416	4,446	131,712	57,943	85,576	811,801
Depreciation	418,036	417,768	418,389	419,251	419,796	419,850	421,301	422,833	422,834	426,541	426,541	422,382	425,837	5,481,359
Other Administrative Expenses	345,337	240,778	254,091	296,858	137,960	242,696	351,189	277,245	267,201	102,962	248,235	230,567	235,673	3,228,756
Administrative Expense Adjustment	(212,229)	-	-	-	-	-	1,407,045	18,296	(271,318)	57,294	(5,010)	(215)	(63,654)	930,209
Total Administrative Expenses	4,559,340	4,322,041	4,153,745	3,845,341	3,895,836	3,970,929	6,158,239	4,367,458	4,208,389	3,989,603	4,479,521	4,455,960	4,398,561	56,804,963
TOTAL EXPENSES	80,870,480	7,550,950	77,850,146	78,601,044	83,229,506	79,910,463	85,550,619	91,139,963	90,592,255	168,153,696	91,451,274	95,559,395	103,094,231	1,133,554,022
OPERATING INCOME (LOSS) BEFORE TAX	10,733,551	9,955,603	10,653,670	9,584,090	10,874,663	10,558,956	8,307,970	10,533,330	11,483,746	11,036,065	11,377,781	9,625,732	9,891,818	134,617,175
MCO TAX	7,915,244	8,904,648	8,905,117	8,904,649	8,904,648	8,904,649	8,904,649	8,904,649	8,904,649	8,933,228	8,905,080	8,905,142	8,904,648	96,989,504
OPERATING INCOME (LOSS) NET OF TAX	2,818,307	1,050,955	1,748,553	679,441	1,970,215	1,654,307	(596,679)	1,630,387	2,579,097	2,102,837	2,472,701	720,590	987,170	37,627,671
TOTAL NONOPERATING REVENUE (EXPENSE)	(479,019)	462,756	(687,453)	(176,843)	(1,188,755)	(931,682)	1,433,032	(137,472)	(151,159)	(88,366)	(167,372)	(245,779)	(164,148)	(2,522,260)
NET INCREASE (DECREASE) IN NET POSITION	2,339,288	1,513,711	1,061,100	502,598	781,460	722,625	836,353	1,492,915	2,427,938	2,014,471	2,305,329	474,811	823,022	35,105,411
MEDICAL LOSS RATIO	89.8%	91.4%	91.2%	92.8%	92.5%	91.6%	92.5%	93.1%	92.2%	94.3%	92.3%	94.9%	94.6%	92.6%
ADMINISTRATIVE EXPENSE RATIO	6.4%	6.2%	5.8%	5.4%	5.2%	5.5%	8.2%	5.7%	5.5%	5.1%	5.7%	5.3%	5.4%	5.8%

KHS Finance Committee Meeting, August 6, 2021

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH JUNE 30, 2021	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	DECEMBER 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	13 MONTH TOTAL
ENROLLMENT	259,592	261,732	264,749	278,100	272,481	275,080	277,452	278,517	276,880	282,972	284,587	287,199	289,309	3,588,650
REVENUES														
Title XIX - Medicaid - Family and Other	169.56	165.45	166.87	166.16	173.40	164.62	168.64	174.01	177.17	172.94	173.28	177.71	181.55	171.28
Title XIX - Medicaid - Expansion Members	388.48	377.98	376.19	379.54	393.46	371.41	384.47	385.83	397.58	382.20	385.72	381.99	388.41	382.57
Title XIX - Medicaid - SPD Members	987.39	981.08	972.23	972.22	945.03	1,012.68	989.03	957.28	816.21	1,005.21	978.42	1,017.24	1,020.90	971.27
Premium - MCO Tax	30.91	31.47	31.48	29.96	33.64	30.61	31.83	34.39	34.88	34.47	34.45	34.39	34.43	32.87
Premium - Hospital Directed Payments	46.80	(33.85)	34.42	32.77	36.53	33.86	35.10	54.29	55.01	45.76	51.78	51.57	76.52	40.55
Investment Earnings And Other Income	0.24	1.21	0.66	(0.05)	0.56	0.61	0.53	0.02	0.42	(0.88)	0.72	0.68	(1.41)	0.24
Reinsurance Recoveries	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
Rate Adjustments - Hospital Directed Payments	(0.04)	(198.96)	0.02	0.01	0.00	0.04	(0.01)	0.14	0.08	276.18	0.01	0.28	0.02	7.31
Rate/Income Adjustments	1.84	0.52	1.10	0.25	(2.14)	0.46	0.82	2.87	2.15	5.40	0.94	2.07	(0.32)	1.24
TOTAL REVENUES	352.88	66.89	334.29	317.10	345.36	328.88	338.29	365.05	368.67	633.24	361.33	366.24	390.54	353.38
EXPENSES														
Medical Costs:														
Physician Services	45.48	51.04	49.61	52.19	51.96	50.41	45.63	53.52	53.21	53.22	54.96	54.82	55.96	51.77
Other Professional Services	13.04	16.89	17.45	17.41	13.97	15.96	17.79	15.88	17.64	17.84	17.95	16.22	15.42	16.43
Emergency Room	12.96	13.95	18.18	17.71	17.67	16.86	11.51	16.79	15.97	15.38	15.74	17.49	17.42	15.99
Inpatient	65.93	65.27	62.83	64.29	62.89	62.57	69.14	71.28	69.78	62.12	64.72	71.65	71.69	66.53
Reinsurance Expense	0.28	0.29	0.29	0.28	0.28	0.31	0.28	0.29	0.29	0.28	0.28	0.29	0.29	0.29
Outpatient Hospital	24.84	24.63	26.04	24.47	24.42	22.58	23.66	25.52	23.87	25.30	30.51	30.79	30.42	25.98
Other Medical	35.44	43.96	34.20	50.46	47.40	39.84	47.11	38.21	37.61	41.84	34.73	38.16	42.97	40.94
Pharmacy	32.03	33.55	34.68	35.34	33.98	31.69	34.79	32.67	32.68	36.40	33.07	32.55	36.10	33.82
Pay for Performance Quality Incentive	2.00	2.00	2.00	1.90	2.04	1.98	0.00	1.90	1.91	1.86	1.90	1.88	1.89	1.79
Risk Corridor Expense	18.11	(7.64)	0.00	(9.71)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hospital Directed Payments	46.80	(33.85)	34.42	32.77	36.53	33.86	35.10	54.29	55.01	45.76	51.78	51.57	76.52	40.55
Hospital Directed Payment Adjustment	(0.04)	(198.96)	(0.88)	0.02	0.00	0.02	(0.00)	0.14	0.08	273.37	0.01	0.00	0.01	7.00
Non-Claims Expense Adjustment	(1.25)	(0.09)	(0.00)	(2.80)	0.02	(0.76)	0.01	1.03	0.84	0.75	0.25	0.20	0.16	(0.12)
IBNR, Incentive, Paid Claims Adjustment	(1.64)	1.32	(0.46)	(15.53)	(0.02)	0.75	1.14	0.02	3.10	6.01	(0.30)	1.57	(7.70)	(0.92)
Total Medical Costs	293.97	12.34	278.36	268.81	291.15	276.06	286.15	311.55	311.99	580.14	305.61	317.21	341.14	300.04
GROSS MARGIN	58.91	54.55	55.93	48.29	54.21	52.82	52.14	53.50	56.67	53.10	55.72	49.03	49.39	53.34
Administrative:														
Composition	10.92	10.44	9.81	9.48	9.59	8.93	9.97	9.95	10.50	8.68	9.46	9.57	9.44	9.74
Purchased Services	4.40	3.29	3.10	1.52	2.53	2.71	4.23	2.94	2.98	3.33	3.46	3.47	3.41	3.18
Supplies	0.11	0.27	0.24	0.26	0.13	0.39	0.14	0.21	0.21	0.02	0.46	0.20	0.30	0.23
Depreciation	1.61	1.60	1.58	1.51	1.54	1.53	1.52	1.52	1.53	1.51	1.50	1.47	1.47	1.53
Other Administrative Expenses	1.33	0.92	0.96	1.07	0.51	0.88	1.27	1.00	0.97	0.36	0.87	0.80	0.81	0.90
Administrative Expense Adjustment	(0.82)	0.00	0.00	0.00	0.00	0.00	0.00	0.07	(0.98)	0.20	(0.02)	(0.00)	(0.22)	0.26
Total Administrative Expenses	17.56	16.51	15.69	13.83	14.30	14.44	22.20	15.68	15.20	14.10	15.74	15.52	15.20	15.83
TOTAL EXPENSES	311.53	28.85	294.05	282.64	305.45	290.50	308.34	327.23	327.19	594.24	321.35	332.73	356.35	315.87
OPERATING INCOME (LOSS) BEFORE TAX	41.35	38.04	40.24	34.46	39.91	38.39	29.94	37.82	41.48	39.00	39.98	33.52	34.19	37.51
MCO TAX	30.49	34.02	33.64	32.02	32.68	32.37	32.09	31.97	32.16	31.57	31.29	31.01	30.78	27.03
OPERATING INCOME (LOSS) NET OF TAX	10.86	4.02	6.60	2.44	7.23	6.01	(2.15)	5.85	9.31	7.43	8.69	2.51	3.41	10.49
TOTAL NONOPERATING REVENUE (EXPENSE)	(1.85)	1.77	(2.60)	(0.64)	(4.36)	(3.39)	5.16	(0.49)	(0.55)	(0.31)	(0.59)	(0.86)	(0.57)	(0.70)
NET INCREASE (DECREASE) IN NET POSITION	9.01	5.78	4.01	1.81	2.87	2.63	3.01	5.36	8.77	7.12	8.10	1.65	2.84	9.78
MEDICAL LOSS RATIO	89.8%	91.4%	91.2%	92.8%	92.5%	91.6%	92.5%	93.1%	92.2%	94.3%	92.3%	94.9%	94.6%	92.6%
ADMINISTRATIVE EXPENSE RATIO	6.4%	6.2%	5.8%	5.4%	5.2%	5.5%	8.2%	5.7%	5.5%	5.1%	5.7%	5.5%	5.4%	5.8%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED JUNE 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
REVENUES						
Title XIX - Medicaid - Family & Other						
27,025,593	24,782,225	2,243,368	Premium - Medi-Cal	159,460,674	148,198,789	11,261,885
2,352,358	2,520,887	(168,529)	Premium - Maternity Kick	13,505,985	15,125,322	(1,619,337)
52,419	79,282	(26,863)	Premium - Hep C Kick	257,725	473,192	(215,467)
695,453	490,057	205,396	Premium - BHT Kick	3,643,231	2,924,898	718,333
161,013	177,252	(16,239)	Premium - Health Home Kick	949,201	1,057,926	(108,725)
3,643,628	3,487,708	155,920	Premium - Provider Enhancement	21,515,664	20,838,529	677,135
181,394	169,357	12,037	Premium - Ground Emergency Medical Transportation	1,070,666	1,012,781	57,885
1,653,517	275,548	1,377,969	Premium - Behavioral Health Integration Program	3,629,562	1,644,603	1,984,959
112,967	91,826	21,141	Other	665,185	550,656	114,529
35,878,342	32,074,141	3,804,201	Total Title XIX - Medicaid - Family & Other	204,697,893	191,826,695	12,871,198
Title XIX - Medicaid - Expansion Members						
26,302,538	24,002,303	2,300,235	Premium - Medi-Cal	153,437,575	144,013,818	9,423,757
335,055	214,253	120,802	Premium - Maternity Kick	2,153,923	1,285,518	868,405
227,148	202,017	25,131	Premium - Hep C Kick	1,223,102	1,212,101	11,001
281,091	356,121	(75,030)	Premium - Health Home Kick	1,644,471	2,136,726	(492,255)
1,550,610	1,455,050	95,560	Premium - Provider Enhancement	9,056,040	8,730,300	325,740
185,424	165,235	20,189	Premium - Ground Emergency Medical Transportation	1,082,796	991,410	91,386
619,259	102,122	517,137	Premium - Behavioral Health Integration Program	1,355,504	612,732	742,772
32,408	26,600	5,808	Other	188,798	159,600	29,198
29,533,533	26,523,701	3,009,832	Total Title XIX - Medicaid - Expansion Members	170,142,209	159,142,205	11,000,004
Title XIX - Medicaid - SPD Members						
14,243,150	13,474,791	768,359	Premium - Medi-Cal	84,683,476	80,848,743	3,834,733
61,155	100,288	(39,133)	Premium - Hep C Kick	244,620	601,726	(357,106)
680,645	763,566	(82,921)	Premium - BHT Kick	3,382,303	4,581,395	(1,199,092)
249,831	351,842	(102,011)	Premium - Health Home Kick	1,443,956	2,111,052	(667,096)
465,060	454,632	10,428	Premium - Provider Enhancement	2,765,038	2,727,792	37,246
134,140	127,475	6,665	Premium - Ground Emergency Medical Transportation	797,536	764,850	32,686
137,997	22,041	115,956	Premium - Behavioral Health Integration Program	310,433	132,246	178,187
15,971,978	15,294,634	677,344	Total Title XIX - Medicaid - SPD Members	93,627,362	91,767,803	1,859,559

