



KERN HEALTH SYSTEMS

FINANCE COMMITTEE MEETING

Friday, February 4, 2022

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, February 4, 2022

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 KHS Finance Committee Meeting on December 10, 2021 -
APPROVE
- 4) Report on Kern Health Systems Investment Portfolio for the Fourth Quarter Ending December 31, 2021 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 5) Report on 2021 Annual Review of the Kern Health Systems Investment Policy (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 6) Report on 2021 Annual Travel Report (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 7) Report on 2021 Annual Report of Disposed Assets (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 8) Proposed Amendment to MCG agreement, for the purchase of (2) additional MCG Clinical Care Guidelines, from February 17, 2022 through August 16, 2025 (Fiscal Impact: \$141,000 estimated annually; Budgeted) –
APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 9) Proposed Agreement with Ceridian HCM, for Payroll and Human Resources Management Services, from March 18, 2022 through March 17, 2025, in an amount not to exceed \$36.00 PEPM (Per Employee Per Month) (Fiscal Impact: \$216,000 estimated annually; Budgeted) –
APPROVE; REFER TO KHS BOARD OF DIRECTORS

- 10) Report on Kern Health Systems Financial Statements for November 2021 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 11) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for November 2021 and IT Technology Consulting Resources for the period ended November 30, 2021 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

ADJOURN TO FRIDAY, APRIL 8, 2022 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, December 10, 2021

8:00 A.M.

COMMITTEE RECONVENED

Members: Deats, Martinez, McGlew, Melendez, Rhoades
ROLL CALL: 4 Present; 1 Absent - Melendez

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

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

COMMITTEE ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

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

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

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

- CA-3) Minutes for KHS Finance Committee meeting on October 8, 2021 - APPROVED
Rhoades-Martinez: 4 Ayes; 1 Absent - Melendez
- 4) Report on Kern Health Systems investment portfolio for the third quarter ending September 30, 2021 (Fiscal Impact: None) – IRA COHEN, UBS FINANCIAL SERVICES, INC., HEARD; RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-McGlew: 4 Ayes; 1 Absent - Melendez
- 5) Proposed policy renewal with IOA RE for reinsurance to mitigate costs incurred by Kern Health Systems for members with high dollar inpatient admissions from January 1, 2022 through December 31, 2022 in an amount not to exceed \$0.18 per member per month (Fiscal Impact: \$670,140 estimated; Budgeted) – KATHRYN BOWEN, ARTHUR J. GALLAGHER & CO., HEARD; APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Rhoades: 4 Ayes; 1 Absent - Melendez
- 6) Proposed Kern Health Systems 2022 Operating and Capital Budgets (Fiscal Impact: None) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Rhoades: 4 Ayes; 1 Absent - Melendez
- 7) Proposed Budget Request for 2022 Project Consulting Professional Services, from January 1, 2022 through December 31, 2022 (Fiscal Impact: \$10,369,190; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Martinez: 4 Ayes; 1 Absent - Melendez
- 8) Proposed Agreement with Dell, Inc, for Microsoft Licensing, maintenance and technical support, from January 1, 2022 through December 31, 2024, in an amount not to exceed \$1,358,808 (Fiscal Impact: \$452,936 annually; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Martinez: 4 Ayes; 1 Absent - Melendez
- 9) Proposed Agreement with Entysis360, for the purchase of the Nutanix Storage Solution with one year support and maintenance, from January 1, 2022 through December 31, 2022 (Fiscal Impact: \$733,444 annually; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Martinez: 4 Ayes; 1 Absent - Melendez
- DIRECTOR DEATS LEFT THE DAIS AT 9:15 A.M. AND DID NOT RETURN
- 10) Proposed Agreement with LinkedIn, Co., for the online training platform for KHS' employees, from January 1, 2022 through December 31, 2024, in an amount not to exceed \$178,950 (Fiscal Impact: \$59,650 annually; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Martinez-Rhoades: 3 Ayes; 2 Absent – Deats, Melendez

- 11) Proposed Agreement with A-C Electric, for the design and installation of a Solar Panel system for the KHS' facility, from January 1, 2022 through October 30, 2022, (Fiscal Impact: \$2,371,559; Budgeted) – JEFF PETRINI, A-C ELECTRIC, HEARD; APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Martinez: 3 Ayes; 2 Absent – Deats, Melendez

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

- 13) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for September 2021 and October 2021 and IT Technology Consulting Resources for the period ended October 31, 2021 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Martinez: 3 Ayes; 2 Absent – Deats, Melendez

ADJOURN TO FRIDAY, FEBRUARY 4, 2022 AT 8:00 A.M.



To: KHS Finance Committee

From: Robert Landis, CFO

Date: February 4, 2022

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
December 31, 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.

<u>Description</u>		<u>Dollar Amount</u>	<u>% of Portfolio</u>	<u>Maximum Allowed Per Policy</u>	<u>Approximate Current Yield</u>	<u>Liquidity</u>	<u>Principal Fluctuation</u>
Wells Fargo - Cash		(1) \$ 3,300,000	1.15%	100%		1 Day	None
Money Market Accounts	(A)	(1) \$ 13,100,000	4.58%	40%	0.01%	1 Day	None
Local Agency Investment Fund (LAIF)	(B)	(2) \$ 73,800,000	25.79%	50%	0.21%	2 Days	None
US T-Bills & Federal Agencies at Wells Fargo		(1) \$ 120,000,000	41.93%	100%	0.04%	1 Day	Subject to Interest Rate Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	(1) \$ 25,000,000	8.74%		0.18%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 235,200,000	82.18%		0.11%		

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)	\$ 51,000,000	17.82%		0.85%	3 Days	Subject to Interest Rate and Credit Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	\$ -	0.00%		0.00%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 51,000,000	17.82%		0.85%		
Total Portfolio		\$ 286,200,000	100.00%		0.24%		

Yield Curve

<u>Yield Curve</u>	<u>Treasur</u>	<u>AA Corporate Bonds</u>	<u>A Corporate Bonds</u>	<u>CD's</u>
1 year	0.38%	0.40%	0.50%	0.25%
2 year	0.73%	0.88%	0.93%	0.60%
3 year	0.96%	1.15%	1.23%	0.90%
5 year	1.26%	1.53%	1.68%	1.15%

- (A) Money market fund comprised of US Treasury and Repurchase Agreement Obligations.
 - (B) LAIF is part of a \$181 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, US Treasury and Municipal 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/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 2022 capital projects.



UBS Client Review

as of December 31, 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	Name	Type
EX XX120	• BOND PORTFOLIO	• Portfolio Management Program
Risk profile:	Conservative	
Return Objective:	Current Income	

What's inside

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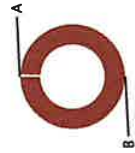
Portfolio review

as of December 31, 2021

Asset allocation review

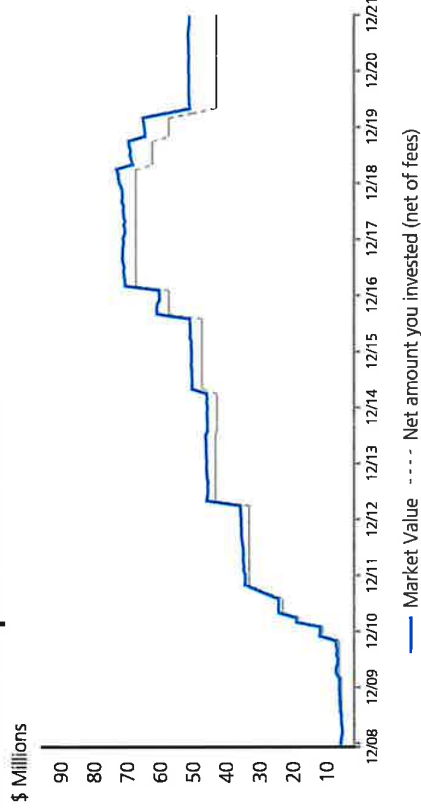
	Value on 12/31/2021 (\$)	% of Portfolio
A Cash	264,815.53	0.52
Cash	264,815.53	0.52
B Fixed Income	50,779,497.84	99.48
US	50,779,497.84	99.48
C Equity	0.00	0.00
D Commodities	0.00	0.00
E Non-Traditional	0.00	0.00
F Other	0.00	0.00
Total Portfolio	\$51,044,313.37	100%

Balanced mutual funds are allocated in the 'Other' category



EX XX120 • 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	For the period of 03/31/2021 to 06/30/2021	For the period of 06/30/2021 to 09/30/2021	For the period of 09/30/2021 to 12/31/2021
Opening value	51,314,838.66	51,290,289.38	51,312,945.47	51,340,721.83
Net deposits/withdrawals	-16,449.05	-16,623.68	-16,813.78	-16,822.88
Div./interest income	158,305.49	199,253.40	142,171.96	316,014.55
Change in accr. interest	35,203.97	-3,453.30	87,252.73	-83,002.02
Change in value	-201,609.70	-156,520.33	-184,834.55	-512,598.10
Closing value	51,290,289.38	51,312,945.47	51,340,721.83	51,044,313.37
Net time-weighted ROR	-0.05	0.04	0.05	-0.58

Net deposits and withdrawals include program and account fees.

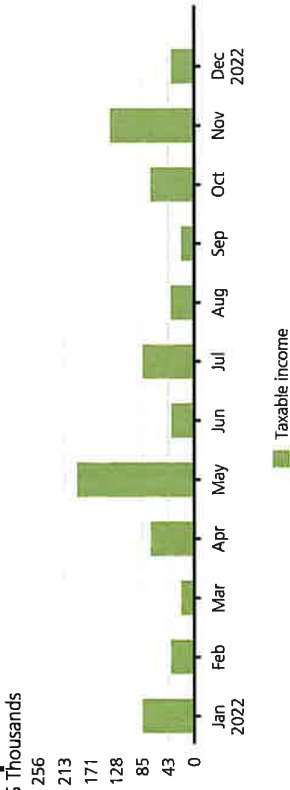
Past performance does not guarantee future results and current performance may be lower/higher than past data presented.

Report created on: January 05, 2022



Portfolio review - as of December 31, 2021 (continued)

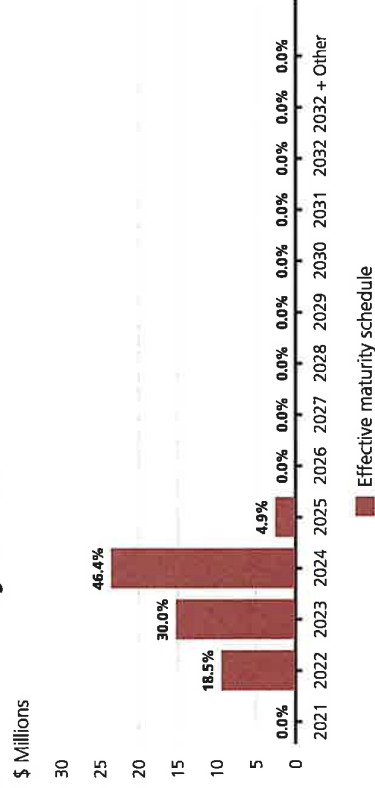
Expected cash flow



Total taxable income: \$861,070.25
Total expected cash flow: \$861,070.25

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

Bond maturity schedule



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

Equity sector analysis

Compared to S&P 500 index

	Value on 12/31/2021 (\$)	Actual (%)	Model (%)	Gap (%)
Communication Services	0.00	0.00	10.29	-10.29
Consumer Discretionary	0.00	0.00	13.44	-13.44
Consumer Staples	0.00	0.00	6.33	-6.33
Energy	0.00	0.00	2.76	-2.76
Financials	0.00	0.00	10.62	-10.62
Health Care	0.00	0.00	12.69	-12.69
Industrials	0.00	0.00	7.78	-7.78
Information Technology	0.00	0.00	28.51	-28.51
Materials	0.00	0.00	2.50	-2.50
Real Estate	0.00	0.00	2.63	-2.63
Utilities	0.00	0.00	2.35	-2.35
Total classified equity	\$0.00			
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: January 05, 2022



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

Portfolio review - as of December 31, 2021 (continued)
Summary of performance by account

		Performance returns (annualized > 1 year)				
Performance start date	Value on 12/31/2021 (\$)	% of portfolio	For the period of 12/31/2020 to 03/31/2021	For the period of 03/31/2021 to 06/30/2021	For the period of 06/30/2021 to 09/30/2021	For the period of 09/30/2021 to 12/31/2021
EX XX120 BOND PORTFOLIO•PMP•The Cohen Group Fixed Income - PIV	51,044,313.37	100.00%	-0.05%	0.04%	0.05%	-0.58%
Risk profile: Conservative						
Return objective: Current Income						
Total Portfolio	\$51,044,313.37	100%	-0.05%	0.04%	0.05%	-0.58%
Benchmarks - Annualized time-weighted returns						
Blended Index			-0.03%	0.15%	0.12%	-0.55%
Blended Index 2			0.01%	0.10%	0.07%	-0.28%
US Treasury Bill - 3 Mos			0.02%	0.00%	0.01%	0.01%
Barclays US Agg 1-3Y			-0.07%	0.05%	0.09%	-0.56%
S&P 500			6.17%	8.55%	0.58%	11.03%