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED JUNE 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
3,720,742	3,066,075	(654,667)	Primary Care Physician Services	20,476,884	18,334,084	(2,142,800)
11,178,950	10,575,678	(603,272)	Referral Specialty Services	64,078,065	63,309,138	(768,927)
1,282,025	1,500,465	218,440	Urgent Care & After Hours Advise	7,665,765	8,968,668	1,302,903
9,000	9,000	-	Hospital Admitting Team	54,300	54,300	-
16,190,717	15,151,218	(1,039,499)	TOTAL PHYSICIAN SERVICES	92,275,014	90,666,191	(1,608,823)
			OTHER PROFESSIONAL SERVICES			
298,817	295,087	(3,730)	Vision Service Capitation	1,771,974	1,764,124	(7,850)
203,314	212,115	8,801	221 - Business Intelligence	1,272,455	1,272,690	235
619,127	597,920	(21,207)	310 - Health Services - Utilization Management - UM Allocation *	3,588,269	3,587,520	(749)
146,837	189,152	42,315	311 - Health Services - Quality Improvement - UM Allocation *	846,375	1,134,912	288,537
125,926	123,337	(2,589)	312 - Health Services - Education - UM Allocation *	706,251	740,020	33,769
74,167	80,283	6,116	313 - Health Services - Pharmacy - UM Allocation *	452,356	481,698	29,342
140,463	210,465	70,002	314 - Health Homes - UM Allocation *	813,270	1,262,790	449,520
261,708	270,692	8,984	315 - Case Management - UM Allocation *	1,604,681	1,624,152	19,471
55,347	56,773	1,426	616 - Disease Management - UM Allocation *	362,898	340,638	(22,260)
1,186,572	1,253,622	67,050	Behavior Health Treatment	7,119,717	7,506,292	386,575
72,194	189,498	117,304	Mental Health Services	839,777	1,134,721	294,944
1,275,979	1,247,660	(28,319)	Other Professional Services	9,202,124	7,470,969	(1,731,155)
4,460,451	4,726,605	266,154	TOTAL OTHER PROFESSIONAL SERVICES	28,580,147	28,320,526	(259,621)
5,040,670	5,566,942	526,272	EMERGENCY ROOM	27,994,460	33,297,713	5,303,253
20,739,625	15,404,157	(5,335,468)	INPATIENT HOSPITAL	116,489,938	92,242,012	(24,247,926)
82,530	80,097	(2,433)	REINSURANCE EXPENSE PREMIUM	489,402	478,839	(10,563)
8,800,023	6,989,050	(1,810,973)	OUTPATIENT HOSPITAL SERVICES	47,203,695	41,854,857	(5,348,838)
			OTHER MEDICAL			
1,189,224	1,550,492	361,268	Ambulance and NEMT	7,895,833	9,276,937	1,381,104
964,318	425,711	(538,607)	Home Health Services & CBAS	4,255,882	2,549,405	(1,706,477)
509,705	491,325	(18,380)	Utilization and Quality Review Expenses	2,589,842	2,947,950	358,108
1,301,188	1,300,511	(677)	Long Term/SNF/Hospice	8,140,744	7,794,790	(345,954)
341,280	394,772	53,492	Health Home Capitation & Incentive	1,709,707	2,363,891	654,184
5,386,833	5,126,753	(260,080)	Provider Enhancement Expense - Prop. 56	31,731,592	30,654,156	(1,077,436)
527,330	462,067	(65,263)	Provider Enhancement Expense - GEMT	2,623,975	2,769,041	145,066
-	-	-	Provider COVID-19 Expenses	2,125,900	-	(2,125,900)
2,210,773	399,711	(1,811,062)	Behavioral Health Integration Program	5,095,499	2,389,580	(2,705,919)
12,430,651	10,151,341	(2,279,310)	TOTAL OTHER MEDICAL	66,168,974	60,745,749	(5,423,225)
			PHARMACY SERVICES			
9,049,899	9,374,400	324,501	RX - Drugs & OTC	51,602,153	56,156,400	4,554,247
365,687	381,586	15,899	RX - HEP-C	1,675,533	2,287,019	611,486
1,035,049	770,073	(264,976)	Rx - DME	5,073,980	4,612,902	(461,078)
(7,947)	(33,323)	(25,376)	RX - Pharmacy Rebates	(697,590)	(199,622)	497,968
10,442,688	10,492,736	50,048	TOTAL PHARMACY SERVICES	57,654,076	62,856,699	5,202,623
545,673	524,771	(20,903)	PAY FOR PERFORMANCE QUALITY INCENTIVE	3,211,538	3,137,223	(74,315)
-	-	-	RISK CORRIDOR EXPENSE	-	-	-
22,138,233	14,045,142	(8,093,091)	HOSPITAL DIRECTED PAYMENTS	94,986,093	84,085,846	(10,900,247)
3,943	-	(3,943)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	77,426,495	-	(77,426,495)
46,953	-	(46,953)	NON-CLAIMS EXPENSE ADJUSTMENT	910,570	-	(910,570)
(2,226,487)	-	2,226,487	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	700,920	-	(700,920)
88,695,670	83,132,058	(15,563,612)	Total Medical Costs	614,091,322	497,685,655	(116,405,667)

KHS7/29/2021
Management Use Only

* Medical costs per DMHC regulations

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED JUNE 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
PHYSICIAN SERVICES						
12.86	11.10	(1.76)	Primary Care Physician Services	12.05	11.10	(0.95)
38.64	38.29	(0.35)	Referral Specialty Services	37.70	38.34	0.64
4.43	5.43	1.00	Urgent Care & After Hours Advise	4.51	5.43	0.92
0.03	0.03	0.00	Hospital Admitting Team	0.03	0.03	0.00
55.96	54.86	(1.11)	TOTAL PHYSICIAN SERVICES	54.30	54.91	0.61
OTHER PROFESSIONAL SERVICES						
1.03	1.07	0.04	Vision Service Capitation	1.04	1.07	0.03
0.70	0.77	0.07	221 - Business Intelligence	0.75	0.77	0.02
2.14	2.16	0.02	310 - Health Services - Utilization Management - UM Allocation *	2.11	2.17	0.06
0.51	0.68	0.18	311 - Health Services - Quality Improvement - UM Allocation *	0.50	0.69	0.19
0.44	0.45	0.01	312 - Health Services - Education - UM Allocation *	0.42	0.45	0.03
0.26	0.29	0.03	313 - Health Services - Pharmacy - UM Allocation *	0.27	0.29	0.03
0.49	0.76	0.28	314 - Health Homes - UM Allocation *	0.48	0.76	0.29
0.90	0.98	0.08	315 - Case Management - UM Allocation *	0.94	0.98	0.04
0.19	0.21	0.01	616 - Disease Management - UM Allocation *	0.21	0.21	(0.01)
4.10	4.54	0.44	Behavior Health Treatment	4.19	4.55	0.36
0.25	0.69	0.44	Mental Health Services	0.49	0.69	0.19
4.41	4.52	0.11	Other Professional Services	5.41	4.52	(0.89)
15.42	17.11	1.70	TOTAL OTHER PROFESSIONAL SERVICES	16.82	17.15	0.33
17.42	20.16	2.73	EMERGENCY ROOM	16.47	20.17	3.69
71.69	55.77	(15.91)	INPATIENT HOSPITAL	68.55	55.86	(12.68)
0.29	0.29	0.00	REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.00
30.42	25.30	(5.11)	OUTPATIENT HOSPITAL SERVICES	27.78	25.35	(2.43)
OTHER MEDICAL						
4.11	5.61	1.50	Ambulance and NEMT	4.65	5.62	0.97
3.33	1.54	(1.79)	Home Health Services & CBAS	2.50	1.54	(0.96)
1.76	1.78	0.02	Utilization and Quality Review Expenses	1.52	1.79	0.26
4.50	4.71	0.21	Long Term/SNF/Hospice	4.79	4.72	(0.07)
1.18	1.43	0.25	Health Home Capitation & Incentive	1.01	1.43	0.43
18.62	18.56	(0.06)	Provider Enhancement Expense - Prop. 56	18.67	18.57	(0.11)
1.82	1.67	(0.15)	Provider Enhancement Expense - GEMT	1.54	1.68	0.13
0.00	0.00	0.00	Provider COVID-19 Expenses	1.25	0.00	(1.25)
7.64	1.45	(6.19)	Behavioral Health Integration Program	3.00	1.45	(1.55)
42.97	36.75	(6.21)	TOTAL OTHER MEDICAL	38.94	36.79	(2.15)
PHARMACY SERVICES						
31.28	33.94	2.66	RX - Drugs & OTC	30.36	34.01	3.65
1.26	1.38	0.12	RX - HEP-C	0.99	1.39	0.40
3.58	2.79	(0.79)	Rx - DME	2.99	2.79	(0.19)
(0.03)	(0.12)	(0.09)	RX - Pharmacy Rebates	(0.41)	(0.12)	0.29
36.10	37.99	1.90	TOTAL PHARMACY SERVICES	33.92	38.07	4.14
1.89	1.90	0.01	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.89	1.90	0.01
0.00	0.00	0.00	RISK CORRIDOR EXPENSE	0.00	0.00	0.00
76.52	50.85	(25.67)	HOSPITAL DIRECTED PAYMENTS	55.89	50.93	(4.97)
0.01	0.00	(0.01)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	45.56	0.00	(45.56)
0.16	0.00	(0.16)	NON-CLAIMS EXPENSE ADJUSTMENT	0.54	0.00	(0.54)
(7.70)	0.00	7.70	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.41	0.00	(0.41)
341.14	300.99	(40.15)	Total Medical Costs	361.34	301.41	(59.93)

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH JUNE 30, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	YEAR TO DATE 2021
PHYSICIAN SERVICES							
Primary Care Physician Services	2,962,264	2,963,060	3,567,494	3,563,867	3,699,457	3,720,742	20,476,884
Referral Specialty Services	10,512,215	10,171,851	9,997,168	11,114,617	11,103,264	11,178,950	64,078,065
Urgent Care & After Hours Advise	1,423,381	1,588,229	1,484,832	954,611	932,687	1,282,025	7,665,765
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	9,000	54,300
TOTAL PHYSICIAN SERVICES	14,907,160	14,731,540	15,058,794	15,642,095	15,744,708	16,190,717	92,275,014
OTHER PROFESSIONAL SERVICES							
Vision Service Capitation	294,054	292,442	292,443	289,005	305,213	298,817	1,771,974
221 - Business Intelligence	210,663	222,415	197,310	217,207	221,546	203,314	1,272,455
310 - Health Services - Utilization Management - UM Allocation *	595,003	563,907	605,345	602,798	602,089	619,127	3,588,269
311 - Health Services - Quality Improvement - UM Allocation *	138,388	123,443	154,295	136,098	147,314	146,837	846,375
312 - Health Services - Education - UM Allocation *	120,621	124,149	95,259	119,982	120,314	125,926	706,251
313 - Health Services - Pharmacy - UM Allocation *	75,046	75,369	75,552	75,945	76,277	74,167	452,356
314 - Health Homes - UM Allocation *	120,170	119,317	173,098	121,413	138,809	140,463	813,270
315 - Case Management - UM Allocation *	270,657	261,834	281,125	260,034	269,323	261,708	1,604,681
616 - Disease Management - UM Allocation *	62,998	58,064	72,219	57,851	56,419	55,347	362,898
Behavior Health Treatment	867,517	947,944	1,407,309	1,506,149	1,204,226	1,186,572	7,119,717
Mental Health Services	292,517	181,749	96,618	153,559	43,140	72,194	839,777
Other Professional Services	1,373,918	1,913,308	1,598,054	1,567,152	1,473,713	1,275,979	9,202,124
TOTAL OTHER PROFESSIONAL SERVICES	4,421,552	4,883,941	5,048,627	5,107,193	4,658,383	4,460,451	28,580,147
EMERGENCY ROOM	4,676,327	4,420,437	4,353,449	4,480,205	5,023,372	5,040,670	27,994,460
INPATIENT HOSPITAL	19,853,180	19,321,533	17,577,565	18,419,878	20,578,157	20,739,625	116,489,938
REINSURANCE EXPENSE PREMIUM	81,215	80,770	80,461	80,129	84,297	82,530	489,402
OUTPATIENT HOSPITAL SERVICES	7,108,674	6,610,422	7,160,111	8,681,740	8,842,725	8,800,023	47,203,695
OTHER MEDICAL							
Ambulance and NEMT	1,400,971	1,208,039	1,444,178	1,338,929	1,314,492	1,189,224	7,895,833
Home Health Services & CBAS	490,933	582,371	853,147	657,817	707,296	964,318	4,255,882
Utilization and Quality Review Expenses	228,696	372,499	688,633	430,683	359,626	509,705	2,589,842
Long Term/SNF/Hospice	1,616,577	1,132,832	1,933,711	1,041,624	1,114,812	1,301,188	8,140,744
Health Home Capitation & Incentive	211,140	294,005	334,675	299,855	228,752	341,280	1,709,707
Provider Enhancement Expense - Prop. 56	5,190,164	5,226,990	5,265,692	5,318,961	5,342,952	5,386,833	31,731,592
Provider Enhancement Expense - GEMT	456,380	456,381	265,311	423,904	494,669	527,330	2,623,975
Provider COVID-19 Expenses	674,580	767,440	683,880	-	-	-	2,125,900
Behavioral Health Integration Program	371,672	371,672	371,672	371,672	1,398,038	2,210,773	5,095,499
TOTAL OTHER MEDICAL	10,641,113	10,412,229	11,840,899	9,883,445	10,960,637	12,430,651	66,168,974
PHARMACY SERVICES							
RX - Drugs & OTC	8,174,252	8,080,594	9,316,542	8,462,224	8,518,642	9,049,899	51,602,153
RX - HEP-C	245,144	264,815	249,449	260,020	290,418	365,687	1,675,533
Rx - DME	815,963	839,212	868,236	825,453	690,067	1,035,049	5,073,980
RX - Pharmacy Rebates	(135,000)	(135,000)	(135,000)	(135,000)	(149,643)	(7,947)	(697,590)
TOTAL PHARMACY SERVICES	9,100,359	9,049,621	10,299,227	9,412,697	9,349,484	10,442,688	57,654,076
PAY FOR PERFORMANCE QUALITY INCENTIVE	529,182	529,183	526,070	540,715	540,715	545,673	3,211,538
RISK CORRIDOR EXPENSE	-	-	-	-	-	-	-
HOSPITAL DIRECTED PAYMENTS	15,121,903	15,230,282	12,949,303	14,734,613	14,811,759	22,138,233	94,986,093
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	39,990	21,878	77,356,953	3,134	597	3,943	77,426,495
NON-CLAIMS EXPENSE ADJUSTMENT	287,063	233,372	212,564	71,855	58,763	46,953	910,570
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	4,787	858,658	1,700,070	(85,946)	449,838	(2,226,487)	700,920
Total Medical Costs	86,772,505	86,383,866	164,164,093	86,971,753	91,103,435	98,695,670	614,091,322

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH JUNE 30, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	YEAR TO DATE 2021
PHYSICIAN SERVICES							
Primary Care Physician Services	10.64	10.70	12.61	12.52	12.88	12.86	12.05
Referral Specialty Services	37.74	36.74	35.33	39.06	38.66	38.64	37.70
Urgent Care & After Hours Advise	5.11	5.74	5.25	3.35	3.25	4.43	4.51
Hospital Admitting Team	0.03	0.03	0.03	0.03	0.03	0.03	0.03
TOTAL PHYSICIAN SERVICES	53.52	53.21	53.22	54.96	54.82	55.96	54.30
OTHER PROFESSIONAL SERVICES							
Vision Service Capitation	1.06	1.06	1.03	1.02	1.06	1.03	1.04
221 - Business Intelligence	0.76	0.80	0.70	0.76	0.77	0.70	0.75
310 - Health Services - Utilization Management - UM Allocation *	2.14	2.04	2.14	2.12	2.10	2.14	2.11
311 - Health Services - Quality Improvement - UM Allocation *	0.50	0.45	0.55	0.48	0.51	0.51	0.50
312 - Health Services - Education - UM Allocation *	0.43	0.45	0.34	0.42	0.42	0.44	0.42
313 - Health Services - Pharmacy - UM Allocation *	0.27	0.27	0.27	0.27	0.27	0.26	0.27
314 - Health Homes - UM Allocation *	0.43	0.43	0.61	0.43	0.48	0.49	0.48
315 - Case Management - UM Allocation *	0.97	0.95	0.99	0.91	0.94	0.90	0.94
616 - Disease Management - UM Allocation *	0.23	0.21	0.26	0.20	0.20	0.19	0.21
Behavior Health Treatment	3.11	3.42	4.97	5.29	4.19	4.10	4.19
Mental Health Services	1.05	0.66	0.34	0.54	0.15	0.25	0.49
Other Professional Services	4.93	6.91	5.65	5.51	5.13	4.41	5.41
TOTAL OTHER PROFESSIONAL SERVICES	15.88	17.64	17.84	17.95	16.22	15.42	16.82
EMERGENCY ROOM	16.79	15.97	15.38	15.74	17.49	17.42	16.47
INPATIENT HOSPITAL	71.28	69.78	62.12	64.72	71.65	71.69	68.55
REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.28	0.28	0.29	0.29	0.29
OUTPATIENT HOSPITAL SERVICES	25.52	23.87	25.30	30.51	30.79	30.42	27.78
OTHER MEDICAL							
Ambulance and NEMT	5.03	4.36	5.10	4.70	4.58	4.11	4.65
Home Health Services & CBAS	1.76	2.10	3.01	2.31	2.46	3.33	2.50
Utilization and Quality Review Expenses	0.82	1.35	2.43	1.51	1.25	1.76	1.52
Long Term/SNF/Hospice	5.80	4.09	6.83	3.66	3.88	4.50	4.79
Health Home Capitation & Incentive	0.76	1.06	1.18	1.05	0.80	1.18	1.01
Provider Enhancement Expense - Prop. 56	18.63	18.88	18.61	18.69	18.60	18.62	18.67
Provider Enhancement Expense - GEMT	1.64	1.65	0.94	1.49	1.72	1.82	1.54
Provider COVID-19 Expens	2.42	2.77	2.42	0.00	0.00	0.00	1.25
Behaviorial Health Integration Program	1.33	1.34	1.31	1.31	4.87	7.64	3.00
TOTAL OTHER MEDICAL	38.21	37.61	41.84	34.73	38.16	42.97	38.94
PHARMACY SERVICES							
RX - Drugs & OTC	29.35	29.18	32.92	29.74	29.66	31.28	30.36
RX - HEP-C	0.88	0.96	0.88	0.91	1.01	1.26	0.99
Rx - DME	2.93	3.03	3.07	2.90	2.40	3.58	2.99
RX - Pharmacy Rebates	(0.48)	(0.49)	(0.48)	(0.47)	(0.52)	(0.03)	(0.41)
TOTAL PHARMACY SERVICES	32.67	32.68	36.40	33.07	32.55	36.10	33.92
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.90	1.91	1.86	1.90	1.88	1.89	1.89
RISK CORRIDOR EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HOSPITAL DIRECTED PAYMENTS	54.29	55.01	45.76	51.78	51.57	76.52	55.89
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	0.14	0.08	273.37	0.01	0.00	0.01	45.56
NON-CLAIMS EXPENSE ADJUSTMENT	1.03	0.84	0.75	0.25	0.20	0.16	0.54
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.02	3.10	6.01	(0.30)	1.57	(7.70)	0.41
Total Medical Costs	311.55	311.99	580.14	305.61	317.21	341.14	361.34