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

Report created on: January 05, 2022



Asset allocation by account

as of December 31, 2021

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

	Equities (\$/%)				Fixed Income (\$/%)				Total				
	Cash (\$/%)	U.S.	Global	International	U.S.	Global	International	Non-Traditional (\$/%)		Commodities (\$/%)	Other (\$/%)		
Total Portfolio	264,815.53	0.00	0.00	0.00	50,779,497.84	0.00	0.00	0.00	0.00	0.00	0.00	\$51,044,313.37	100%
264,815.53	0.00	0.00	0.00	0.00	50,779,497.84	0.00	0.00	0.00	0.00	0.00	0.00	\$51,044,313.37	100.00%

EX XX120 - BOND PORTFOLIO - BSA PMP

Risk profile: Conservative
 Return objective: Current Income

	Equities (\$/%)				Fixed Income (\$/%)				Total				
	Cash (\$/%)	U.S.	Global	International	U.S.	Global	International	Non-Traditional (\$/%)		Commodities (\$/%)	Other (\$/%)		
Total Portfolio	264,815.53	0.00	0.00	0.00	50,779,497.84	0.00	0.00	0.00	0.00	0.00	0.00	\$51,044,313.37	100%

Balanced mutual funds are allocated in the 'Other' category



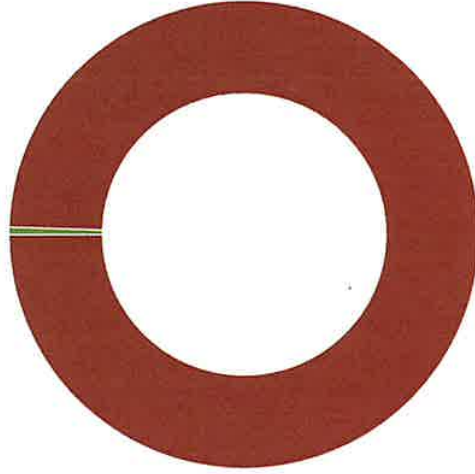
Asset allocation review

as of December 31, 2021

Summary of asset allocation

	Market value (\$)	% of Portfolio
Cash	264,815.53	0.52
Cash	264,815.53	0.52
US	264,815.53	0.52
Fixed Income	50,779,497.84	99.48
US	50,779,497.84	99.48
Government	3,977,605.56	7.79
Corporate IG Credit	46,801,892.28	91.69
Equity	0.00	0.00
Commodities	0.00	0.00
Non-Traditional	0.00	0.00
Other	0.00	0.00
Total Portfolio	\$51,044,313.37	100%

Balanced mutual funds are allocated in the 'Other' category



Cash 0.52%
US Fixed Income 99.48%

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



Bond summary

as of December 31, 2021

Bond overview

Total quantity	49,689,000
Total market value	\$50,562,421.85
Total accrued interest	\$217,075.99
Total market value plus accrued interest	\$50,779,497.84
Total estimated annual bond interest	\$917,059.00
Average coupon	1.87%
Average current yield	1.81%
Average yield to maturity	0.93%
Average yield to worst	0.85%
Average modified duration	1.84
Average effective maturity	1.97

Credit quality of bond holdings

Effective credit rating	Issues	Value on 12/31/2021 (\$)	% of port.
A Aaa/AAA/AAA	5	7,933,707.82	15.67
B Aa/AA/AA	2	3,972,838.78	7.85
C A/A/A	28	37,828,951.80	74.43
D Baa/BBB/BBB	1	1,043,999.44	2.06
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	36	\$50,779,497.84	100%

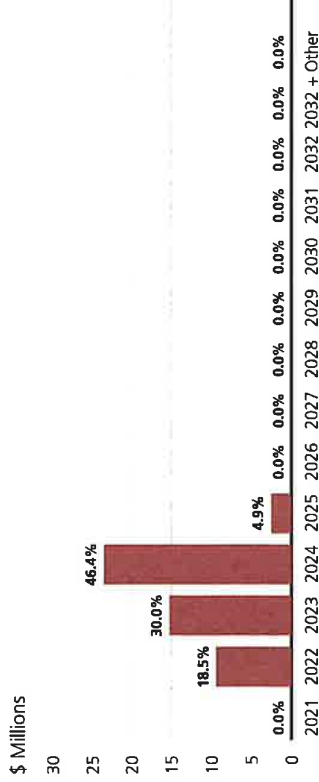


EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for **Kern Health Systems**
 Risk profile: **Conservative**
 Return Objective: **Current Income**

Investment type allocation

Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
U.S. corporates	46,801,892.29	0.00	46,801,892.29	92.17
U.S. federal agencies	3,977,605.56	0.00	3,977,605.56	7.83
Total	\$50,779,497.85	\$0.00	\$50,779,497.85	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.



Bond holdings

as of December 31, 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 gain/loss (\$)	Mkt. value (\$)	% of bond portfolio maturing
2021	0	0			NA	NA	NA				
2022	7	9,289,000	207,368.50	2.21%	0.43%	0.38%	0.46	9,323,908.26	43,484.59	9,421,452.18	18.53%
2023	9	15,250,000	103,328.00	0.68%	0.84%	0.71%	1.51	15,299,106.02	-97,726.52	15,231,036.02	30.06%
2024	19	22,750,000	531,362.50	2.26%	1.13%	1.08%	2.51	23,750,559.36	-277,869.86	23,573,132.97	46.42%
2025	1	2,400,000	75,000.00	2.98%	1.44%	1.29%	2.68	2,552,221.45	-31,261.45	2,553,876.67	4.99%
2026	0	0			NA	NA	NA				
2027	0	0			NA	NA	NA				
2028	0	0			NA	NA	NA				
2029	0	0			NA	NA	NA				
2030	0	0			NA	NA	NA				
2031	0	0			NA	NA	NA				
2032	0	0			NA	NA	NA				
2033	0	0			NA	NA	NA				
2034	0	0			NA	NA	NA				
2035	0	0			NA	NA	NA				
2036	0	0			NA	NA	NA				
2037	0	0			NA	NA	NA				
2038	0	0			NA	NA	NA				
2039	0	0			NA	NA	NA				
2040	0	0			NA	NA	NA				
2041	0	0			NA	NA	NA				
2042	0	0			NA	NA	NA				
2043	0	0			NA	NA	NA				
2044	0	0			NA	NA	NA				
2045	0	0			NA	NA	NA				
2046	0	0			NA	NA	NA				
2047	0	0			NA	NA	NA				
2048	0	0			NA	NA	NA				
2049	0	0			NA	NA	NA				
2050	0	0			NA	NA	NA				
2050 +	0	0			NA	NA	NA				
Other	0	0			NA	NA	NA				
Total	36	49,689,000	\$917,059.00	1.81%	0.93%	0.85%	1.84	\$50,925,795.09	\$-363,373.24	\$50,779,497.84	

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



Bond holdings - as of December 31, 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 (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. gr (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Total Bond Portfolio	49,689,000	1.87%	12/21/2023	NA	\$917,059.00 1.81%	0.93% 0.85%	1.84 \$-363,373.24	\$50,925,795.0 \$-363,373.24	NA	\$50,562,421.85 \$217,075.99 \$50,779,497.84	100%
Maturing 2022											
PEPSICO INC NTS B/E 02.250%	1,089,000	2.25%	05/02/2022	04/02/2022	24,502.50	0.86%	0.25	1,087,301.16	100.465	1,094,063.85	2.16%
050222 DTD050217 FC110217				100.00	2.24%	0.41%		6,762.69		4,015.69	
CALL@MMW+10BP											
CATERPILLAR FINL SERVICE	1,500,000	0.95%	05/13/2022		14,250.00	0.32%	0.36	1,501,403.39	100.229	1,503,435.00	2.97%
00.950% 051322 DTD051520					0.95%	0.32%		2,031.61		1,900.00	
FC111320 CALL@MMW+15BP											
IBM CORP NTS B/E 02.850%	1,500,000	2.85%	05/13/2022		42,750.00	0.35%	0.36	1,514,456.75	100.915	1,513,725.00	2.99%
051322 DTD051519 FC111519					2.82%	0.35%		-731.75		5,462.50	
CALL@MMW+10BP											
QUALCOMM INC NTS B/E 03.000%	1,000,000	3.00%	05/20/2022		30,000.00	0.39%	0.38	1,002,416.19	101.004	1,010,040.00	2.00%
052022 DTD052015 FC112015					2.97%	0.39%		7,623.81		3,416.67	
CALL@MMW+15BP											
UNITEDHEALTH GROUP INC	1,700,000	3.35%	07/15/2022		56,950.00	0.36%	0.52	1,727,707.41	101.608	1,727,336.00	3.42%
03.350% 071522 DTD072315					3.30%	0.36%		-371.41		26,260.28	
FC011516 CALL@MMW+20BP											
HONEYWELL INTL INC NTS	200,000	0.48%	08/19/2022		966.00	0.48%	0.63	200,122.36	100.001	200,002.00	0.40%
00.483% 081922 DTD081920					0.48%	0.48%		-120.36		354.20	
FC021921 CALL@MMW+5BP											
WALT DISNEY CO NTS B/E 01.650%	2,300,000	1.65%	09/01/2022		37,950.00	0.42%	0.66	2,290,501.00	100.817	2,318,791.00	4.59%
090122 DTD090619 FC030120					1.64%	0.42%		28,290.00		12,650.00	
Total 2022	9,289,000	2.24%	06/23/2022		\$207,368.50 2.21%	0.43% 0.38%	0.46 \$9,323,908.26 \$43,484.59	\$9,367,392.85 \$54,059.33			
Maturing 2023											
JPMORGAN CHASE & CO NTS	1,150,000	2.97%	01/15/2023	01/15/2022	34,178.00	2.90%	0.03	1,166,336.40	100.069	1,150,793.50	2.28%
02.972% 011523 DTD120816					2.97%	1.18%		-15,542.90		15,759.86	
FC071517 CALL@MMW+20BP											

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



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

Bond holdings - as of December 31, 2021 (continued)

Underlying rating/ (Mdy/Fitch/S&P)	Effective rating/ (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2023												
PEPSICO INC NTS B/E 00.750% 050123 DTD050120 FC110120 CALL@MW+10BP	A1/MW/A+ NR/NR/NR	1,500,000	0.75%	05/01/2023		11,250.00 0.75%	0.65%	1.32	1,508,724.79 -6,684.79	100.136	1,502,040.00 1,875.00	2.97%
APPLE INC NTS B/E 00.750% 051123 DTD051120 FC111120 CALL@MW+10BP	Aaa/NR/A+ NR/NR/NR	3,000,000	0.75%	05/11/2023		22,500.00 0.75%	0.54%	1.35	3,017,553.37 -9,123.37	100.281	3,008,430.00 3,125.00	5.95%
JOHN DEERE CPTL CORP 00.700% 070523 DTD060420 FC010521 MED TERM NTS	A2/A+ NR/NR/NR	1,000,000	0.70%	07/05/2023		7,000.00 0.70%	0.72%	1.49	1,005,208.50 -5,448.50	99.976	999,760.00 3,422.22	1.98%
PACCAR FINANCIAL CORP 00.350% 081123 DTD081120 FC021121 MED TERM NTS	A1/NR/A+ NR/NR/NR	2,000,000	0.35%	08/11/2023		7,000.00 0.35%	0.85%	1.59	2,000,000.00 -15,960.00	99.202	1,984,040.00 2,722.22	3.92%
PEPSICO INC NTS B/E 00.400% 100723 DTD100720 FC040721	A1/NR/A+ NR/NR/NR	600,000	0.40%	10/07/2023		2,400.00 0.40%	0.70%	1.75	601,798.68 -5,002.68	99.466	596,796.00 560.00	1.18%
FFCB BOND 00.290 % DUE 110223 DTD 110220 FC 05022021	NR/AAA/AA+ NR/NR/NR	2,000,000	0.29%	11/02/2023		5,800.00 0.29%	0.70%	1.82	1,998,818.00 -13,818.00	99.250	1,985,000.00 950.56	3.93%
FANNIE MAE NTS 00.310 % DUE 111623 DTD 111620 FC 05162021	Aaa/AAA/AA+ NR/NR/NR	2,000,000	0.31%	11/16/2023	11/16/2022	6,200.00 0.31%	0.55%	1.86	1,999,800.00 -8,920.00	99.544	1,990,880.00 775.00	3.94%
BANK OF NY MELLON CORP 00.350% 120723 DTD120720 FC060721 NTS B/E	A1/AA-/A NR/NR/NR	2,000,000	0.35%	12/07/2023	11/07/2023	7,000.00 0.35%	0.78%	1.92	2,000,866.28 -17,226.28	99.182	1,983,640.00 466.67	3.92%
Total 2023		15,250,000	0.68%	08/06/2023		\$103,328.00 0.68%	0.84%	1.51	\$15,299,106.0 \$-97,726.52		\$15,201,379.50 \$29,656.52	30.06%
Maturing 2024												
US BANCORP MED TERM NTS 03.375% 020524 DTD020419 FACTOR 1.000000000000	A2/A+/A+ NR/NR/NR	300,000	3.38%	02/05/2024	01/05/2024	10,125.00 3.22%	1.03%	1.92	317,880.51 -3,351.51	104.843	314,529.00 4,106.25	0.62%
MICROSOFT CORP NTS B/E 02.875% 020624 DTD020617 FC080617 CALL@MW+12.5BP	Aaa/AAA/AAA NR/NR/NR	500,000	2.88%	02/06/2024	12/06/2023	14,375.00 2.76%	0.90%	1.88	525,113.77 -4,623.77	104.098	520,490.00 5,789.93	1.03%
COMCAST CORP NTS B/E 03.700% 041524 DTD100518 FC041519 CALL@MW+15BP	A3/A-/A- NR/NR/NR	400,000	3.70%	04/15/2024	03/15/2024	14,800.00 3.48%	0.93%	2.11	425,246.13 -206.13	106.260	425,040.00 3,124.44	0.84%
APPLE INC NTS B/E 2.850% 051124 DTD051117 FC111117 CALL@MW+12.5BP	Aaa/NR/AA+ NR/NR/NR	400,000	2.85%	05/11/2024	03/11/2024	11,400.00 2.74%	1.06%	2.11	422,469.15 -5,785.15	104.171	416,684.00 1,583.33	0.82%

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



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

Bond holdings - as of December 31, 2021 (continued)

	Effective rating/ Underlying rating (Mdy/Frch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%) YTW (%)	Modified duration	Adjusted cost basis (\$) Unreal. gl (\$)	Market price (\$)	Mkt. value (\$) Accr. interest (\$)	% of bond port.
Maturing 2024												
AMAZON COM INC NTS B/E	A1/AA- NR/NR/NR	2,000,000	0.45%	05/12/2024		9,000.00 0.45%	0.86%	2.34	1,997,660.00 -16,900.00	99.038	1,980,760.00 1,225.00	3.92%
00.450% 051224 DTD051221 CALL@MW+2.5BP												
JPMORGAN CHASE & CO NTS	A2/AA- NR/NR/NR	1,800,000	3.63%	05/13/2024		65,250.00 3.43%	1.12%	2.26	1,926,306.34 -21,350.34	105.832	1,904,976.00 8,700.00	3.77%
03.625% 051324 DTD051314 FC111314 B/E												
BB&T CORP NTS B/E 02.500%	A3/A- NR/NR/NR	1,000,000	2.50%	08/01/2024	07/01/2024	25,000.00 2.42%	1.22%	2.39	1,049,843.48 -17,453.48	103.239	1,032,390.00 10,416.67	2.04%
080124 DTD072919 FC020120					100.00							
UNITEDHEALTH GROUP INC	A3/A+ NR/NR/NR	1,000,000	2.38%	08/15/2024		23,750.00 2.29%	0.99%	2.52	1,045,673.98 -9,983.98	103.569	1,035,690.00 8,972.22	2.05%
02.375% 081524 DTD072519 CALL@MW+10BP NTS												
JOHN DEERE CAPITAL CORP	A2/A NR/NR/NR	1,400,000	0.63%	09/10/2024		8,750.00 0.63%	1.04%	2.65	1,401,671.88 -17,113.88	98.897	1,384,558.00 2,697.92	2.74%
00.625% 091024 DTD091021 FC031022 NTS B/E												
PAYPAL HOLDINGS INC NTS	A3/A- NR/NR/NR	1,000,000	2.40%	10/01/2024	09/01/2024	24,000.00 2.32%	1.10%	2.56	1,047,670.36 -12,490.36	103.518	1,035,180.00 6,000.00	2.05%
02.400% 100124 DTD092619 FC040120 CALL@MW+15BP					100.00							
SIMON PPTY GROUP LP B/E	A3/MD/A- NR/NR/NR	1,900,000	3.38%	10/01/2024	07/01/2024	64,125.00 3.21%	1.44%	2.36	2,024,383.64 -25,469.64	105.206	1,998,914.00 16,031.25	3.95%
03.375% 100124 DTD091014 FC040115 CALL@MW+15BP					100.00							
BK OF NY MELLON CORP NTS	A1/AA- NR/NR/NR	1,500,000	0.85%	10/25/2024	09/25/2024	12,750.00 0.86%	1.15%	2.76	1,501,977.06 -14,322.06	99.177	1,487,655.00 2,337.50	2.94%
00.850% 102524 DTD102521 FC042522 B/E					100.00							
BB&T CORP MED TERM NTS	A3/A- NR/NR/NR	1,000,000	2.85%	10/26/2024	09/26/2024	28,500.00 2.73%	1.22%	2.62	1,057,922.95 -12,772.95	104.515	1,045,150.00 5,145.83	2.07%
02.850% 102624 DTD102617 FC042618 B/E					100.00							
PNC FINL SERV GRP INC WT	A3/A- NR/NR/NR	2,000,000	2.20%	11/01/2024	10/02/2024	44,000.00 2.14%	1.22%	2.65	2,093,853.17 -39,653.17	102.710	2,054,200.00 7,333.33	4.06%
02.200% 110124 DTD110119 FC050120 EXP NTS B/E					100.00							
AFLAC INC B/E 03.625%	A3/MD/A- NR/NR/NR	900,000	3.63%	11/15/2024		32,625.00 3.39%	1.21%	2.73	973,096.27 -11,896.27	106.800	961,200.00 4,168.75	1.90%
111524 DTD110917 FC051515 CALL@MW+20BP												
GENERAL DYNAMICS CORP	A3/MD/A- NR/NR/NR	1,750,000	2.38%	11/15/2024	09/15/2024	41,562.50 2.29%	1.04%	2.60	1,831,164.75 -15,207.25	103.769	1,815,957.50 5,310.76	3.59%
02.375% 111524 DTD091417 FC051518 CALL@MW+10BP					100.00							
ORACLE CORP NTS B/E 02.950%	Baa2/BBB+/BBB+ NR/NR/NR	1,000,000	2.95%	11/15/2024	09/15/2024	29,500.00 2.84%	1.51%	2.58	1,057,095.45 -16,865.45	104.023	1,040,230.00 3,769.44	2.06%
111524 DTD110917 FC051518 CALL@MW+15BP					100.00							
TRUIST BANK NTS B/E 02.150%	A2/A+ NR/NR/NR	1,000,000	2.15%	12/06/2024	11/06/2024	21,500.00 2.09%	1.09%	2.75	1,042,870.91 -12,400.91	103.047	1,030,470.00 1,493.06	2.04%
120624 DTD120619 FC060620 WAL MART STORES INC NTS	Aa2/AA/AA NR/NR/NR	1,900,000	2.65%	12/15/2024	10/15/2024	50,350.00 2.53%	1.04%	2.68	2,008,659.56 -20,043.56	104.664	1,988,616.00 2,237.78	3.93%
02.650% 121524 DTD120217 FC061518 CALL@MW+10BP					100.00							
Total 2024		22,750,000	2.36%	09/10/2024		\$531,362.50 2.26%	1.13% 1.08%	2.51	\$23,750,559.3 \$-277,869.86	\$23,472,689.50 \$100,443.47		46.42%

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: January 05, 2022



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

Bond holdings - as of December 31, 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 2025												
JPMORGAN CHASE & CO B/E 03.125% 012325 DTD012315 FC072315	A2/AA-/A- NR/NR/NR	2,400,000	3.13%	01/23/2025	10/23/2024 100.00	75,000.00 2.98%	1.44% 1.29%	2.68	2,552,221.45 -31,261.45	105.040	2,520,960.00 32,916.67	4.99%
Total 2025		2,400,000	3.13%	01/23/2025		\$75,000.00 2.98%	1.44% 1.29%	2.68	\$2,552,221.45 \$-31,261.45		\$2,520,960.00 \$32,916.67	4.99%
Total Bond Portfolio		49,689,000	1.87%	12/21/2023	NA	\$917,059.00 1.81%	0.93% 0.85%	1.84	\$50,925,795.0 \$-363,373.24	NA	\$50,562,421.85 \$217,075.99	100%
											\$50,779,497.84	

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: January 05, 2022



Additional information about your portfolio

as of December 31, 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 "TD*" 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 of time involved.

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

For strategies that are highly customized, such as Concentrated Equity Solutions (CES), benchmarks are broad market indices included for general reference and are not intended to show comparative market performance or potential portfolios with risk or return profiles similar to your account. Benchmark indices are shown for illustrative purposes only.

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



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

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 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 additions/withdrawals, dividend and interest income earned and accrued interest. Change in Value may include programs fees (including wrap fees) and other fees.

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

Performance Start Date Changes: The Performance Start Date for accounts marked with a 'v' 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.

Important information on options-based strategies: Options involve risk and are not suitable for everyone. Prior to buying or selling an option investors must read a copy of the Characteristics & Risks of Standardized Options, also known as the options disclosure document (ODD). It explains the characteristics and risks of exchange traded options. The options risk disclosure document can be accessed at the following web address: www.optionsclearing.com/about/publications/characteristics.

Concentrated Equity Solutions (CES) managers are not involved in the selection of the underlying stock positions. The CES Strategy seeks to manage idiosyncratic (un-systematic) risk through options trades on a client's existing concentrated equity position(s). The Manager will advise only on the options selection in order to pursue the strategy in connection with the underlying stock position(s) deposited in the account. It is important to keep this in mind when evaluating the manager's performance since the account's performance will include the performance of the underlying equity position that is not being managed. CES use options to

seek to achieve your investment objectives regarding your concentration stock position. Options strategies change the potential return profile of your stock. In certain scenarios, such as call writing, the call position will limit your ability to participate in any potential increase in the underlying equity position upon which the call was written. Therefore, in some market conditions, particularly during periods of significant appreciation of the underlying equity position(s), the CES account will decrease the performance that would have been achieved had the stock been held long without implementing the CES strategy.

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



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

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 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 Income is calculated by summing the previous four 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 UFs.

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 pay-down, interest payment and payment, principal remain constant. Calculations may include principal payments, are intended to be an estimate of future projected interest cash flows and do not in any way guarantee accuracy.

Expected Cash Flow reporting for Puerto Rico Income Tax Purposes: Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS FS nor its employees 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. A For callable securities, modified duration does not address the impact of changing interest rates on a bond's expected cash flow as a result of a call or prepayment.

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

Gain/Loss reporting for Puerto Rico Income Tax Purposes: Gain/(Loss) reporting may be prepared solely



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

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 gain/loss for Puerto Rico income tax purposes. Neither UBS FS nor its 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.

Accounts Included in this Report: 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 "60" this denotes assets or liabilities held at other financial institutions. Information about these assets, including valuation, account type and cost basis, is based on the information you provided to us, or provided to us by third party data aggregators or custodians at your direction. We have not verified, and are not responsible for, the accuracy or completeness of this information.

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

For more information about account or group names, or

to make changes, contact your Financial Advisor.

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

- 1) Have there been any changes to your financial situation or investment objectives?
- 2) Would you like to implement or modify any restrictions regarding the management of your account? If the answer to either question is "yes," it is important that you contact your Financial Advisor as soon as possible to discuss these changes. For MAC advisory accounts, please contact your investment manager directly if you would like to impose or change any investment restrictions on your account.

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

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

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

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

Performance History prior to the account's inception at UBS Financial Services, Inc. may have been included in

this report and is based on data provided by third party sources. UBS Financial Services Inc. has not independently verified this information nor does UBS Financial Services Inc. guarantee the accuracy or validity of the information.

Important information about brokerage and advisory services. As a firm providing wealth management services to clients, UBS Financial Services Inc. offers investment advisory services in its capacity as an SEC-registered investment adviser and brokerage services in its capacity as an SEC-registered broker-dealer. 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, that they carefully read the agreements and disclosures that we provide to them about the products or services we offer. For more information, please review client relationship summary provided at ubs.com/relationshipssummary.