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED JUNE 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
358,282	402,031	43,749	110 - Executive	2,244,165	2,287,187	43,022
198,636	212,651	14,015	210 - Accounting	1,120,528	1,275,907	155,379
376,280	362,443	(13,837)	220 - Management Information Systems	2,189,596	2,174,659	(14,937)
24,115	64,468	40,353	221 - Business Intelligence	82,603	386,808	304,205
252,105	281,931	29,826	222 - Enterprise Development	1,467,719	1,691,586	223,867
352,463	448,524	96,061	225 - Infrastructure	2,267,296	2,691,142	423,846
526,593	576,323	49,730	230 - Claims	3,191,610	3,457,939	266,329
189,626	149,779	(39,847)	240 - Project Management	785,529	898,676	113,147
100,257	101,775	1,518	310 - Health Services - Utilization Management	636,838	610,649	(26,189)
27,421	27,902	481	311 - Health Services - Quality Improvement	122,849	167,413	44,564
-	55	55	312 - Health Services - Education	59	330	271
151,338	142,146	(9,192)	313- Pharmacy	874,997	852,875	(22,122)
-	6,642	6,642	314 - Health Homes	4,225	39,850	35,625
22,757	22,357	(400)	315 - Case Management	139,538	134,141	(5,397)
28,513	29,325	812	616 - Disease Management	186,965	175,951	(11,014)
262,297	323,502	61,205	320 - Provider Network Management	1,641,643	1,941,015	299,372
559,817	656,475	96,658	330 - Member Services	3,449,224	3,938,852	489,628
540,444	702,275	161,831	340 - Corporate Services	3,351,657	4,213,649	861,992
61,445	66,363	4,918	360 - Audit & Investigative Services	373,494	398,177	24,683
152,571	69,250	(83,321)	410 - Advertising Media	377,673	415,500	37,827
57,056	73,950	16,894	420 - Sales/Marketing/Public Relations	344,214	443,698	99,484
220,199	251,455	31,256	510 - Human Resources	1,311,677	1,508,730	197,053
(63,654)	-	63,654	Administrative Expense Adjustment	(264,607)	-	264,607
4,398,561	4,971,622	573,061	Total Administrative Expenses	25,899,492	29,704,733	3,805,241

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED JUNE 30, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	YEAR TO DATE 2021
110 - Executive	353,943	483,744	293,288	272,219	482,689	358,282	2,244,165
210 - Accounting	203,619	198,129	146,511	287,032	86,601	198,636	1,120,528
220 - Management Information Systems (MIS)	340,212	345,719	394,230	384,019	349,136	376,280	2,189,596
221 - Business Intelligence	-	-	-	12,308	46,180	24,115	82,603
222 - Enterprise Development	250,306	269,236	185,800	249,199	261,073	252,105	1,467,719
225 - Infrastructure	365,340	337,172	345,070	407,880	459,371	352,463	2,267,296
230 - Claims	550,124	558,095	460,086	554,302	542,410	526,593	3,191,610
240 - Project Management	99,808	119,159	128,304	121,381	127,251	189,626	785,529
310 - Health Services - Utilization Management	103,641	120,732	82,239	113,686	116,283	100,257	636,838
311 - Health Services - Quality Improvement	18,870	16,833	21,040	18,597	20,088	27,421	122,849
312 - Health Services - Education	-	-	-	59	-	-	59
313 - Pharmacy	141,859	137,379	151,340	147,394	145,687	151,338	874,997
314 - Health Homes	-	-	4,225	-	-	-	4,225
315 - Case Management	23,536	22,769	24,444	22,612	23,420	22,757	139,538
616 - Disease Management	32,453	29,912	37,220	29,802	29,065	28,513	186,965
320 - Provider Network Management	304,995	273,211	231,758	274,082	295,300	262,297	1,641,643
330 - Member Services	567,625	586,939	545,846	622,842	566,155	559,817	3,449,224
340 - Corporate Services	561,450	559,640	535,874	586,682	567,567	540,444	3,351,657
360 - Audit & Investigative Services	68,976	83,366	38,089	60,406	61,212	61,445	373,494
410 - Advertising Media	27,368	39,637	81,326	55,258	21,513	152,571	377,673
420 - Sales/Marketing/Public Relations	53,401	69,703	46,252	65,999	51,803	57,056	344,214
510 - Human Resources	281,636	228,332	179,367	198,772	203,371	220,199	1,311,677
Total Department Expenses	4,349,162	4,479,707	3,932,309	4,484,531	4,456,175	4,462,215	26,164,099
ADMINISTRATIVE EXPENSE ADJUSTMENT	18,296	(271,318)	57,294	(5,010)	(215)	(63,654)	(264,607)
Total Administrative Expenses	4,367,458	4,208,389	3,989,603	4,479,521	4,455,960	4,398,561	25,899,492

KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF JUNE 30, 2021			
ASSETS	JUNE 2021	MAY 2021	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,136,738	\$ 1,136,738	-
Interest Receivable	924	822	102
TOTAL CURRENT ASSETS	\$ 1,137,662	\$ 1,137,560	\$ 102
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Other Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	\$ -	\$ -	\$ -
NET POSITION:			
Net Position- Beg. of Year	1,138,066	1,138,066	-
Increase (Decrease) in Net Position - Current Year	(404)	(506)	102
Total Net Position	\$ 1,137,662	\$ 1,137,560	\$ 102
TOTAL LIABILITIES AND NET POSITION	\$ 1,137,662	\$ 1,137,560	\$ 102

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JUNE 30, 2021			YEAR-TO-DATE		
ENROLLMENT								
-	-	-	Members			-	-	-
REVENUES								
-	-	-	Premium			-	-	-
102	-	102	Interest			2,159	-	2,159
-	-	-	Other Investment Income			(2,563)	-	(2,563)
102	-	102	TOTAL REVENUES			(404)	-	(404)
EXPENSES								
-	-	-	Medical Costs			-	-	-
-	-	-	IBNR and Paid Claims Adjustment			-	-	-
-	-	-	Total Medical Costs			-	-	-
102	-	102	GROSS MARGIN			(404)	-	(404)
-	-	-	Administrative			-	-	-
-	-	-	Management Fee Expense and Other Admin Exp			-	-	-
-	-	-	Total Administrative Expenses			-	-	-
-	-	-	TOTAL EXPENSES			-	-	-
102	-	102	OPERATING INCOME (LOSS)			(404)	-	(404)
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)			-	-	-
102	-	102	NET INCREASE (DECREASE) IN NET POSITION			(404)	-	(404)
0%	0%	0%	MEDICAL LOSS RATIO			0%	0%	0%
0%	0%	0%	ADMINISTRATIVE EXPENSE RATIO			0%	0%	0%

KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT

KERN HEALTH SYSTEMS

MEDI-CAL		2021 MEMBER MONTHS	JAN'21	FEB'21	MAR'21	APR'21	MAY'21	JUN'21	JUL'21	AUG'21	SEP'21	OCT'21	NOV'21	DEC'21
ADULT AND FAMILY														
ADULT	320,275		51,548	53,449	52,941	53,378	54,092	54,867	0	0	0	0	0	0
CHILD	793,385		131,669	126,764	133,240	133,228	133,944	134,540	0	0	0	0	0	0
SUB-TOTAL ADULT & FAMILY	1,113,660		183,217	180,213	186,181	186,606	188,036	189,407	0	0	0	0	0	0
OTHER MEMBERS														
PARTIAL DUALS - FAMILY	3,170		403	523	529	576	563	576	0	0	0	0	0	0
PARTIAL DUALS - CHILD	-1		0	-1	0	0	0	0	0	0	0	0	0	0
PARTIAL DUALS - BCCTP	14		2	2	2	2	2	4	0	0	0	0	0	0
BCCTP - TABACCO SETTLEMENT	0		0	0	0	0	0	0	0	0	0	0	0	0
FULL DUALS (SPD)														
SPD FULL DUALS	45,378		7,484	7,591	7,505	7,523	7,635	7,640	0	0	0	0	0	0
SUBTOTAL OTHER MEMBERS	48,561		7,889	8,115	8,036	8,101	8,200	8,220	0	0	0	0	0	0
TOTAL FAMILY & OTHER	1,162,221		191,106	188,328	194,217	194,707	196,236	197,627	0	0	0	0	0	0
SPD														
SPD (AGED AND DISABLED)	97,439		16,011	18,829	15,328	15,870	15,756	15,645	0	0	0	0	0	0
MEDI-CAL EXPANSION														
ACA Expansion Adult-Citizen	434,587		70,649	69,251	72,532	73,089	74,161	74,905	0	0	0	0	0	0
ACA Expansion Duals	5,217		751	472	895	921	1,046	1,132	0	0	0	0	0	0
SUB-TOTAL MED-CAL EXPANSION	439,804		71,400	69,723	73,427	74,010	75,207	76,037	0	0	0	0	0	0
TOTAL KAISER	68,641		11,047	11,196	11,349	11,505	11,692	11,852	0	0	0	0	0	0
TOTAL MEDI-CAL MEMBERS	1,768,105		289,564	288,076	294,321	296,092	298,891	301,161	0	0	0	0	0	0

**KERN HEALTH
SYSTEMS**

**May AP Vendor Report
Amounts over \$10,000.00**

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO ****	437,793.93	2,168,836.20	MAY 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	294,413.44	2,168,836.20	MAR. & APR. 2021 PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	137,365.99	344,405.34	APR. & MAY 2021 VOLUNTARY LIFE, AD&D, DENTAL	VARIOUS
T2726	DST PHARMACY SOLUTIONS, INC.	114,846.09	562,582.68	APR. 2021 PHARMACY CLAIMS	PHARMACY
T4982	NGC US, LLC	96,000.00	867,745.88	PREFUND HEALTH HOMES INCENTIVES & HEALTH EDUCATION MEMBER & DISEASE MANAGEMENT & QUALITY IMPROVEMENT INCENTIVES	VARIOUS
T4237	FLUIDEDGE CONSULTING, INC.	73,940.00	349,390.00	APR. & MAY 2021 CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	VARIOUS
T4353	TWE SOLUTIONS, INC. ****	73,165.00	87,518.01	INTRUSION DETECTION/PROTECTION ANNUAL SOFTWARE LICENSE AND SUPPORT	CAPITAL PROJECT
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	72,098.51	242,881.37	APR. 2021 PROFESSIONAL SERVICES	VARIOUS
T4165	SHI INTERNATIONAL CO.	69,477.65	124,821.35	SOFTWARE LICENSES - CISCO IVR LICENSES, PROOFPOINT LICENSES	MIS INFRASTRUCTURE
T4391	OMNI FAMILY HEALTH ****	65,917.15	228,322.19	FEB. & MAR. 2021 SHAFTER HEALTH HOME GRANT	COMMUNITY GRANTS
T4483	INFUSION AND CLINICAL SERVICES, INC. ****	54,471.30	125,327.24	MAR. & APR., 2021 HEALTH HOMES GRANT	COMMUNITY GRANTS
T1180	LANGUAGE LINE SERVICES INC.	52,636.70	176,799.50	MAR. & APR., 2021 INTERPRETATION SERVICES	MEMBER SERVICES
T2458	HEALTHCARE FINANCIAL, INC	45,000.00	220,000.00	MAR. & APR., 2021 PROFESSIONAL SERVICES	ADMINISTRATION