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Kern Health Systems

Account Number: EBXXX20

View Financial Advisor
 THE COHEN GROUP
 Phone: 661-563-3200/800-628-8022

Filtered by: Entry Date 10/01/2021-12/31/2021, Call/Redemption

Entry Date	Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
11/01/21	11/01/21	CALL REDEMPTION	MISSISSIPPI ST TAX SR G BE/R	772CF4	1,450,000.00	REDEMPTION	1,450,000.00
10/21/21	10/21/21	CALL REDEMPTION	BANK OF AMER CORP 02.503% 102122 DTD102116	6686D8	385,000.00	REDEMPTION	385,000.00

Filtered by: Entry Date 10/01/2021-12/31/2021, Bought

Entry Date	Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
11/04/21	11/08/21	BOUGHT	BK OF NY MELLON CORP NTS 00.850% 102524 DTD102521699PK1		1,500,000.00	\$100.139	1,502,545.42
10/25/21	10/27/21	BOUGHT	COMCAST CORP NTS B/E 03.700% 041524 DTD100518	682UV4	400,000.00	\$106.804	427,709.33

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 December 31, 2021, is subject to daily market fluctuation and in some cases may be rounded for convenience. Your UBS account statements and trade confirmations 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
 8TH FLOOR LOS ANGELES CA 90071
 JONATHAN CHUANG
 1-213-253-6202

Bank Account Statement
Wells Fargo Bank, N.A.

Statement Period
12/01/2021 - 12/31/2021

KERN HEALTH SYSTEMS
 2900 BUCK OWENS BOULEVARD
Account Value Summary USD

Account Value Summary USD

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

	Amount Last Statement Period	Amount This Statement Period	% Portfolio
Cash	\$ 0.00	\$ 0.00	0%
Money Market Mutual Funds	70,044,470.78	13,043,121.70	8%
Bonds	92,890,545.75	145,010,311.46	92%
Stocks	0.00	0.00	0%
Total Account Value	\$ 162,935,016.53	\$ 158,053,433.16	100%
Value Change Since Last Statement Period		\$ (4,881,583.37)	3%
Percent Decrease Since Last Statement Period			
Value Last Year-End		\$ 119,017,553.90	33%
Percent Increase Since Last Year-End			

Income Summary USD

	This Period	Year-To-Date
Interest	\$ 19,496.67	\$ 2,544,531.04
Dividends/Capital Gains	0.00	0.00
Money Market Mutual Funds Dividends	192.23	7,275.05
Other	0.00	0.00
Income Total	\$ 19,688.90	\$ 2,551,806.09

Interest Charged USD

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

Money Market Mutual Funds Summary USD

Description	Amount
Opening Balance	\$ 70,044,470.78
Deposits and Other Additions	168,025,643.36
Distributions and Other Subtractions	(225,027,184.67)
Dividends Reinvested	169.50
Change in Value	22.73
Closing Balance	\$ 13,043,121.70

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. This account statement contains a list of securities held in safekeeping by WFS as of the statement date and provides details of purchase and sale transactions, the receipt and disbursement of cash and securities, and other activities relating to the account during the statement period.

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

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

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

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

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

Free Credit Balances: Any customer free credit balances may be used in the business of WFS subject to limitation of 17 CFR Section 2.40 § 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 having into consideration among other factors, the quality and speed of execution, as well as the credits, cash or other payments it may receive from any exchange, broker-dealer or market center. This may not be true if a customer has directed or placed limits on any orders. Whenever possible, WFS will route orders in an attempt to obtain executions at prices equal or superior to the nationally displayed best bid or offer. WFS will also attempt to obtain the best execution regardless of any compensation it may receive. The nature and source of credits and payments WFS receives in connection with specific orders will be furnished to a customer upon request. WFS prepares quarterly reports describing its order routing practices for non-directed orders routed to a particular venue for execution. A printed copy of this report along with other compliance and regulatory information is available upon written request or by visiting: <https://www.wellsfargo.com/securities/regulatory>.

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

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

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

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

Non-deposit investment products recommended, offered or sold by WFS, including mutual funds, are not federally insured or guaranteed by the Federal 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, statements 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
wfcustomer@wellsfargo.com

Customers may also report complaints, inaccuracies or discrepancies by calling 1-800-645-3751 option 5. International callers should call 1-877-852-0878. To further protect their rights, including rights under the Securities Investor Protection Act, customers should also re-confirm in writing to the above address any oral communications with WFS relating to the inaccuracies or discrepancies.

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

KERN HEALTH SYSTEMS
Account Number: [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								
313385RJ7	FED HOME LN DISCOUNT NT	01/04/22	0.000%	20,000,000.000	100.0000	19,999,994.40		N
912796Q69	UNITED STATES TREASURY BILL	01/11/22	0.000%	20,000,000.000	99.9999	19,999,977.80		N
313385RS7	FED HOME LN DISCOUNT NT	01/12/22	0.000%	30,000,000.000	99.9998	29,999,925.00		N
912796K73	UNITED STATES TREASURY BILL	01/13/22	0.000%	20,000,000.000	99.9996	19,999,916.60		N
437076BV3	HOME DEPOT INC	03/01/22	3.250%	3,000,000.000	100.4477	3,013,429.89		Y
0258M0EG0	AMERICAN EXPRESS CREDIT	03/03/22	2.700%	4,500,000.000	100.1693	4,507,618.10		N
717081ER0	PFIZER INC	03/11/22	2.800%	3,000,000.000	100.4503	3,013,507.71		N
24422ERM3	JOHN DEERE CAPITAL CORP	03/15/22	2.750%	1,000,000.000	100.4880	1,004,879.90		N
13063DLY2	CALIFORNIA ST TXBL-VARIOUS PURPOSE-BID GROUP	04/01/22	2.350%	2,000,000.000	100.5160	2,010,320.80		N
912796T82	UNITED STATES TREASURY BILL	04/12/22	0.000%	30,000,000.000	99.9887	29,996,600.10		N
14913R2B2	CATERPILLAR FINL SERVICE	05/13/22	0.950%	2,000,000.000	100.2291	2,004,582.90		N
459200JX0	IBM CORP	05/13/22	2.850%	2,275,000.000	100.9150	2,295,817.16		N
747525AE3	QUALCOMM INC	05/20/22	3.000%	500,000.000	101.0035	505,017.65		N
90331HPD9	US BANK NA CINCINNATI	05/23/22	0.604%	2,000,000.000	100.1048	2,002,096.64		Y
48306BF75	KAISER FOUNDATION HOSP DISCOUNTED COMMERCIAL PAPER	06/07/22	0.000%	3,000,000.000	99.8525	2,995,575.99		Y
244199BE4	DEERE & COMPANY	06/08/22	2.600%	1,150,000.000	100.4435	1,155,100.71		Y
74460DAB5	PUBLIC STORAGE	09/15/22	2.370%	500,000.000	101.1900	505,950.11		Y
				144,925,000.000		145,010,311.46	0.00	

*See important information regarding security pricing on Page 2.

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

Daily Account Activity

Your investment transactions during this statement period.

Transaction / Trade Date	Settlement / Effective Date	Activity	Security ID	Description	Par / Quantity	Price	Principal Amount	Income Amount	Debit / Credit Amount
Transaction Activity USD									
11/30/21	12/02/21	Security Receipt	244199BE4	DEERE & COMPANY	1,150,000.00	100.6260000	(1,157,199.00)	(14,451.67)	(1,171,650.67)
12/02/21	12/06/21	Security Receipt	90331HPD9	US BANK NA CINCINNATI	2,000,000.00	100.1550000	(2,003,100.00)	(436.22)	(2,003,536.22)
12/07/21	12/07/21	Security Receipt	48306BF75	KAISER FOUNDATION HOSP	3,000,000.00	99.9039440	(2,997,118.32)	0.00	(2,997,118.32)

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									
12/09/21	12/10/21	Security Receipt	912796ZX0	UNITED STATES TREASURY BILL	40,000,000.00	99.9992360	(39,999,694.44)	0.00	(39,999,694.44)
12/13/21	12/14/21	Security Receipt	313385RU7	FED HOME LN DISCOUNT NT	20,000,000.00	99.9985420	(19,999,708.33)	0.00	(19,999,708.33)
12/13/21	12/14/21	Security Receipt	912796T82	UNITED STATES TREASURY BILL	30,000,000.00	99.9768610	(29,993,058.33)	0.00	(29,993,058.33)
12/15/21	12/15/21	Security Receipt	313385RS7	FED HOME LN DISCOUNT NT	30,000,000.00	99.9976670	(29,999,300.00)	0.00	(29,999,300.00)
12/14/21	12/16/21	Security Receipt	14913R2B2	CATERPILLAR FINL SERVICE	2,000,000.00	100.2890000	(2,005,780.00)	(1,741.67)	(2,007,521.67)
12/20/21	12/21/21	Security Receipt	912796K73	UNITED STATES TREASURY BILL	20,000,000.00	99.9980830	(19,999,616.67)	0.00	(19,999,616.67)
12/27/21	12/27/21	Security Receipt	912796Q69	UNITED STATES TREASURY BILL	20,000,000.00	99.9991670	(19,999,633.33)	0.00	(19,999,633.33)
Income / Payment Activity USD									
12/07/21	12/07/21	Matured	48306AZ75	KAISER FOUNDATION HOSP	(3,000,000.00)		3,000,000.00		3,000,000.00
12/07/21	12/07/21	Matured	48306AZ75	KAISER FOUNDATION HOSP				14,950.00	14,950.00
12/08/21	12/08/21	Interest	244199BE4	DEERE & COMPANY			20,000,000.00		20,000,000.00
12/14/21	12/14/21	Matured	912796P60	UNITED STATES TREASURY BILL	(20,000,000.00)		40,000,000.00		40,000,000.00
12/14/21	12/14/21	Matured	912796P60	UNITED STATES TREASURY BILL					
12/15/21	12/15/21	Matured	912796ZX0	UNITED STATES TREASURY BILL	(40,000,000.00)		20,000,000.00		20,000,000.00
12/15/21	12/15/21	Matured	912796ZX0	UNITED STATES TREASURY BILL					
12/21/21	12/21/21	Matured	912796P78	UNITED STATES TREASURY BILL	(20,000,000.00)		20,000,000.00		20,000,000.00
12/21/21	12/21/21	Matured	912796P78	UNITED STATES TREASURY BILL					
12/28/21	12/28/21	Matured	912796P86	UNITED STATES TREASURY BILL	(20,000,000.00)		20,000,000.00		20,000,000.00
12/28/21	12/28/21	Matured	912796P86	UNITED STATES TREASURY BILL					
12/30/21	12/30/21	Matured	912796P86	UNITED STATES TREASURY BILL	(20,000,000.00)		3,000,000.00		3,000,000.00
12/30/21	12/30/21	Matured	13059QAM7	CALIFORNIA SCH FIN AUTH REVENU	(3,000,000.00)			4,546.67	4,546.67
12/30/21	12/30/21	Matured	13059QAM7	CALIFORNIA SCH FIN AUTH REVENU					
12/30/21	12/30/21	Interest	13059QAM7	CALIFORNIA SCH FIN AUTH REVENU					
12/31/21	12/31/21	Matured	912796Y94	UNITED STATES TREASURY BILL	(10,000,000.00)		10,000,000.00		10,000,000.00
12/31/21	12/31/21	Matured	912796Y94	UNITED STATES TREASURY BILL					

Transaction / Trade Date	Settlement / Eff. Date	Activity	Description	Debit Amount / Disbursements	Credit Amount / Receipts
Cash Activity USD					
12/02/21	12/02/21	ACH/DDA Transaction	DESIGNATED DDA	5,000,000.00	
12/07/21	12/07/21	ACH/DDA Transaction	DESIGNATED DDA	15,000,000.00	
12/13/21	12/13/21	ACH/DDA Transaction	DESIGNATED DDA		45,000,000.00
12/13/21	12/13/21	ACH/DDA Transaction	DESIGNATED DDA		50,000,000.00
12/14/21	12/14/21	ACH/DDA Transaction	DESIGNATED DDA	12,000,000.00	
12/16/21	12/16/21	ACH/DDA Transaction	DESIGNATED DDA	5,000,000.00	
12/21/21	12/21/21	ACH/DDA Transaction	DESIGNATED DDA	20,000,000.00	
12/28/21	12/28/21	ACH/DDA Transaction	DESIGNATED DDA	39,000,000.00	
12/29/21	12/29/21	ACH/DDA Transaction	DESIGNATED DDA	850,000.00	

KERN HEALTH SYSTEMS

Account Number: [REDACTED]

Daily Account Activity (Continued)

Your investment transactions during this statement period.

Cash Activity USD		Debit Amount / Disbursements	Credit Amount / Receipts
Transaction / Trade Date	Settlement / Eff. Date	Activity	Description
12/29/21	12/29/21	ACH/DDA Transaction	DESIGNATED DDA
		3,000,000.00	

Money Market Fund Activity

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	12.50		12.50000
	Ending Balance		1.0000	12.50		12.50000
					Dividend paid this period	
					0.00	
					7 day* simple yield	
					0.010%	
					30 day* simple yield	
					0.010%	

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	55,038,691.40		55,038,691.40000
	Ending Balance		1.0000	55,038,691.40		55,038,691.40000
					Dividend paid this period	
					180.73	
					7 day* simple yield	
					0.010%	
					30 day* simple yield	
					0.010%	

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	55,038,691.40		55,038,691.40000
12/01/21	Reinvest	158.00000			158.00	55,038,849.40000
12/02/21	Redemption	(1,171,650.67000)		(1,171,650.67)		53,867,198.73000
12/02/21	Redemption	(5,000,000.00000)		(5,000,000.00)		48,867,198.73000
12/06/21	Redemption	(2,003,536.22000)		(2,003,536.22)		46,863,662.51000
12/07/21	Purchase	5,763.36000		5,763.36		46,869,425.87000
12/07/21	Redemption	(2,881.68000)		(2,881.68)		46,866,544.19000
12/08/21	Purchase	14,950.00000		14,950.00		46,881,494.19000
12/10/21	Redemption	(39,999,694.44000)		(39,999,694.44)		6,881,799.75000
12/13/21	Purchase	45,000,000.00000		45,000,000.00		51,881,799.75000
12/14/21	Redemption	(29,992,766.66000)		(29,992,766.66)		21,889,033.09000
12/15/21	Purchase	40,000,000.00000		40,000,000.00		61,889,033.09000
12/16/21	Redemption	(2,007,521.67000)		(2,007,521.67)		59,881,511.42000
12/21/21	Purchase	383.33000		383.33		59,881,894.75000
12/21/21	Redemption	(20,000,000.00000)		(20,000,000.00)		39,881,894.75000
12/22/21	Dividend				22.73	39,881,894.75000
12/27/21	Redemption	(19,999,833.33000)		(19,999,833.33)		19,882,061.42000

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

Money Market Fund Activity (Continued)

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
12/28/21	Purchase	20,000,000.000000		20,000,000.00		39,882,061.42000
12/28/21	Redemption	(39,000,000.000000)		(39,000,000.00)		882,061.42000
12/29/21	Redemption	(850,000.000000)		(850,000.00)		32,061.42000
12/30/21	Purchase	3,004,546.67000		3,004,546.67		3,036,608.09000
12/31/21	Purchase	10,000,000.000000	1.0000	10,000,000.00		13,036,608.09000
	Ending Balance			13,036,630.82		13,036,630.82000
JPMorgan UST Plus Inst 3918						
*As of December 31, 2021						
USD						
Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	15,005,766.88		15,005,766.88000
12/01/21	Reinvest	11.50000			11.50	15,005,778.38000
12/07/21	Redemption	(15,000,000.000000)		(15,000,000.00)		5,778.38000
12/13/21	Purchase	50,000,000.000000		50,000,000.00		50,005,778.38000
12/14/21	Redemption	(12,000,000.000000)		(12,000,000.00)		38,005,778.38000
12/15/21	Redemption	(29,999,300.000000)		(29,999,300.00)		8,006,478.38000
12/16/21	Redemption	(5,000,000.000000)		(5,000,000.00)		3,006,478.38000
12/29/21	Redemption	(3,000,000.000000)	1.0000	(3,000,000.00)		6,478.38000
	Ending Balance			6,478.38		6,478.38000



PMIA/LAIF Performance Report as of 01/13/22



PMIA Average Monthly Effective Yields⁽¹⁾

Dec	0.212
Nov	0.203
Oct	0.203

Quarterly Performance Quarter Ended 12/31/21

LAIF Apportionment Rate ⁽²⁾ :	0.23
LAIF Earnings Ratio ⁽²⁾ :	0.00000625812849570
LAIF Fair Value Factor ⁽¹⁾ :	0.997439120
PMIA Daily ⁽¹⁾ :	0.22%
PMIA Quarter to Date ⁽¹⁾ :	0.21%
PMIA Average Life ⁽¹⁾ :	340

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 12/31/21 \$181.4 billion

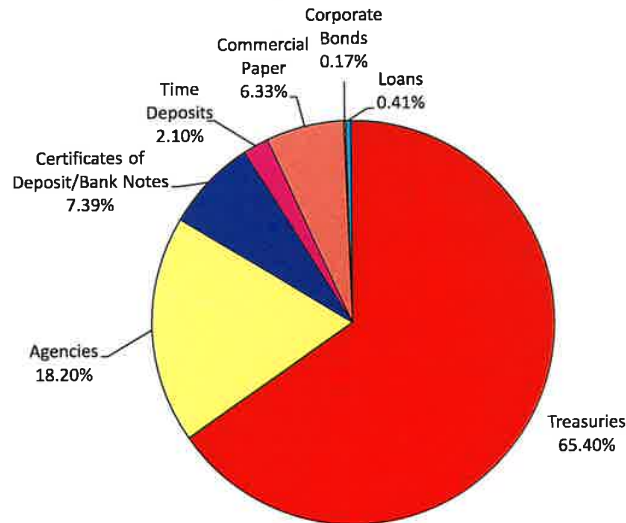


Chart does not include \$6,716,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

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: February 4, 2022

Re: 2021 Annual Review of Kern Health Systems Investment Policy

Background

The KHS Investment Portfolio follows the Board approved Investment Policy (Attachment 1). As part of their annual review, Senior Management **is not recommending any revisions to the Investment Policy at this time.** The Investment Policy stipulates the following order of investment objectives:

KHS utilizes three different investment organizations to invest the cash that is not needed for the immediate needs of the agency (Attachment 2). All investments follow the Board approved investment policy that stipulates the following order of investment objectives:

- Preservation of principal
- Liquidity
- Yield

UBS is a national brokerage firm with a Bakersfield office that administers the KHS Board approved investment policy in a segregated account. Investments are in high quality bonds and FDIC insured certificates of deposit with an average effective maturity of slightly less than 2 years. For the 2021-year UBS investments earned the highest returns.

The **Local Agency Investment Fund (LAIF)** is a public agency that allows smaller public agencies to pool their money and get the economies of scale that larger agencies with large portfolios receive. The California State Treasurer operates LAIF. Because it serves many agencies with short term liquidity needs, investments have an average maturity of approximately 11 months.

Wells Fargo is KHS' local bank. This is beneficial since surplus cash can be easily moved to and from the checking accounts. KHS invests directly with the Wells Fargo Securities Fixed Income division in high quality bonds, commercial paper and Money Market Funds.

Requested Action

Receive and File; Refer to KHS Board of Directors.



**KERN HEALTH
SYSTEMS**

KERN HEALTH SYSTEMS					
POLICY AND PROCEDURES					
SUBJECT: Investment Policy				POLICY #: 80.11-I	
DEPARTMENT: Finance					
Effective Date: 2010-10	Review/Revised Date: 7/21/2020	DMHC		PAC	
		DHCS		QI/UM COMMITTEE	
		BOD	X	FINANCE COMMITTEE	

Doug Hayward Date 7/21/2020
Douglas A. Hayward
Chief Executive Officer

Robert Landis Date 7/20/2020
Chief Financial Officer

Alan Avery Date 7/20/2020
Chief Operating Officer

Veronica Barker Date 7/13/2020
Controller

POLICY:

This Investment Policy sets forth the investment guidelines for all Operating Funds and Board-Designated Reserve Funds of Kern Health Systems invested on and after the date of adoption. The objective of this Investment Policy is to ensure Kern Health Systems' funds are prudently invested according to the Board of Director's objectives to preserve capital, provide necessary liquidity and to achieve a market-average rate of return through economic cycles.

Investments may only be made as authorized by this Investment Policy. The Kern Health Systems Investment Policy has been prepared in accordance with sections 53600 et seq. and 53630 et seq. of the California Government Code (the Code) as well as customary standards of prudent investment management. Irrespective of these policy provisions, should the provisions of the Code be or become more restrictive than those contained herein, such provisions will be considered immediately incorporated into the Investment Policy and adhered to.

- A. Safety of Principal -- Safety of principal is the foremost objective of Kern Health Systems. Each investment transaction shall seek to ensure that capital losses are avoided, whether from institutional default, broker-dealer default, or erosion of market value of securities.
- B. Liquidity -- Liquidity is the second most important objective of Kern Health Systems. It is important that each portfolio contain investments for which there is a secondary market and which offer the flexibility to be easily sold at any time with minimal risk of loss of either the principal or interest based upon then prevailing rates.
- C. Total Return -- Kern Health Systems' portfolios shall be designed to attain a market-average rate of return through economic cycles given an acceptable level of risk.

I. **OBJECTIVES**

Safety of principal is the primary objective of Kern Health Systems. Each investment transaction shall seek to ensure that large capital losses are avoided from securities or broker-dealer default. Kern Health Systems shall seek to ensure that capital losses are minimized from the erosion of market value. Kern Health Systems shall seek to preserve principal by mitigating the two types of risk, credit risk and market risk.

Credit risk, the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in only permitted investments and by diversifying the investment portfolio according to this Investment Policy.

Market risk, the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by matching maturity dates, to the extent possible, with Kern Health Systems' expected cash flow draws. It is explicitly recognized herein, however that, in a diversified portfolio, occasional losses are inevitable and must be considered within the context of the overall investment return.

II. **PRUDENCE**

Kern Health Systems' Board of Directors or persons authorized to make investment decisions on behalf of Kern Health Systems are trustees and fiduciaries subject to the prudent investor standard. The standard of prudence to be used by investment officials shall be the "prudent person" standard as defined in Code Section 53600.3 and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control developments.

THE PRUDENT PERSON STANDARD: When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including but not limited to, the general economic conditions and the anticipated needs of Kern Health Systems, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

III. ETHICS AND CONFLICTS OF INTEREST

Kern Health Systems' officers and employees involved in the investment process shall refrain from personal and professional business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Kern Health Systems' officers and employees involved in the investment process are not permitted to have any material financial interests in financial institutions, including state or federal credit unions, that conduct business with Kern Health Systems, and they are not permitted to have any personal financial or investment holdings that could be materially related to the performance of Kern Health Systems' investments.

IV. DELEGATION OF AUTHORITY

Authority to manage Kern Health Systems' investment program is derived from an order of the Board of Directors. Management responsibility for the investment program is hereby delegated to Kern Health Systems' Chief Financial Officer. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Chief Financial Officer.

The Chief Financial Officer shall be responsible for all actions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

A. Financial Benchmarks

Kern Health Systems' portfolios shall be designed to attain a market-average rate of return through economic cycles given an acceptable level of risk. The performance benchmark for each investment portfolio will be based upon the market indices for short-term investments of comparable risk and duration. These performance benchmarks will be agreed to by Kern Health Systems' Chief Financial Officer and the Investment Managers and will be reviewed by the Board of Directors quarterly.

B. Safekeeping

The investments purchased by the Investment Manager shall be held by Custodian Bank acting as the agent of Kern Health Systems under the terms of a custody agreement in compliance with Code Section 53608.

C. Periodic Review of the Investment Policy

The Chief Financial Officer is responsible for providing the Board of Directors with a statement of investment policy, and the Board of Directors is responsible for adopting the Investment Policy and ensuring investments are made in compliance with this Investment Policy. This Investment Policy shall be reviewed annually by the Board of Directors at a public meeting pursuant to Section 53646 (a) of the California Government Code.

The Chief Financial Officer is responsible for directing Kern Health Systems' investment program and for compliance with this policy pursuant to the delegation of authority to invest funds or to sell or exchange securities. The Chief Financial Officer shall make a quarterly report to the Board of Directors in accordance with Code Section 53646(b).

D. Chief Financial Officer's Procedures

The following procedures will be performed by the Chief Financial Officer:

1. The Operating Funds and Board-Designated Reserve Funds targeted average maturities will be established and reviewed periodically.
2. All Investment Managers will be provided a copy of the Investment Policy, which will be appended to an Investment Manager's investment contract. Any investments made by the Investment Manager outside the Investment Policy may subject the Investment Manager to termination for cause.
3. Investment diversification and portfolio performance will be reviewed monthly to ensure that risk levels and returns are reasonable and that investments are diversified in accordance with this policy.
4. The Chief Financial Officer will evaluate candidates for the role of Investment Manager. The candidates will be reviewed and approved by the CEO and the Board of Directors.

E. Duties and Responsibilities of Finance Committee:

The Chief Financial Officer and staff are responsible for the day-to-day management of Kern Health Systems' investment portfolio and the making of specific investments. The Board of Directors is responsible for Kern Health Systems' Investment Policy. The Finance Committee shall not make or direct Kern Health Systems staff to make any particular investment, purchase any particular investment product, or do business with any particular investment companies or brokers. It shall not be the purpose of the Finance Committee to advise on particular investment decisions of Kern Health Systems.