May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4699	ZeOMEGA, INC. ****	44,690.14	44,690.14	2021 JIVA ENHANCEMENTS	MIS INFRASTRUCTURE
T4582	HEALTHX, INC.	41,576.00	215,880.00	MAY 2021 MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T1272	COFFEY COMMUNICATIONS INC. ****	37,877.55	56,686.73	SPRING 2021 MEMBER NEWSLETTER & MAY 2021 WEBSITE MAINTENANCE	HEALTH EDUCATION/ MARKETING
T5107	CITRIX SYSTEMS, INC. ****	37,350.00	37,350.00	ANNUAL SERVICE RENEWAL	MIS INFRASTRUCTURE
T5185	HOUSING AUTHORITY COUNTY OF KERN ****	36,850.00	63,150.00	JAN. & FEB. 2021, HOUSING AUTHORITY GRANT	UTILIZATION MANAGEMENT - UM WELLNESS
T5109	RAND EMPLOYMENT SOLUTIONS	36,554.39	251,351.00	APR. & MAY 2021 TEMPORARY HELP - MS (5), MIS; (1) UM; (1) HE (1)	VARIOUS
T2961	SOLUTION BENCH, LLC ****	33,814.59	46,414.59	2021 M FILES SUBSCRIPTION	MIS INFRASTRUCTURE
T1128	HALL LETTER SHOP, INC.	26,256.45	57,861.02	MEMBER COVID -19 FLYER & MAIL PREP & NEW MEMBER PACKETS	VARIOUS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	25,573.15	117,040.64	APR. 2021 EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T5345	DEVVIO INC ****	23,250.00	23,250.00	ANNUAL SOFTWARE & HARDWARE DEVVTRACE WEARABLES & GATEWAYS - CONTRACT TRACING	CAPITAL PROJECT
T5344	SIGNATURE STAFF RESOURCES LLC	22,770.00	55,752.00	APR. 2021 PROFESSIONAL SERVICES	PROJECT MANAGEMENT
T4193	STRIA LLC	21,566.57	152,743.15	APR. & MAY, 2021 OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS
T4733	UNITED STAFFING ASSOCIATES	21,282.40	88,886.44	APR. & MAY 2021 TEMPORARY HELP - (2) MS; (1) HHP; (1) HE	VARIOUS
T4960	ZELIS CLAIMS INTEGRITY, LLC ****	20,690.28	64,392.01	APR. 2021 POST EDITING SYSTEMS FOR CLAIMS PROCESSING	CLAIMS

**KERN · HEALTH
SYSTEMS**

**May AP Vendor Report
Amounts over \$10,000.00**

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4460	PAYSPAN, INC	20,380.49	85,000.67	APR. 2021 ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5337	CAZADOR CONSULTING GROUP INC ****	19,637.12	24,807.78	APR. & MAY 2021 TEMPORARY HELP - (4) MS	VARIOUS
T3011	OFFICE ALLY, INC.	18,493.50	92,010.50	APR. 2021 EDI CLAIM PROCESSING	CLAIMS
T4967	ADMINISTRATIVE SOLUTIONS, INC.	17,875.10	104,679.79	MAY 2021 FSA EMPLOYEE PREMIUM	HUMAN RESOURCES
T5022	SVAM INTERNATIONAL INC	17,600.00	117,176.00	APR. 2021 PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T2167	PG&E	17,152.23	98,654.83	APR./MAY 2021 - USAGE/UTILITIES	CORPORATE SERVICES
T1861	CERIDIAN HCM, INC.	17,136.40	108,775.12	APR. & MAY 2021 MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T5145	CCS ENGINEERING FRESNO INC.,	16,545.64	92,053.84	APR & MAY 2021 JANITORIAL SERVICES	CORPORATE SERVICES
T5201	JAC SERVICES, INC. ****	16,422.00	31,152.00	SPRING MAINTENANCE - AIR CONDITIONING	CORPORATE SERVICES
T5005	CRAYON SOFTWARE EXPERTS LLC ****	14,282.00	718,561.49	APR. 2021 AZURE OVERAGES	MIS INFRASTRUCTURE
T4792	KP LLC ****	12,536.30	39,828.21	APR. 2021 SUPPORT, POSTPARTUM & PRENATAL MAILINGS	HEALTH EDUCATION/ MARKETING

KERN HEALTH SYSTEMS

May AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4501	ALLIED UNIVERSAL SECURITY SERVICES	12,263.68	73,216.35	APR. & MAY 2021 ONSITE SECURITY	CORPORATE SERVICES
T2941	KERN PRINT SERVICES INC. ****	11,624.64	19,702.67	SUPPLIES - ENVELOPES	CORPORATE SERVICES
T4503	VISION SERVICE PLAN ****	11,036.09	27,696.72	APR. & MAY 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T1189	APPLE ONE INC, EMPLOYMENT SERVICES *****	10,452.38	42,938.68	APR. & MAY 2021 TEMPORARY HELP - (1) MS	VARIOUS
T4396	KAISER FOUNDATION HEALTH-DHMO ****	10,184.83	52,467.29	MAY 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	HUMAN RESOURCES
		<u>2,260,849.68</u>			
	TOTAL VENDORS OVER \$10,000	2,260,849.68			
	TOTAL VENDORS UNDER \$10,000	191,208.07			
	TOTAL VENDOR EXPENSES- MAY	<u>\$ 2,452,057.75</u>			

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

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	2,168,836.20	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	1,082,252.66	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT
T4982	NGC US, LLC	867,745.88	PREFUND HEALTH EDUCATION MEMBER INCENTIVES	HEALTH EDUCATION
T2704	MCG HEALTH LLC	742,147.77	ANNUAL SOFTWARE LICENSE - HEALTH CARE MANAGEMENT	UTILIZATION MANAGEMENT
T5005	CRAYON SOFTWARE EXPERTS LLC	718,561.49	ANNUAL SOFTWARE LICENSE AND ESD AZURE OVERAGE	MIS INFRASTRUCTURE
T3130	OPTUMINSIGHT, INC.	630,066.00	ANNUAL LICENSED SOFTWARE EASYGROUP & INCREMENTAL LICENSE	MIS INFRASTRUCTURE
T2726	DST PHARMACY SOLUTIONS, INC.	562,582.68	PHARMACY CLAIMS	PHARMACY
T4237	FLUIDEDGE CONSULTING, INC.	349,390.00	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	VARIOUS
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	344,405.34	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE PREMIUM	VARIOUS
T5109	RAND EMPLOYMENT SOLUTIONS	251,351.00	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	242,881.37	PROFESSIONAL SERVICES	VARIOUS
T4391	OMNI FAMILY HEALTH	228,322.19	SHAFTER HEALTH HOME GRANT	COMMUNITY GRANTS
T2458	HEALTHCARE FINANCIAL, INC.	220,000.00	PROFESSIONAL SERVICES	ADMINISTRATION
T5229	DIGNITY HEALTH MEDICAL GROUP - BAKERSFIELD	217,442.81	HEALTH HOME GRANT	COMMUNITY GRANTS
T4582	HEALTHX, INC.	215,880.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T1180	LANGUAGE LINE SERVICES INC.	176,799.50	INTERPRETATION SERVICES	MEMBER SERVICES

KERN HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4193	STRIA LLC	152,743.15	OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS
T2584	UNITED STATES POSTAL SVC.-HASLER	150,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T4483	INFUSION AND CLINICAL SERVICES, INC.	125,327.24	HEALTH HOMES GRANT	COMMUNITY GRANT
T4165	SHI INTERNATIONAL CO.	124,821.35	SOFTWARE LICENSES	MIS INFRASTRUCTURE
T5022	SVAM INTERNATIONAL INC	117,176.00	PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	117,040.64	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T1861	CERIDIAN HCM, INC.	108,775.12	MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4967	ADMINISTRATIVE SOLUTIONS, INC.	104,679.79	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T5111	ENTISYS 360	100,206.28	ANNUAL DISASTER RECOVERY CONTINUITY PROJECT	MIS INFRASTRUCTURE/CAPITAL PROJECT
T2850	QUEST SOFTWARE INC.	99,995.00	SQL LICENSE / SPOTLIGHT SOFTWARE	MIS INFRASTRUCTURE
T2167	PG&E	98,654.83	USAGE/UTILITIES	CORPORATE SERVICES
T5145	CCS ENGINEERING FRESNO INC.,	92,053.84	JANITORIAL SERVICES	CORPORATE SERVICES
T3011	OFFICE ALLY, INC.	92,010.50	EDI CLAIM PROCESSING	CLAIMS
T4733	UNITED STAFFING ASSOCIATES	88,886.44	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T4353	TWE SOLUTIONS, INC.	87,518.01	ANNUAL TECHNICAL SUPPORT AND MAINTENANCE FOR NIMBLE STORAGE SOLUTIONS	MIS INFRASTRUCTURE
T4460	PAYSPAN, INC	85,000.67	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T3448	SYNERGY HEALTHCARE, INC.	84,100.00	ASTHMA PROGRAM GRANT	COMMUNITY GRANTS

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4813	ADVENTIST HEALTH TEHACHAPI VALLEY	75,925.82	2020 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T4501	ALLIED UNIVERSAL SECURITY SERVICES	73,216.35	ONSITE SECURITY	CORPORATE SERVICES
T3449	CDW GOVERNMENT	71,275.85	ANNUAL ADOBE TEAM LICENSING	MIS INFRASTRUCTURE
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	65,000.00	ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	65,000.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4960	ZELIS CLAIMS INTEGRITY, LLC	64,392.01	POST EDITING SYSTEMS FOR CLAIMS PROCESSING	CLAIMS
T5185	HOUSING AUTHORITY COUNTY OF KERN	63,150.00	2020 HOUSING AUTHORITY GRANT	UTILIZATION MANAGEMENT - UM WELLNESS
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING	60,338.69	EMPLOYEE PREMIUM - ACCIDENT & CRITICAL ILLNESS	VARIOUS
T4963	LINKEDIN CORPORATION	58,250.00	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES
T1128	HALL LETTER SHOP, INC.	57,861.02	NEW MEMBER LETTER/ENVELOPES, MEMBER HANDBOOKS, CLINICAL CARE MANUAL FOR HH, NEW MEMBER PACKETS & POSTERS	VARIOUS
T1272	COFFEY COMMUNICATIONS INC.	56,686.73	MEMBER NEWSLETTER/ WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE
T5344	SIGNATURE STAFF RESOURCES LLC	55,752.00	PROJECT MANAGEMENT CONSULTING	PROJECT MANAGEMENT
T4396	KAISER FOUNDATION HEALTH-DHMO	52,467.29	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	49,950.00	2020 AUDIT FEES	FINANCE
T2961	SOLUTION BENCH, LLC	46,414.59	M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE
T4699	ZEOMEGA, INC*****	44,690.14	PROFESSIONAL SERVICES AND TRAVEL EXP.	UM
T1189	APPLE ONE INC, EMPLOYMENT SERVICES	42,938.68	TEMPORARY HELP	MIS ADMINISTRATION