The duties and responsibilities of the Finance Committee shall consist of the following:

1. Annually review Kern Health Systems' Investment Policy before its consideration by the Board of Directors and recommend revisions, as necessary, to the Finance Committee of the Board of Directors.
2. Quarterly review Kern Health Systems' investment portfolio for conformance with Kern Health Systems' Investment Policy diversification and maturity guidelines, and make recommendations to the Finance Committee of the Board of Directors as appropriate.
3. Provide comments to Kern Health Systems' staff regarding potential investments and potential investment strategies.
4. Perform such additional duties and responsibilities as may be required from time to time by specific action and direction of the Board of Directors.

V. DEFINITIONS

- A. Operating Funds are intended to serve as a money market account for Kern Health Systems to meet daily operating requirements. Deposits to this fund are comprised of State warrants that represent Kern Health Systems' monthly capitation revenues from its State contracts. Disbursements from this fund to Kern Health Systems' operating cash accounts are intended to meet operating expenses, payments to providers and other payments required in day-to-day operations.

VI. PERMITTED INVESTMENTS

Kern Health Systems' policy is to invest only in instruments as permitted by the Code, subject to the limitations of this Investment Policy. Permitted investments are subject to a maximum stated term of five years. The Board of Directors must grant express written authority to make an investment or to establish an investment program of a longer term.

Maturity shall mean the stated final maturity of the security, or the unconditional put option date if the security contains such provision. Term or tenure shall mean the remaining time to maturity when purchased.

Permitted investments shall include:

A. U.S. Treasuries

These investments are direct obligations of the United States of America and securities which are fully and unconditionally guaranteed as to the timely payment of principal and interest by the full faith and credit of the United States of America.

U.S. Government securities include:

1. Treasury Bills: U.S. government Securities issued and traded at a discount.
2. Treasury Notes and Bonds: Interest bearing debt obligations of the U.S. government which guarantees interest and principal payments.
3. Treasury STRIPS: U.S. Treasury securities that have been separated into their component parts of principal and interest payments and recorded as such in the Federal Reserve book-entry record-keeping system.
4. Treasury Inflation Protected (TIPs) securities: Special Treasury notes or bonds that offer protection from inflation. Coupon payments and underlying principal are automatically increased to compensate for inflation as measured by the consumer price index (CPI).

U. S. Treasury coupon and principal STRIPS as well as TIPs are not considered to be derivatives for the purpose of this Investment Policy and are, therefore, permitted investments pursuant to the Investment Policy.

Maximum term: Five Years

B. Federal Agencies and U.S. Government Sponsored Enterprises

These investments represent obligations, participations, or other instruments of, or issued by, a federal agency or a United States government sponsored enterprise, including those issued by, or fully guaranteed as to principal and interest by, the issuers. These are U.S. Government related organizations, the largest of which are government financial intermediaries assisting specific credit markets (housing, agriculture). Often simply referred to as "Agencies", the following are specifically allowed:

1. Federal Home Loan Banks (FHLB)
2. Federal Home Loan Mortgage Corporation (FHLMC)
3. Federal National Mortgage Association (FNMA)
4. Federal Farm Credit Banks (FFCB)
5. Student Loan Marketing Association (SLMA)
6. Government National Mortgage Association (GNMA)
7. Small Business Administration (SBA)
8. Export-Import Bank of the United States
9. U.S. Maritime Administration
10. Washington Metro Area Transit
11. U.S. Department of Housing & Urban Development
12. Tennessee Valley Authority
13. Federal Agricultural Mortgage Company (FAMC)
14. Temporary Liquidity Guarantee (TLG) Program securities
15. Temporary Corporate Credit Union Liquidity Guarantee Program (TCCULGP) securities

Any Federal Agency and U.S. Government Sponsored Enterprise security not specifically mentioned above is not a permitted investment.

Maximum Term: Five years

C. State of California and Local Agency Obligations

Registered state warrants, treasury notes or bonds of the State of California and bonds, notes, warrants or other evidences of indebtedness of any local agency of the State, including bonds payable solely out of revenues from a revenue producing property owned, controlled, or operated by the state or local agency or by a department, board, agency or authority of the State or local agency. Such obligations must be issued by an entity whose general obligation debt is rated P-1 by Moody's and A-1 by Standard & Poor's or equivalent or better for short-term obligations, or A by Moody's or A by Standard & Poor's or better for long-term debt. Public agency bonds issued for private purposes (industrial development bonds) are specifically excluded as allowable investments.

Maximum Term: Five years

D. State and Local Agency Obligations Outside of California

Registered state warrants, treasury notes or bonds of any U.S. State and bonds, notes, warrants or other evidences of indebtedness of any local agency of the State, including bonds payable solely

out of revenues from a revenue producing property owned, controlled, or operated by the state. Such obligations must be issued by an entity whose general obligation debt is rated P-1 by Moody's and A-1 by Standard & Poor's or equivalent or better for short-term obligations, or A by Moody's or A by Standard & Poor's or better for long-term debt. Public agency bonds issued for private purposes (industrial development bonds) are specifically excluded as allowable investments. Any single investment in a particular State is limited to 5% of portfolio at time of Purchase.

Maximum Term: Five years

Maximum of 20% of the portfolio

E. Bankers Acceptances

Time drafts which a bank "accepts" as its financial responsibility as part of a trade finance process. These short-term notes are sold at a discount, and are obligations of the drawer (the bank's trade finance client) as well as the bank. Once accepted, the bank is irrevocably obligated to pay the bankers acceptance (BA) upon maturity if the drawer does not. Eligible bankers acceptances:

1. Are eligible for purchase by the Federal Reserve System, and are drawn on and accepted by a bank rated F1 or better by Fitch Ratings or are rated A-1 for short-term deposits by Standard & Poor's and P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency.
2. May not exceed the five percent (5%) limit of any one commercial bank and may not exceed the five percent limit for any security of any bank.

Maximum Term: 180 days

F. Commercial Paper

Commercial paper (CP) is unsecured promissory notes issued by companies and government entities at a discount. Commercial paper is negotiable (marketable or transferable), although it is typically held to maturity. The maximum maturity is 270 days, with most CP issued for terms of less than 30 days. Commercial paper must meet the following criteria:

1. Rated P-1 by Moody's and A-1 or better by Standard & Poor's, and
2. Have an A or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by Moody's and Standard & Poor's, and
3. Issued by corporations organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000), and
4. May not represent more than ten percent (10%) of the outstanding commercial paper of the issuing corporation.

Maximum Term: 270 days

G. Negotiable Certificates of Deposit

A negotiable (marketable or transferable) receipt for a time deposit at a bank or other financial institution for a fixed time and interest rate. Negotiable Certificates of Deposit must be issued by a nationally or state-chartered bank or state or federal association or by a state licensed branch of a foreign bank, which have been rated F1 or better by Fitch Ratings, or are rated A-1 for short-term deposits by Standard & Poor's and P-1 for short-term deposits by Moody's, or are comparably rated by a nationally recognized rating agency. Maturities greater than one year and less than five years shall not exceed the FDIC Insurance maximum amount at the time of purchase.

Maximum Term: Five years

H. Repurchase Agreements

A purchase of securities under a simultaneous agreement to sell these securities back at a fixed price on some future date.

Repurchase agreements collateralized by U. S. Treasuries, GNMA's, FNMA's or FHLMC's with any registered broker-dealer subject to the Securities Investors Protection Act or any commercial banks insured by the FDIC so long as at the time of the investment such primary dealer (or its parent) has an uninsured, unsecured and unguaranteed obligation rated P-1 short-term or A-2 long-term or better by Moody's, and A-1 short-term or A long-term or better by Standard & Poor's, provided:

1. A broker-dealer master repurchase agreement signed by the investment manager (acting as "Agent") and approved by Kern Health Systems; and,
2. The securities are held free and clear of any lien by Kern Health Systems' custodian or an independent third party acting as agent ("Agent") for the custodian, and such third party is (i) a Federal Reserve Bank, or (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$50 million and the custodian shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for Kern Health Systems' custodian; and,
3. A perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities is created for the benefit of Kern Health Systems' custodian and Kern Health Systems; and
4. The Agent provides Kern Health Systems' custodian and Kern Health Systems with valuation of the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required one hundred and two percent (102%) collateral percentage is not restored within two business days of such valuation.

Maximum Term: One year

Reverse repurchase agreements are not allowed.

I. Corporate Debt Securities

Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

1. For the purpose of this Investment Policy, corporate securities that are rated A or better by both Moody's and Standard & Poor's, or by one of either of Moody's or Standard & Poor's and with a comparable rating by a nationally recognized rating service on longer term debt, and
2. Are issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States and have total assets in excess of five hundred million dollars (\$500,000,000), and
3. May not represent more than five percent (5 %) of the issue in the case of a specific public offering. This limitation does not apply to debt that is "continuously offered" in a mode similar to commercial paper, i.e. medium term notes ("MTNs"). Under no circumstance can the MTNs or any other corporate security of any one corporate issuer represent more than 5% of the portfolio.

Maximum Term: Five years

J. Money Market Funds

Shares of beneficial interest issued by diversified management companies (commonly called money market funds):

1. Which are rated AAA (or equivalent highest ranking) by two of the three largest nationally recognized rating services, and,
2. Such investment may not represent more than five percent (5%) of the money market fund's assets.

K. Mortgage or Asset-backed Securities

Pass-through securities are instruments by which the cash flow from the mortgages, receivables or other assets underlying the security is passed-through as principal and interest payments to the investor.

Though these securities may contain a third party guarantee, they are a package of assets being sold by a trust, not a debt obligation of the sponsor. Other types of "backed" debt instruments have assets (such as leases or consumer receivables) pledged to support the debt service.

Any mortgage pass-through security, collateralized mortgage obligations, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond which

1. Are rated AAA (Code AA) by a nationally recognized rating service, and
2. Are issued by an issuer having an A or better rating by a nationally recognized rating service for its long-term debt.

Maximum Term: Five years

L. Variable and Floating Rate Securities

Variable and floating rate securities are appropriate investments when used to enhance yield and reduce risk. They should have the same stability, liquidity and quality as traditional money market securities. A variable rate security provides for the automatic establishment of a new interest rate on set dates. For the purposes of this Investment Policy, a Variable

Rate Security and Floating Rate Security where the rate of interest is readjusted no less frequently than every 762 calendar days shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest so long as the next readjustment period is within 5 years.

Variable and floating rate securities, which are restricted to investments in permitted Federal Agencies and U.S. Government Sponsored Enterprises securities, Corporate Securities, Mortgage or Asset-backed Securities and Negotiable Certificates of Deposit, must utilize traditional money market reset indices such as U. S. Treasury bills, Federal Funds, commercial paper or LIBOR. Investments in floating rate securities whose reset is calculated using more than one of the above indices are not permitted, i.e. dual index notes.

Maximum Term: Five Years

M. Local Agency Investment Fund (LAIF)

The Local Agency Investment Fund (LAIF) is a voluntary program created by statute (Section 16429.1 et seq.) as an investment alternative for California's local governments and special districts managed by the State Treasurer. This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer. All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and a market valuation is conducted monthly. The investment objective of LAIF mirrors those of KHS' with preservation of capital being the primary objective and liquidity second. Any agency with funds on deposit with LAIF can withdraw those funds within 24 hours' notice.

Maximum Term: Five Years

VII. POLICIES

A. Securities Lending

Investment securities shall not be lent to an Investment Manager or broker.

B. Leverage

The investment portfolio, or investment portfolios managed by an Investment Manager, cannot be used as collateral to obtain additional investable funds.

C. Other Investments

Any investment not specifically referred to herein will be considered a prohibited investment.

D. Underlying Nature of Investments

Kern Health Systems and its Investment Manager shall not make investments in organizations which have a line of business that is visibly in conflict with the interests of public health (which shall be defined by the Kern Health Systems Board of Directors). Furthermore, Kern Health Systems shall not make investments in organizations with which it has a business relationship through contracting, purchasing or other arrangements.

Kern Health Systems' Board of Directors will provide the Investment Manager with a list of corporations that do not comply with its Investment Policy and shall immediately notify its Investment Manager of any changes.

E. Investment Managers

Outside Investment Managers must certify that they will purchase securities from broker/dealers (other than themselves) or financial institutions in compliance with Code Section 53601.5 and this Investment Policy.

F. Derivatives

Except as expressly permitted by this policy, investments in derivative securities are not allowed.

G. Rating Category

Rating category shall mean with respect to any long-term category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier.

H. Rating Downgrades

Kern Health Systems may from time to time be invested in a security whose rating is downgraded below the quality criteria permitted by this investment policy.

If the rating of any security held as an investment falls below the investment guidelines, the Investment Manager shall notify the Chief Financial Officer or designee within two (2) business days of the downgrade. A decision to retain a downgraded security shall be approved by the Chief Financial Officer or designee within five (5) business days of the downgrade.

I. Maximum Stated Term

Maximum stated term for permitted investments shall be determined based on the settlement date (not the trade date) upon purchase of the security and the stated final maturity of the security, or the unconditional put option date if the security contains such provision.