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4781	EDRINGTON HEALTH CONSULTING, LLC	41,275.00	CONSULTING SERVICES	ADMINISTRATION
T4792	KP LLC	39,828.21	PROVIDER DIRECTORIES & FORMULARY (SUPPORT/MAINT.)	PROVIDER RELATIONS/PHARMACY
T5340	GARTNER INC	38,500.00	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4563	SPH ANALYTICS	38,108.20	PROVIDER AND MEMBER SATISFACTION SURVEYS	VARIOUS
T4261	KAISER FOUNDATION HEALTH PLAN - TX PPO	37,474.24	TX-PPO EMPLOYEE HEALTH BENEFITS	VARIOUS
T5107	CITRIX SYSTEMS, INC*****	37,350.00	ANNUAL LICENSE AND SUPPORT FEES	MIS INFRASTRUCTURE
T5292	ALL'S WELL HEALTH CARE SERVICES	37,179.00	TEMPORARY HELP	VARIOUS
T4182	THE LAMAR COMPANIES	36,000.00	OUTDOOR ADVERTISEMENT-BILLBOARDS	ADVERTISING
T4785	COMMGAP	34,957.50	INTERPRETATION SERVICES	HEALTH EDUCATION
T5121	TPx COMMUNICATIONS	34,935.93	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T1022	UNUM LIFE INSURANCE CO.	33,515.60	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T5329	RELAY NETWORK, LLC	33,333.35	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	33,199.00	ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5325	WADE A MCNAIR	32,995.00	LEADABILITY PROGRAM FACILITATION-CONSULTING SERVICES/ONSITE TRAINING	HUMAN RESOURCES
T4731	LOGMEIN USA, INC.	31,933.35	INTERNET SERVICES	MIS INFRASTRUCTURE
T5132	TIME WARNER CABLE LLC	31,542.63	INTERNET SERVICES	MIS INFRASTRUCTURE
T5201	JAC SERVICES, INC.	31,152.00	AC MAINTENANCE & SERVICE	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

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

Vendor				
No.	Vendor Name	Year-to Date	Description	Department
T4657	DAPONDE SIMPSON ROWE PC	30,937.50	LEGAL FEES	VARIOUS

KERN HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4503	VISION SERVICE PLAN	27,696.72	EMPLOYEE HEALTH BENEFITS	VARIOUS
T2407	KAISER FOUNDATION HEALTH -COBRA	26,558.92	COBRA EMPLOYEE HEALTH BENEFITS	VARIOUS
T5269	KERN COMMUNITY FOUNDATION	26,311.00	ANNUAL CONTRIBUTION - KERN CONNECTED COMMUNITY NETWORK MGMT FEE	UTILIZATION MANAGEMENT-OUTREACH
T1655	KERN,KKXX,KISV,KGEO,KGFM,KEBT,KZOZ,KKJG,KVEC,KS TT,KRQK,KPAT,	26,000.00	DIGITAL ADS	MARKETING
T5298	TOTALMED, INC.	25,591.00	DIRECT PLACEMENT FEES	HUMAN RESOURCES
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	25,000.01	COMMUNITY SPONSORSHIP	ADMINISTRATION
T5337	CAZADOR CONSULTING GROUP INC	24,807.78	TEMPORARY HELP	VARIOUS
T3986	JACQUELYN S. JANS	24,600.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING
T5119	PACIFIC WEST SOUND PROFESSIONAL AUDIO & DESIGN INC.	24,075.03	HARDWARE BOARD ROOM REMOTE VIDEO CONFERENCING	MIS INFRASTRUCTURE
T5345	DEVVIO INC*****	23,250.00	ANNUAL SOFTWARE & HARDWARE DEVVTRACE WEARABLES & GATEWAYS - CONTRACT TRACING	MIS INFRASTRUCTURE/CAPITAL PROJECT
T4873	L5 HEALTHCARE SOLUTIONS, INC.	23,115.00	ANNUAL LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	CLAIMS
T2413	TREK IMAGING INC	22,732.11	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T2441	LAURA J. BREZINSKI	22,650.00	MARKETING MATERIALS	MARKETING
T2446	AT&T MOBILITY	21,184.17	CELLULAR PHONE / INTERNET USAGE	MIS INFRASTRUCTURE
T5334	PACIFIC INTERPRETERS, INCORPORATED	20,785.11	INTERPRETATION SERVICES	HEALTH EDUCATION
T2941	KERN PRINT SERVICES INC*****	19,702.67	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS

KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4607	AGILITY RECOVERY SOLUTIONS INC.	19,055.00	PROFESSIONAL SERVICES	ADMINISTRATION

KERN HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	17,855.86	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4802	KERN COUNTY SUPERINTENDENT OF SCHOOLS	17,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T4708	HEALTH MANAGEMENT ASSOCIATES, INC.	15,936.00	CONSULTING SERVICES	ADMINISTRATION
T4216	NEXSTAR BROADCASTING INC*****	15,575.00	ADVERTISEMENT - MEDIA	MARKETING
T4195	SCRIPPS MEDIA, INC DBA KERO-TV*****	14,935.00	ADVERTISEMENT - TELEVISION	MARKETING
T4389	EXACT STAFF, INC.	13,998.52	TEMPORARY HELP	VARIOUS
T1326	WALKER-LEWIS RENTS	13,011.51	COVID-19 TESTING SITE EQUIPMENT	MARKETING
T2790	KERN COUNTY DEPT OF PUBLIC HEALTH	12,915.00	INFLUENZA VACCINATION SPONSORSHIP	MARKETING
T2938	SAP AMERICA, INC	12,308.32	SAP BUSINESS OBJECTS SOFTWARE ANNUAL MAINTENANCE FEE	BUSINESS INTELLIGENCE
T1183	MILLIMAN USA*****	12,195.50	CY2019/2020 RDT & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T2989	AMERICAN BUSINESS MACHINES INC	11,540.51	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC*****	11,200.00	COVID-19 TESTING	HUMAN RESOURCES
T4577	LA CAMPESINA, KBDS, KUFW, KMXY, KSEA, KBHH, KYLI, KCEC, KNAI*****	11,187.00	ADVERTISEMENT - RADIO	MARKETING
T5099	PROGRESS SOFTWARE CORPORATION	10,968.02	SOFTWARE LICENSE	MIS INFRASTRUCTURE
T1152	MICHAEL K. BROWN LANDSCAPE & MAINTENANCE CO., INC.	10,745.45	2021 BUILDING MAINTENANCE	CORPORATE SERVICE
T5159	AT&T CORP*****	10,742.67	INTERNET SERVICES	MIS INFRASTRUCTURE

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T2840	ATALASOFT, INC.	10,254.00	ANNUAL DOTIMAGE DOCUMENT IMAGING MAINTENANCE	MIS INFRASTRUCTURE
T2918	STINSON'S*****	10,226.12	2021 OFFICE SUPPLIES	VARIOUS
T4932	SPECTRUM REACH (MEDIA)*****	10,200.00	ADVERTISEMENT - TELEVISION	MARKETING
T2851	SINCLAIR TELEVISION OF BAKERSFIELD, LLC	10,025.00	ADVERTISEMENT - TELEVISION	MARKETING
		13,141,613.43		
	TOTAL VENDORS OVER \$10,000	13,141,613.43		
	TOTAL VENDORS UNDER \$10,000	434,029.80		
	TOTAL VENDOR EXPENSES- MAY	\$13,575,643.23		

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

KERN HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	870,019.05	3,038,855.25	JUN. & JUL., 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T3130	OPTUMINSIGHT, INC ****	413,110.00	1,043,176.00	ANNUAL LICENSE SOFTWARE EASYGROUP & INCREMENTAL LICENSE -YR 3	MIS INFRASTRUCTURE
T4350	COMPUTER ENTERPRISE INC.	185,083.12	1,267,335.78	MAY & JUN. 2021 PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT
T4982	NGC US, LLC	167,000.00	1,034,745.88	PREFUND HEALTH HOMES INCENTIVES & HEALTH EDUCATION MEMBER & DISEASE MANAGEMENT & QUALITY IMPROVEMENT INCENTIVES	VARIOUS
T2726	DST PHARMACY SOLUTIONS, INC.	112,995.61	675,578.29	MAY 2021 PHARMACY CLAIMS	PHARMACY
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	69,272.90	413,678.24	JUN. 2021 VOLUNTARY LIFE, AD&D, DENTAL	VARIOUS
T4237	FLUIDEDGE CONSULTING, INC.	59,835.00	409,225.00	MAY & JUN. 2021 CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	VARIOUS
T1180	LANGUAGE LINE SERVICES INC.	52,336.60	229,136.10	MAY 2021 INTERPRETATION SERVICES	MEMBER SERVICES
T5344	SIGNATURE STAFF RESOURCES LLC	48,300.00	104,052.00	MAY & JUN., 2021 PROFESSIONAL SERVICES	PROJECT MANAGEMENT
T2458	HEALTHCARE FINANCIAL, INC	45,500.00	265,500.00	MAY 2021 PROFESSIONAL SERVICES	ADMINISTRATION
T4582	HEALTHX, INC.	41,576.00	257,456.00	JUN. 2021 MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	39,512.13	282,393.50	MAY 2021 PROFESSIONAL SERVICES	VARIOUS

KERN HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5076	MERIDIAN HEALTH SYSTEMS, P.C. ****	33,280.00	98,280.00	APR. & MAY, 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4391	OMNI FAMILY HEALTH	30,821.91	259,144.10	APR. & MAY 2021 SHAFTER HEALTH HOME GRANT	COMMUNITY GRANTS
T5337	CAZADOR CONSULTING GROUP INC	30,553.80	55,361.58	MAY & JUN. 2021 TEMPORARY HELP - (7) MS	VARIOUS
T5185	HOUSING AUTHORITY COUNTY OF KERN	28,800.00	91,750.00	MAR. & APR. 2021, HOUSING AUTHORITY GRANT	UTILIZATION MANAGEMENT - UM WELLNESS
T4657	DAPONDE SIMPSON ROWE PC ****	28,190.50	59,128.00	APR. 2021 LEGAL FEES	VARIOUS
T5022	SVAM INTERNATIONAL INC	26,925.00	144,101.00	MAY 2021 PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T5109	RAND EMPLOYMENT SOLUTIONS	26,874.72	278,225.72	MAY & JUN. 2021 TEMPORARY HELP - MS (2), MIS; (1) UM; (1) HE (1)	VARIOUS
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING ****	24,056.98	84,395.67	MAY & JUN. 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4261	KAISER FOUNDATION HEALTH PLAN-TX PPO ****	23,918.04	61,392.28	JUN. & JUL., 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4733	UNITED STAFFING ASSOCIATES	22,633.96	111,520.40	MAY & JUN. 2021 TEMPORARY HELP - (2) MS; (1) HHP; (1) HE	VARIOUS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	22,343.11	139,383.75	MAY 2021 EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T2167	PG&E	21,715.06	120,369.89	MAY/JUN. 2021 - USAGE/UTILITIES	CORPORATE SERVICES
T1408	DELL MARKETING L.P. ****	21,339.67	26,945.65	(82) MONITORS	MIS INFRASTRUCTURE
T4963	LINKEDIN CORPORATION ****	20,025.00	78,275.00	ANNUAL RECRUITER SERVICES	HUMAN RESOURCES