J. Diversification Guidelines

Diversification limits ensure the portfolio is not unduly concentrated in the securities of one type, industry, or entity, thereby assuring adequate portfolio liquidity should one sector or company experience difficulties.

Kern Health Systems' Investment Manager must review the portfolio it manages to ensure compliance with Kern Health Systems' diversification guidelines on an ongoing basis.

<i>INSTRUMENTS</i>	MAXIMUM % OF PORTFOLIO AT TIME OF PURCHASE
A. U.S. Treasuries (including U.S. Treasury Coupon and principal STRIPS as well as TIPs)	100%
B. Federal Agencies and U.S. Government Sponsored Enterprises	100%
C. State of California and Local Agency Obligations	100%
D. State and Local Agency Obligations Outside of California	20%
E. Bankers Acceptances	40%
F. Commercial Paper	25%
G. Negotiable Certificates of Deposit	30%
H. Repurchase Agreements	100%
I. Corporate Securities	40%

<i>INSTRUMENTS</i>	MAXIMUM % OF PORTFOLIO AT TIME OF PURCHASE
J. Money Market Funds	40%
K. Mortgage and Asset-backed Securities	20%
L. Variable and Floating Rate Securities	30%
M. Local Agency Investment Fund (KAIF)	50%

a. Issuer/Counterparty Diversification Guidelines – The percentages specified below shall be adhered to on the basis of the entire portfolio:

- i. Any one Federal Agency or Government Sponsored Enterprise 35%
- ii. Any one repurchase agreement counterparty name
 - If maturity/term is \leq 7 days 50%
 - If maturity/term is $>$ 7 days 25%

b. Issuer/Counterparty Diversification Guidelines for All Other Securities described in Subsections A-K in VII. Permitted Investments of this Investment Policy. Any one corporation, bank, local agency, or other corporate name for one or more series of securities, and specifically with respect to special purpose vehicles issuers for mortgage and asset-backed securities, the maximum applies to all such securities backed by the same type of assets of the same issuer. 5%

Negotiable Certificates of Deposit with maturities greater than one year and less than five years shall not exceed the FDIC Insurance maximum amount at the time of purchase.

Each Investment Advisor shall adhere to the diversification limits discussed in this section. If one Investment Advisor exceeds the aforementioned diversification limits, the Investment Advisor shall inform the Kern Health Systems Chief Financial Officer and second Investment Advisor (if any) by close of business on the day of the occurrence. Within the parameters authorized by the Government code, the Committee recognizes the practicalities of portfolio management, securities maturing, and changing status, and market volatility, and, as such, will consider breaches in:

- i. The context of the amount in relation to the total portfolio concentration;
- ii. Market and security specific conditions contributing to a breach in policy; and
- iii. The managers' actions to enforce the spirit of the policy and decisions made in the best interest of the portfolio.

REFERENCE:

Revision 2020-06: Policy updated to reflect Board of Directors approved changes on 6/11/2020. **Revision 2015-04:** Item "M" Local Agency Investment Fund (LAIF) added to Section VII Permitted Investments as approved by KHS Board of Directors at April 2015 meeting. **Revision 2014-08:** Policy revised by Controller to allow for non-California municipal investments as approved by KHS Board of Directors. **Revision 2010-11:** Policy revised to conform to government code requirements. The Board of Directors approved current policy on October 14, 2010.

**KERN HEALTH SYSTEMS
2021 INVESTMENT ANALYSIS**

Attachment 2

	<u>UBS</u>	<u>LAIF</u>	<u>Wells Fargo Securities</u>
December 31, 2021 Balance	51,044,312	74,004,191	158,053,433
Average Monthly Balance	51,292,276	73,420,721	139,950,758
Total Interest/Revenue (YTD)	851,469	226,076	624,440
Percentage	1.66%	0.31%	0.45%



To: KHS Finance Committee

From: Robert Landis, CFO

Date: February 4, 2022

Re: 2021 Annual Report for Travel

Background

Kern Health Systems Employee Travel and Expense Reimbursement Policy requires an annual report (attached) to be submitted to the KHS Board of Directors.

Discussion

KHS encourages employees to attend conferences and seminars to:

1. Obtain updated information on key issues that they are concerned about.
2. Interact with other health plans that may be experiencing similar issues and problems and to solve those issues together.
3. Have issues addressed on a specific topic by recognized experts who are up to date with the latest developments in the field.
4. Evaluate the latest technologies that can potentially help make KHS more efficient.
5. Learn about facts and statistics that will help employees better understand the changing dynamics in the healthcare industry.

Examples of KHS travel include attending meetings with State regulators such as DHCS & DMHC, attending trade association conferences, participating on vendor advisory boards and professional education and training seminars.

During 2021 \$6,576 was spent on regulatory or trade association travel, \$667 was spent on professional development and training travel, \$7,478 was spent on conference attendance travel. The total travel expenses incurred for 2021 was \$14,721 which was approximately \$17,200 less than the prior year. **This decrease is a result of continued Covid-19 travel restrictions during 2021.**

Requested Action

Receive and file, for informational purposes only.



EMPLOYEE TITLE	CONFERENCE TITLE	REGULATORY OR TRADE ASSOCIATION (R), PROFESSIONAL DEVELOPMENT (P), CONFERENCES (C), OTHER (O)	In Country (In), Out of County (Out), or Out of State (OS)	LOCATION	START DATE	END DATE	TRAVEL & LODGING	MEALS	TOTAL AMOUNT SPENT
1 Chief Executive Officer	Local Health Plans of California Board Meeting and Strategic Retreat	R	Out	Napa	7/19/2021	7/21/2021	1,801.56	198.00	1,999.56
2 Senior Director of Government Relations & Strategic Development	Local Health Plans of California Board Meeting and Strategic Retreat	R	Out	Napa	7/19/2021	7/20/2021	986.30	82.50	1,068.80
3 Chief Operating Officer	California Assoc of Health Plans Annual Conference	C	Out	San Diego	10/11/2021	10/13/2021	2,127.01	177.50	2,304.51
4 Chief Executive Officer	California Assoc of Health Plans Annual Conference	C	Out	San Diego	10/11/2021	10/13/2021	1,308.85	158.75	1,467.60
5 Senior Director of Government Relations & Strategic Development	California Assoc of Health Plans Annual Conference	C	Out	San Diego	10/11/2021	10/13/2021	1,390.93	159.75	1,550.68
6 Chief Information Office	California Assoc of Health Plans Annual Conference	C	Out	San Diego	10/11/2021	10/13/2021	1,044.93	213.59	1,258.52
7 Chief Executive Officer	Association for Community Affiliated Plans: CEO Summit & Fall Council Meeting	R	OS	Washington DC	10/26/2021	10/29/2021	1,360.07	207.09	1,567.16
8 Senior Director of Government Relations & Strategic Development	Association for Community Affiliated Plans: CEO Summit & Fall Council Meeting	R	OS	Washington DC	10/26/2021	10/29/2021	1,768.99	171.00	1,939.99
Executive Total							11,788.64	1,368.18	13,156.82
9 Deputy Director of Provider Network	The Rise Women in Health Care Leadership Summit	C	Out	San Diego	12/12/2021	12/16/2021	594.65	302.40	897.05
10 QJRN II	Master Trainer Certification for DHCS	P	Out	Sacramento	8/11/2021	8/12/2021	552.01	115.50	667.51
Health Services - QM/QI Total							552.01	115.50	667.51
Sub-Totals							12,935.30	1,786.08	14,721.38

Travel & Lodging	12,935.30	Meals	1,786.08	Grand Total	14,721.38
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Regulatory or Trade Associations	6,575.51	Professional Development	667.51	Conferences	7,478.36	Other	-	Total	14,721.38
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2021 Budget	128,585.00	32,470.00	Grand Total	161,055.00
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To: KHS Board of Directors
From: Robert Landis, CFO
Date: February 4, 2022
Re: 2021 Annual Report for Disposed Assets

Background

Kern Health Systems Asset and Surplus Property or Equipment Disposition Policy (Attachment 2) requires an annual report (Attachment 1) to be submitted to the KHS Finance Committee.

Discussion

KHS Department Managers are to identify property or equipment that is no longer being used in operations, indicate an item as non-repairable, obsolete, or surplus and are to submit a request for disposal of the item. It is the responsibility of the Corporate Services Department to dispose of equipment in a manner that maximizes returns while ensuring open and effective competition.

The principal methods for disposing of equipment no longer in use (in priority order) are:

1. Determine if the equipment can be used by another department at KHS.
2. Sale by competitive bid or direct negotiation.
3. Trade-in towards the purchase of a new, like item.
4. Donate surplus equipment within Kern County according to the following priority:
 - a) Offer equipment to contracted providers to promote electronic business to business interactions
 - b) Offer to non-profit organizations and government agencies
5. Sell or donate to KHS employees.
6. Items with a value of less than \$50 which cannot be sold or donated will be recycled using an E-Waste vendor.

During 2021, a loss of \$0 was recorded on the disposition of equipment.

Requested Actions

Receive and file for informational purposes only.



Attachment 1

2021 Asset Dispositions




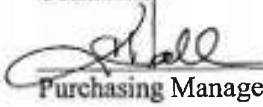
Date in Service	Category	Description	Book Value at Date of Disposal	Disposition Date	Reason for Disposal	Disposition Notes
5/1/2008	Equipment	Refrigerator	-	5/31/2021	Obsolete	Disposed-Recycled
10/16/2008	Equipment	Refrigerator	-	5/31/2021	Obsolete	Disposed-Recycled
2/18/2009	Equipment	Refrigerator	-	5/31/2021	Obsolete	Disposed-Recycled
2/12/2015	Equipment	Document Scanner	-	5/31/2021	Obsolete	Donated to Dr. Salmassi
2/19/2015	Equipment	Document Scanner	-	5/31/2021	Obsolete	Donated to Dr. Salmassi
4/13/2016	Equipment	IPAD	-	5/31/2021	Obsolete	Donated to Kern Valley Hospital

TOTAL LOSS RECOGNIZED ON DISPOSITION OF OFFICE FURNITURE & EQUIPMENT \$ -

Attachment 2

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

SUBJECT: Asset and Surplus Property or Equipment Disposition		INDEX NUMBER 80.21-1		Page 1 of 4	
RESPONSIBLE DEPARTMENT HEAD: Controller					
Review Date	01/01/12				
Effective Date	01/06/12				
Revision No.	2012-01				

Approved	 Acting Chief Executive Officer	Date	1/6/12
Approved	 Chief Financial Officer	Date	1-5-12
Approved	 Controller	Date	1-5-12
Approved	 Purchasing Manager	Date	1-5-12

POLICY¹: Asset and Surplus Property or Equipment Disposition

PURPOSE: To appropriately dispose of Kern Health Systems (KHS) owned tagged assets and surplus equipment that no longer has operational value.

DEFINITIONS:

Asset	Any tangible property owned by KHS, either with or without value, excluding real property
Disposal/Disposition	The sale, replacement, transfer, scrap, discard, recycling or other means of disposing of assets
E Waste	Electronic items to be recycled such as computers, monitors, phones
Fixed Asset	Classification of an item determined at the time of purchase to meet the capitalization requirements established by policy 80.11 Budget Guidelines
Item	Any piece of property or equipment

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

SUBJECT: Asset and Surplus Property or Equipment Disposition	INDEX NUMBER 80.21-I	Page 2 of 4
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Obsolete	Significant decline in the competitiveness, usefulness, or value of an item or property whether due to alternatives that perform better, are cheaper, or both; or due to changes in user preference or requirements. For the purposes of this policy, obsolete will mean little to no monetary value.
Salvage Value	The estimated residual value of a depreciable asset (fixed asset) at the end of its economic or useful life.
Surplus Equipment	Excess, obsolete, salvageable or non-salvageable assets which are sold, replaced through the budget process, transferred, scrapped, discarded or otherwise removed from service by any other means of disposal.
Useful Life	The number of years an asset is determined to last at the time of purchase, to which a matching depreciation period is assigned.

ASSET DISPOSITION AUTHORITY:

- 1.0 Any Department Manager may identify KHS' property or equipment that is no longer being used in operations, whether that item is non-repairable, obsolete, or surplus, and may submit a request for disposal of that item. It is the responsibility of the Corporate Services department to dispose of surplus equipment in a manner that maximizes returns while ensuring open and effective competition. Surplus equipment and property may be disposed of via: interdepartmental transfer, sale by competitive bid or direct negotiation, trade-in on new property, donation, e-waste recycling, or scrap. Proceeds from the sale or recycling of equipment shall go into the KHS General Fund.