KERN HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4605	KERVILLE UNION SCHOOL DISTRICT ****	19,500.00	19,500.00	COMMUNITY GRANT & FINAL 2019/2020 WALLACE ELEM SCHOOL WELLNESS GRANT PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T1861	CERIDIAN HCM, INC.	18,754.08	127,529.20	MAY & JUN. 2021 MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4967	ADMINISTRATIVE SOLUTIONS, INC.	18,633.44	123,313.23	JUN. 2021 FSA EMPLOYEE PREMIUM	HUMAN RESOURCES
T4460	PAYSPAN, INC	18,613.69	103,614.36	MAY 2021 ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T2135	BAKERSFIELD CITY SCHOOL DISTRICT ****	17,455.00	26,205.00	CURRAN MIDDLE SCHOOL WELLNESS GRANT 2019/2020 FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T5013	ELIZA CORPORATION ****	17,040.00	17,080.00	HEALTH RISK ASSESSMENT ANNUAL RENEWAL	CASE MANAGEMENT
T4193	STRIA LLC	16,671.31	169,414.46	MAY & JUN., 2021 OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS
T4501	ALLIED UNIVERSAL SECURITY SERVICES	16,308.50	89,524.85	JUN. 2021 ONSITE SECURITY	CORPORATE SERVICES
T1097	NCQA ****	15,835.25	16,895.25	HEDIS, VOL 2 QUALITY COMPASS AND POPULATION HEALTH PROGRAM ACCREDITATION	QUALITY IMPROVEMENT
T2787	SAGE SOFTWARE, INC ****	15,819.93	15,819.93	2020-21 SAGE300 ERP SILVER BUSINESS ANNUAL LICENSE	FINANCE
T4396	KAISER FOUNDATION HEALTH-DHMO	15,740.18	68,207.47	JUN. & JUL., 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T2578	AMERICAN HEART ASSOCIATION - KERN COUNTY ****	15,000.00	15,000.00	COMMUNITY SPONSORSHIP	ADMINISTRATION
T1022	UNUM LIFE INSURANCE CO. ****	14,069.20	47,584.80	JUN. & JUL. 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS

KERN • HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4216	NEXSTAR BROADCASTING INC ****	11,035.00	26,610.00	FEB. & MAY 2021 TV ADVERTISING	MARKETING
T4503	VISION SERVICE PLAN	10,957.62	38,654.34	JUN. & JUL., 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T1189	APPLE ONE INC, EMPLOYMENT SERVICES	10,233.63	53,172.31	MAY & JUN. 2021 TEMPORARY HELP - (1) MS	VARIOUS
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC ****	10,057.74	27,913.60	MAR. & APR. 2021 EDI CLAIM PROCESSING (RELAY)	CLAIMS
T2869	COMMUNITY ACTION PARTNERSHIP OF KERN ****	10,000.00	10,000.00	COMMUNITY GRANTS	MARKETING
		<u>2,737,542.73</u>			
	TOTAL VENDORS OVER \$10,000	2,737,542.73			
	TOTAL VENDORS UNDER \$10,000	337,324.15			
	TOTAL VENDOR EXPENSES- JUNE	<u>\$ 3,074,866.88</u>			

Note:

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

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	3,038,855.25	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	1,267,335.78	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT
T3130	OPTUMINSIGHT, INC.	1,043,176.00	ANNUAL LICENSED SOFTWARE EASYGROUP & INCREMENTAL LICENSE	MIS INFRASTRUCTURE
T4982	NGC US, LLC	1,034,745.88	PREFUND HEALTH EDUCATION MEMBER INCENTIVES	HEALTH EDUCATION
T2704	MCG HEALTH LLC	742,147.77	ANNUAL SOFTWARE LICENSE - HEALTH CARE MANAGEMENT	UTILIZATION MANAGEMENT
T5005	CRAYON SOFTWARE EXPERTS LLC	718,561.49	ANNUAL SOFTWARE LICENSE AND ESD AZURE OVERAGE	MIS INFRASTRUCTURE
T2726	DST PHARMACY SOLUTIONS, INC.	675,578.29	PHARMACY CLAIMS	PHARMACY
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	413,678.24	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE PREMIUM	VARIOUS
T4237	FLUIDEDGE CONSULTING, INC.	409,225.00	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	VARIOUS
T5109	RAND EMPLOYMENT SOLUTIONS	278,225.72	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	282,393.50	PROFESSIONAL SERVICES	VARIOUS
T2458	HEALTHCARE FINANCIAL, INC.	265,500.00	PROFESSIONAL SERVICES	ADMINISTRATION
T4391	OMNI FAMILY HEALTH	259,144.10	SHAFTER HEALTH HOME GRANT	COMMUNITY GRANTS
T4582	HEALTHX, INC.	257,456.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T1180	LANGUAGE LINE SERVICES INC.	229,136.10	INTERPRETATION SERVICES	MEMBER SERVICES
T5229	DIGNITY HEALTH MEDICAL GROUP - BAKERSFIELD	217,442.81	HEALTH HOME GRANT	COMMUNITY GRANTS

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4193	STRIA LLC	169,414.46	OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS
T4483	INFUSION AND CLINICAL SERVICES, INC.	125,327.24	HEALTH HOMES GRANT	COMMUNITY GRANT
T2584	UNITED STATES POSTAL SVC.-HASLER	150,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5022	SVAM INTERNATIONAL INC	144,101.00	PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	139,383.75	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4165	SHI INTERNATIONAL CO.	128,818.06	SOFTWARE LICENSES	MIS INFRASTRUCTURE
T1861	CERIDIAN HCM, INC.	127,529.20	MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4967	ADMINISTRATIVE SOLUTIONS, INC.	123,313.23	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T2167	PG&E	120,369.89	USAGE/UTILITIES	CORPORATE SERVICES
T4733	UNITED STAFFING ASSOCIATES	111,520.40	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T2850	QUEST SOFTWARE INC.	109,598.00	SQL LICENSE / SPOTLIGHT SOFTWARE	MIS INFRASTRUCTURE
T5344	SIGNATURE STAFF RESOURCES LLC	104,052.00	PROJECT MANAGEMENT CONSULTING	PROJECT MANAGEMENT
T4460	PAYSPAN, INC	103,614.36	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5111	ENTISYS 360	100,206.28	ANNUAL DISASTER RECOVERY CONTINUITY PROJECT	MIS INFRASTRUCTURE/CAPITAL PROJECT
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	98,280.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T5145	CCS ENGINEERING FRESNO INC.,	97,103.84	JANITORIAL SERVICES	CORPORATE SERVICES
T3011	OFFICE ALLY, INC.	92,010.50	EDI CLAIM PROCESSING	CLAIMS

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T5185	HOUSING AUTHORITY COUNTY OF KERN	91,750.00	2020 HOUSING AUTHORITY GRANT	UTILIZATION MANAGEMENT - UM WELLNESS
T4501	ALLIED UNIVERSAL SECURITY SERVICES	89,524.85	ONSITE SECURITY	CORPORATE SERVICES
T4353	TWE SOLUTIONS, INC.	87,518.01	ANNUAL TECHNICAL SUPPORT AND MAINTENANCE FOR NIMBLE STORAGE SOLUTIONS	MIS INFRASTRUCTURE
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING	84,395.67	EMPLOYEE PREMIUM - ACCIDENT & CRITICAL ILLNESS	VARIOUS
T3448	SYNERGY HEALTHCARE, INC.	84,100.00	ASTHMA PROGRAM GRANT	COMMUNITY GRANTS
T4963	LINKEDIN CORPORATION	78,275.00	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES
T4813	ADVENTIST HEALTH TEHACHAPI VALLEY	75,925.82	2020 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T3449	CDW GOVERNMENT	72,660.28	ANNUAL ADOBE TEAM LICENSING	MIS INFRASTRUCTURE
T4396	KAISER FOUNDATION HEALTH-DHMO	68,207.47	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4960	ZELIS CLAIMS INTEGRITY, LLC	67,536.96	POST EDITING SYSTEMS FOR CLAIMS PROCESSING	CLAIMS
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	65,000.00	ANNUAL DUES ASSESSMENT	ADMINISTRATION
T1128	HALL LETTER SHOP, INC.	64,843.73	NEW MEMBER LETTER/ENVELOPES, MEMBER HANDBOOKS, CLINICAL CARE MANUAL FOR HH, NEW MEMBER PACKETS & POSTERS	VARIOUS
T4261	KAISER FOUNDATION HEALTH PLAN - TX PPO	61,392.28	TX-PPO EMPLOYEE HEALTH BENEFITS	VARIOUS
T1272	COFFEY COMMUNICATIONS INC.	60,642.91	MEMBER NEWSLETTER/ WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE
T4657	DAPONDE SIMPSON ROWE PC	59,128.00	LEGAL FEES	VARIOUS
T5337	CAZADOR CONSULTING GROUP INC	55,361.58	TEMPORARY HELP	VARIOUS

KERN HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1189	APPLE ONE INC, EMPLOYMENT SERVICES	53,172.31	TEMPORARY HELP	MIS ADMINISTRATION
T4563	SPH ANALYTICS	38,108.20	PROVIDER AND MEMBER SATISFACTION SURVEYS	VARIOUS
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	49,950.00	2020 AUDIT FEES	FINANCE
T1022	UNUM LIFE INSURANCE CO.	47,584.80	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T2961	SOLUTION BENCH, LLC	46,414.59	M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE
T4699	ZEOMEGA, INC	45,740.14	PROFESSIONAL SERVICES AND TRAVEL EXP.	UM
T4781	EDRINGTON HEALTH CONSULTING, LLC	43,943.75	CONSULTING SERVICES	ADMINISTRATION
T4792	KP LLC	43,583.19	PROVIDER DIRECTORIES & FORMULARY (SUPPORT/MAINT.)	PROVIDER RELATIONS/PHARMACY
T5121	TPx COMMUNICATIONS	42,009.89	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T4182	THE LAMAR COMPANIES	41,315.00	OUTDOOR ADVERTISEMENT-BILLBOARDS	ADVERTISING
T5329	RELAY NETWORK, LLC	40,000.02	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T4785	COMMGAP	39,538.75	INTERPRETATION SERVICES	HEALTH EDUCATION
T5132	TIME WARNER CABLE LLC	38,928.90	INTERNET SERVICES	MIS INFRASTRUCTURE
T4503	VISION SERVICE PLAN	38,654.34	EMPLOYEE HEALTH BENEFITS	VARIOUS
T5340	GARTNER INC	38,500.00	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T5107	CITRIX SYSTEMS, INC	37,350.00	ANNUAL LICENSE AND SUPPORT FEES	MIS INFRASTRUCTURE
T5292	ALL'S WELL HEALTH CARE SERVICES	37,179.00	TEMPORARY HELP	VARIOUS
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	25,000.01	COMMUNITY SPONSORSHIP	ADMINISTRATION

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	33,199.00	ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5325	WADE A MCNAIR	32,995.00	LEADABILITY PROGRAM FACILITATION-CONSULTING SERVICES/ONSITE TRAINING	HUMAN RESOURCES
T4731	LOGMEIN USA, INC.	31,933.35	INTERNET SERVICES	MIS INFRASTRUCTURE
T5201	JAC SERVICES, INC.	31,152.00	AC MAINTENANCE & SERVICE	CORPORATE SERVICES
T2413	TREK IMAGING INC	29,861.54	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T2407	KAISER FOUNDATION HEALTH -COBRA	29,771.68	COBRA EMPLOYEE HEALTH BENEFITS	VARIOUS
T3986	JACQUELYN S. JANS	29,600.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	27,913.60	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T1408	DELL MARKETING L.P. ****	26,945.65	HARDWARE & COMPUTER EQUIPMENT	MIS INFRASTRUCTURE
T4216	NEXSTAR BROADCASTING INC	26,610.00	ADVERTISEMENT - MEDIA	MARKETING
T2441	LAURA J. BREZINSKI	26,500.00	MARKETING MATERIALS	MARKETING
T5269	KERN COMMUNITY FOUNDATION	26,311.00	ANNUAL CONTRIBUTION - KERN CONNECTED COMMUNITY NETWORK MGMT FEE	UTILIZATION MANAGEMENT- OUTREACH
T2135	BAKERSFIELD CITY SCHOOL DISTRICT ****	26,205.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T1655	KERN, KXXX, KISV, KGEO, KGFM, KEBT, KZOZ, KKJG, KVEC, KS TT, KRQK, KPAT,	26,000.00	DIGITAL ADS	MARKETING
T2446	AT&T MOBILITY	25,744.41	CELLULAR PHONE / INTERNET USAGE	MIS INFRASTRUCTURE
T5298	TOTALMED, INC.	25,591.00	DIRECT PLACEMENT FEES	HUMAN RESOURCES
T5119	PACIFIC WEST SOUND PROFESSIONAL AUDIO & DESIGN INC.	24,075.03	HARDWARE BOARD ROOM REMOTE VIDEO CONFERENCING	MIS INFRASTRUCTURE

KERN • HEALTH SYSTEMS

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Vendor No.	Vendor Name	Year-to Date	Description	Department
T5334	PACIFIC INTERPRETERS, INCORPORATED	21,443.57	INTERPRETATION SERVICES	HEALTH EDUCATION
T5345	DEVVIO INC	23,250.00	ANNUAL SOFTWARE & HARDWARE DEVVTRACE WEARABLES & GATEWAYS - CONTRACT TRACING	MIS INFRASTRUCTURE/CAPITAL PROJECT
T4873	L5 HEALTHCARE SOLUTIONS, INC.	23,115.00	ANNUAL LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	CLAIMS
T4607	AGILITY RECOVERY SOLUTIONS INC.	22,842.00	PROFESSIONAL SERVICES	ADMINISTRATION
T2941	KERN PRINT SERVICES INC	19,702.67	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T4605	KERNVILLE UNION SCHOOL DISTRICT ****	19,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T2969	AMERICAN BUSINESS MACHINES INC	19,247.72	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T4802	KERN COUNTY SUPERINTENDENT OF SCHOOLS	17,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T5013	ELIZA CORPORATION ****	17,080.00	202 DATA MANAGEMENT FEE	CASE MANAGEMENT
T1097	NCQA ****	16,895.25	HEDIS, VOL 2 PLUS QUALITY COMPASS AND POPULATION HEALTH PROGRAM ACCREDITATION	QUALITY IMPROVEMENT
T2918	STINSON'S	16,310.10	2021 OFFICE SUPPLIES	VARIOUS
T4708	HEALTH MANAGEMENT ASSOCIATES, INC.	15,936.00	CONSULTING SERVICES	ADMINISTRATION
T2787	SAGE SOFTWARE, INC	15,819.93	2020-21 SAGE300 ERP SILVER BUSINESS ANNUAL LICENSE	FINANCE
T1183	MILLIMAN USA	15,059.25	CY2019/2020 RDT & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T2851	SINCLAIR TELEVISION OF BAKERSFIELD, LLC	15,025.00	ADVERTISEMENT - TELEVISION	MARKETING
T2578	AMERICAN HEART ASSOCIATION - KERN COUNTY ****	15,000.00	COMMUNITY ACTIVITIES-SPONSORSHIP	ADMINISTRATION
T4195	SCRIPPS MEDIA, INC DBA KERO-TV	14,935.00	ADVERTISEMENT - TELEVISION	MARKETING

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1326	WALKER-LEWIS RENTS	14,926.34	COVID-19 TESTING SITE EQUIPMENT	MARKETING
T1152	MICHAEL K. BROWN LANDSCAPE & MAINTENANCE CO., INC.	14,745.45	2021 BUILDING MAINTENANCE	CORPORATE SERVICE
T4389	EXACT STAFF, INC.	13,998.52	TEMPORARY HELP	VARIOUS
T4523	BERKSHIRE LIFE INSURANCE COMPANY OF AMERICA ****	13,347.94	EMPLOYEE PREMIUM	ADMINISTRATION
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC	12,960.00	COVID-19 TESTING	HUMAN RESOURCES
T2790	KERN COUNTY DEPT OF PUBLIC HEALTH	12,915.00	INFLUENZA VACCINATION SPONSORSHIP	MARKETING
T5159	AT&T CORP	12,532.52	INTERNET SERVICES	MIS INFRASTRUCTURE
T2938	SAP AMERICA, INC	12,308.32	SAP BUSINESS OBJECTS SOFTWARE ANNUAL MAINTENANCE FEE	BUSINESS INTELLIGENCE
T4228	THE SSI GROUP, LLC ****	12,121.60	EDI CLAIM PROCESSING	CLAIMS
T3084	KERN COUNTY-COUNTY COUNSEL ****	12,015.30	LEGAL FEES	ADMINISTRATION
T4577	LA CAMPESINA, KBDS, KJFW, KMXV, KSEA, KBHH, KYLI, KCEC, KNAI	12,000.00	ADVERTISEMENT - RADIO	MARKETING
T5161	INTEGRATED HEALTHCARE ASSOCIATION ****	11,653.75	ADVERTISEMENT - FILMING SERVICES	MARKETING
T5099	PROGRESS SOFTWARE CORPORATION	10,968.02	SOFTWARE LICENSE	MIS INFRASTRUCTURE
T4993	LEGALSHIELD ****	10,267.46	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION

KERN • HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T2840	ATALASOFT, INC.	10,254.00	ANNUAL DOTIMAGE DOCUMENT IMAGING MAINTENANCE	MIS INFRASTRUCTURE
T4932	SPECTRUM REACH (MEDIA)	10,200.00	ADVERTISEMENT - TELEVISION	MARKETING
T2869	COMMUNITY ACTION PARTNERSHIP OF KERN ****	10,000.00	COMMUNITY GRANTS	MARKETING
		16,086,763.56		
	TOTAL VENDORS OVER \$10,000	16,088,763.56		
	TOTAL VENDORS UNDER \$10,000	561,746.55		
	TOTAL VENDOR EXPENSES - JUNE	\$16,650,510.11		

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

KHS Finance Committee Meeting, August 6, 2021

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
January							
Poppyrock Designs	\$46,200.00	Yes	MRK	Louie Iturriria	Graphic design of KHS-KFHC member & provider MKT materials	1/1/2021	12/31/2021
Symplr/Cactus	\$35,700.00	Yes	IT	Richard Pruitt	Annual SaaS Application manager & the DEA State license monitor	1/6/2021	1/5/2022
HD Dynamics	\$50,000.00	Yes	PR	Emily Duran	Consulting Services	1/1/2021	12/31/2021
LinkedIn	\$52,000.00	Yes	HR	Anita Martin	Online training for managed learners	1/1/2021	12/31/2021
Jacquelyn Jans	\$60,000.00	Yes	MRK	Louie Iturriria	Marketing and Corporate Image Consulting	1/1/2021	12/31/2021
February							
CDW-G	\$54,287.48	Yes	IT	Richard Pruitt	Dell 5420 (25) laptops and (25) Dockbolt stations	2/24/2021	2/24/2025
SPH Analytics	\$87,010.00	Yes	PR	Emily Duran	Custom provider satisfaction survey	2/11/2021	12/31/2021
Lamar	\$41,595.00	Yes	MRK	Louie Iturriria	Production of 5 Billboard advertisement	1/25/2021	1/24/2022
LifeSigns	\$80,000.00	Yes	HE	Isabel Silva	ASL interpreting services for KHS members	2/23/2021	2/22/2023
Quest Software	\$99,995.00	Yes	IT	Richard Pruitt	Unlimited Enterprise Spotlight on SQL server licenses	2/1/2021	1/31/2026
PMO Partners	\$97,152.00	Yes	PM	Angela Ahsan	Professional consulting services	2/11/2021	6/18/2021
March							
Gartner	\$38,500.00	Yes	IT	Richard Pruitt	One (1) license for individual access advisor	3/1/2021	2/28/2022
SHI	\$33,432.79	Yes	IT	Richard Pruitt	Co-termed support for all Fortinet-Fortigate security appliances	3/15/2021	12/31/2022
April							
Citrix	\$37,350.00	Yes	IT	Richard Pruitt	Maintenance and support for Citrix licenses	4/2/2021	4/1/2022
SHI	\$58,469.60	Yes	IT	Richard Pruitt	Cisco SMARTnet renewal	4/22/2021	4/22/2022
TWE Solutions	\$73,165.00	Yes	IT	Richard Pruitt	Cortex XDR Pro licenses	4/23/2021	4/22/2022
Presidio	\$47,225.00	Yes	IT	Richard Pruitt	Security Program Assessment services	4/23/2021	4/22/2022
May							
Entisys360	\$99,999.00	Yes	IT	Richard Pruitt	Xi Leap Cloud Services co-termed	5/26/2021	5/26/2022

KHS Finance Committee Meeting, August 6, 2021

2021 TECHNOLOGY CONSULTING RESOURCES																		
ITEM	PROJECT	CAP/EXP	BUDGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD	TOTAL	REMAINING BALANCE
8	Project Name																	
1	Project Portfolio Management System	CAP	\$154,562	\$0	\$0	\$18,400	\$0	\$16,000	\$43,040								\$77,440	\$77,122
2	Community Based Organization Referral System	CAP	\$359,653	\$0	\$0	\$0	\$0	\$10,925	\$55,209								\$66,134	\$293,519
3	Enterprise Logging System	CAP	\$333,996	\$12,036	\$15,200	\$0	\$17,600	\$0	\$0								\$44,836	\$289,160
4	Interoperability	CAP	\$162,044	\$4,944	\$0	\$0	\$0	\$0	\$0								\$4,944	\$157,100
5	Enterprise Data Warehouse System	CAP	\$673,553	\$87,957	\$94,932	\$104,117	\$111,364	\$68,480	\$29,040								\$495,890	\$177,663
6	Major Organ Transplants	CAP	\$62,000															\$62,000
7	Enhanced Care Management	CAP	\$344,000															\$344,000
8	Staff Augmentation	EXP	\$1,918,488	\$142,543	\$142,108	\$174,994	\$156,367	\$160,220	\$166,264								\$942,496	\$975,992
	Totals:	Totals	\$4,008,296	\$247,480	\$252,240	\$297,511	\$285,331	\$255,625	\$293,553	\$0	\$0	\$0	\$0	\$0	\$0	\$1,631,740	\$2,376,556	

Updated 7/21/21