NOTIFICATION AND VERIFICATION:

- 1.0 Notification to Accounting of intent to dispose of property
 - a) When a Department Manager has determined an item is non-repairable, obsolete or surplus, they will notify the Accounting department to obtain the necessary specification details located on either the item's existing equipment card (in the case of a fixed asset), or purchasing documentation for non-capitalized items.
 - b) Upon receipt of the information from the Accounting department, the Department Manager will complete the Intent to Dispose of Property (IDP) form and will submit the form to Corporate Services.
- 2.0 Verification of Non-Repairable, Obsolete or Surplus

Corporate Services will make a reasonable effort to classify the item into one of the following categories: Non-Repairable, Obsolete or Surplus.

 - a) Non-Repairable Equipment: equipment that is broken beyond repair
 - b) Obsolete Equipment: equipment that has no useful value to KHS, has little to no monetary value, but may have value to another organization
 - c) Surplus Equipment: equipment in working order that is no longer being used by a

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

SUBJECT: Asset and Surplus Property or Equipment Disposition	INDEX NUMBER 80.21-I	Page 3 of 4
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- 3.0 Notification to Accounting of sale, donation or recycling of property
When a fixed asset is sold, donated, or recycled, Corporate Services will notify Accounting by completing a Disposal of Fixed Asset (DFA) form. Corporate Services will attach the completed and executed IDP form to the DFA form. Accounting will review the DFA form and will record the disposition of the fixed asset on the equipment card.
- 4.0 The Controller will maintain the log of assets sold, transferred, traded, donated or scrapped.
- 5.0 On an annual basis, the CFO will present a listing of disposed assets for review by the Finance Committee.
- 6.0 In the event a potential disposal item has a book or market value in excess of \$5,000.00, then Board approval is required before disposition is authorized.

DISPOSITION METHODS:

The principal methods for disposal of surplus equipment are:

- 1.0 Interdepartmental transfer: Prior to disposal, Corporate Services will make a reasonable effort to ensure the equipment cannot be used by another department. If the item can be used by another department, Corporate Services will deliver that item to the requesting department. In the case of a fixed asset, Corporate Services will indicate the new location on the IDP form and will forward the form to Accounting so that a change in location can be recorded on the equipment card. A copy of the IDP form will also be sent to the requesting Department Manager.
- 2.0 Sale by competitive bid or direct negotiation: If obsolete or surplus equipment is in working condition and has previously been determined to have a resale value greater than \$100, Corporate Services will attempt to bundle like (or networked) items and sell the equipment via an online auction competitive bidding process or directly negotiated sale. It will be made clear to all prospective buyers that assets are sold as-is and at the buyer's risk. No warranty or after sale service will be offered. Delivery of the equipment will be at the buyer's expense.
- 3.0 Trade-in: If the surplus equipment has trade-in value toward the purchase of a new, like item, the item will be hauled away by the new equipment vendor. The trade-in value will be reflected on the invoice for the new equipment.
- 4.0 Donate or Sell:
KHS will donate surplus equipment within Kern County according to the following priority list:
 - KHS will offer computer equipment to contracted providers to promote electronic business to business interactions.
 - KHS will offer equipment to non-profit organizations and governmental agencies.
 - KHS will sell equipment to KHS employees.
- 5.0 Prior to the sale or donation of any computer equipment, KHS will ensure that the computers are scrubbed clean of all corporate information (all electronic files deleted and licensed software removed), and the operating system will be reloaded. Inventory and identification tags will be removed. KHS will donate computer equipment as is, with no guarantee toward the current or future working condition of the equipment. KHS will not provide technical assistance with set-up or operation of the equipment.
- 6.0 E-Waste: Electronic items that have monetary value less than \$50, which cannot be sold or donated, will be recycled using an approved e-waste vendor selected by Corporate Services.

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

SUBJECT: Asset and Surplus Property or Equipment Disposition	INDEX NUMBER 80.21-I	Page 4 of 4
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- Corporate Services will complete a DFA form and will submit to Accounting.
- 7.0 Scrap: If the surplus equipment is broken and is not e-waste, Corporate Services will make a reasonable effort to determine the cost of repairs, the extended life of the repairs, and compare the repaired value against the cost of a replacement item. If the cost to repair the item is greater than replacement or if the item cannot be repaired due to the non-availability of parts, the item will be marked as scrap. Scrap equipment will be physically disposed of following current city and county dump site requirements.

Attachments:

- ❖ Attachment A – Intent to Dispose of KHS Property
- ❖ Attachment B – Disposal of Fixed Asset(s)

¹ **Revision 2012-01:** Developed by KHS' Chief Financial Officer to appropriately dispose of KHS owned assets and surplus equipment that no longer have an operational value.

Attachment A

 <p>KERN HEALTH SYSTEMS 9700 Stockdale Hwy Bakersfield, CA 93311 661-664-5000</p>	<p>Intent to Dispose of Property, Plant & Equipment</p>
--	--

Department:	
Contact Person:	Phone:

QTY	Serial number	Description	KHS Tag #

Status of Item

Non-Repairable

Obsolete

Surplus

Comments:

Verification of Item Status: _____

New Location of Surplus Equipment: _____

Cc: Accounting, Corporate Service, Department Manager

 <p>KERN HEALTH SYSTEMS 9700 Stockdale Hwy Bakersfield, CA 93311 661-664-5000</p>	<h2 style="margin: 0;">Disposal of Fixed Asset</h2>
--	---

Department:	
Contact Person:	Phone:

QTY	Serial number	Description	KHS Tag #

Disposition Notes: (method and details of disposal: donate, trade-in, sell, E-waste, scrap)

CHAIN OF CUSTODY

MIS (computer equip only): _____ **Date:** _____ **Time:** _____

Relinquished: _____ **Date:** _____ **Time:** _____

Received: _____ **Date:** _____ **Time:** _____

cc: Accounting, Relinquishing Department and Corporate Services (Original stays with accounting)



To: KHS Finance Committee

From: Deborah Murr, RN, BS-HCM, Chief Health Services Officer

Date: February 4, 2022

Re: Purchase of (2) Additional MCG Clinical Care Guidelines

Background

Access to evidence-based decision criteria is essential to remain compliant under our contractual requirements with DHCS and DMHC. Additionally, as KHS prepares for NCQA accreditation, decision pathways and member self-support and education tools will also be required to provide transitional care coordination and chronic condition management. Population Health Management, as defined under CalAIM, must provide an array of complex clinical, behavioral, and social needs support to the KHS membership utilizing standardized protocols.

Discussion

KHS has maintained a contract with MCG since 2008 for managing all aspects of medical and behavioral health conditions. This contract includes dynamic and interactive version to provide evidence-based decision making and care coordination for our most vulnerable membership, thereby allowing the clinical staff to provide comprehensive, patient centered, and high-quality care across the continuum of care.

Financial Impact

Not to exceed \$141,000 annually for the remainder of the contract.

Requested Action

Approve; Refer to KHS Board of Directors.

MCG Clinical Guidelines Module Expansion

Deborah Murr, RN, BS-HCM
Chief Health Services Officer
February 4, 2022



Agenda

- Chronological Overview
- Current Licensed Modules
- Proposed Purchase of (2) New Modules
- Pricing
- Board Request

Chronological Overview

- DHCS contract requirement
- Evidence-based criteria for complex medical and behavioral health conditions
- Partner since 2008
 - Membership growth
 - 100,000 in 2008
 - 185,000 in 2016
 - 310,000 in 2021
 - Non automated workflow-static version
- Evolution of material and method of accessing criteria
 - Integrated in JIVA Medical Management System
 - Sole source

Current Licensed Modules

- Ambulatory Care
- Inpatient & Surgical Care
- General Recovery Care
- Behavioral Health Care
- Recovery Facility Care
- Home Care
- Interrater Reliability Module-competency tool
- Learning Management System-on demand training
- Care Web QI (CWQI) Guideline Modification Module-customization
- Care Web QI (CWQI) Integrated API-JIVA automation
- Cite Auto Auth-Point of service authorization

Proposed Purchase of (2) New Guideline Modules

Chronic Care Guidelines

- Disease management algorithms
- Align with Quality Measures

Transition of Care Guidelines

- Patient self-care modules
- Post discharge to home/other setting

** Both support NCQA accreditation for Population Health Management

Board Request

Authorize the CEO to sign an amendment for the purchase of (2) new MCG modules, Transitions of Care and Chronic Care Guidelines, under the current MCG contract not to exceed budgeted amount of \$141,000 estimated annually (as adjusted for future membership and costs increases) under the Population Health Management Medical Budget.

Questions

Deborah Murr, RN, BS-HCM
Chief Health Services Officer

661-664-5141

deborah.murr@khs-net.com





KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

Department Name: Population Health Management

Department Head: Abigail Romo

Vendor Name: MCG

Contact name & e-mail: Richard Miller

What services will this vendor provide to KHS? Evidenced based support PHM and care coordination and transitional care services with standalone nonintegrated Chronic Condition guideline

Description of Contract	
<p>Type of Agreement: <u>Software</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. <u>1</u></p> <p><input type="checkbox"/> Retroactive Agreement</p>	<p>Background: <u>KHS currently contracts with MCG for access to this evidence-based criteria information. DHCS and DMHC requires that Health Plans apply evidence-based criteria to decisions rendered for complex medical and behavioral health conditions. In addition, KHS is preparing for NCOA accreditation, and therefore, it requires access to relevant and current care guidelines outlining care coordination and transitional care. These guidelines are necessary for the clinical staff to provide member education materials, care coordination and transitional support for members enrolled in Population Health Management programs.</u></p> <p><u>This in turn will improve outcomes, reduce readmission, and promote self-care. Assessment in JIVA will continue to be utilized as this new module provides education, measure and optimize utilization by benchmarking, and provide care setting support for UM and PHM staff for care plans and SMART alignment with NCOA accreditation standards.</u></p> <p> </p> <p>Brief Explanation: <u>KHS has maintained a contract with MCG since 2008 for managing all aspects of medical and behavioral health conditions. CalAIM has required a heightened focus on the social aspects of member's health outcomes as a critical part of their overall conditions' management. Chronic Care guidelines (CCG) help staff evaluate needs, identify goals, develop personalized care plans, and support effective self-care for patients with chronic diseases or complex care issues. The modular design supports quick, efficient assessments and enables the management of multiple comorbidities and behavioral health conditions. High-intensity disease CCG guidelines consist of various modules clinicians can use to create comprehensive assessments and care plans, including patient engagement tools. Transitions of Care will help proactively identify and address barriers to effective care transitions with assessments, care plans, and informative handouts that provide care coordination guidance.</u></p>

Summary of Quotes and/or Bids attached. Pursuant to KHS Policy 98.11-1, 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

Form updated 11/21/19

KHS Finance Committee Meeting, February 4, 2022

budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00) but must be documented on the RFQ form (Attachment A). Actual bid, sole or single source justification and/or cost price analysis documents are required for purchases over Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Fifty Thousand Dollars (\$50,000). Lowest bid price not accepted must be fully explained and justified in writing. All bids will be treated as a not to exceed amount with "change orders" used to track any changes.)

Brief vendor selection justification: MCG under contract

Sole source – no competitive process can be performed.

Brief reason for sole source: Adding (2) new modules, TOC and CCG under existing contract with MCG 8/2021-8/2025 as required under DHS contract.

Conflict of Interest Form is required for this Contract

HIPAA Business Associate Agreement is required for this Contract

Fiscal Impact

KHS Governing Board previously approved this expense in KHS' FY 2022 Administrative Budget NO YES
 Will this require additional funds? NO YES
 Capital project NO YES

Project type: Medical mgmt.

Budgeted Cost Center 316 GL# 5645

Maximum cost of this agreement not to exceed: \$141,000 estimated annually

Notes: Standalone guideline for Population Health Management staff with no JIVA integration required.

Contract Terms and Conditions

Effective date: 2/17/2022

Termination date: 8/17/2025

Explain extension provisions, termination conditions and required notice: Purchase of additional guidelines will require annual license PMPY to be amended in current contract in 2/17/2022

Approvals

Compliance DMHC/DHCS Review:

Approved by Carmen Deby
 Director of Compliance and Regulatory Affairs

per email 7/24/20
 Date

Legal Review:

Approved by Gunyodha Khalsa
 Legal Counsel

per email date 12/5/16
 Date

Contract Owner:

Approved by Deb Murr
 Department Head

per Contract meeting 1/27/22
 Date

Purchasing:

Approved by Alonso Hurtado
 Director of Procurement and Facilities

per Contract meeting 1/27/22
 Date

Reviewed as to Budget:

Robert Lewis

Chief Financial Officer or Controller

1/31/22

Date

IT Approval:

Approved by Richard Pruitt

Chief Information Officer or IT Director

per contract meeting 1/27/22

Date

Recommended by the Executive Committee:

[Signature]

Chief Operating Officer

1-31-22

Date

Chief Executive Officer Approval:

Chief Executive Officer

Date

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

KHS Board Chairman

Date



To: KHS Finance Committee

From: Anita Martin, Chief Human Resources Officer

Date: February 4, 2022

Re: Ceridian Agreement

Background

In April 2015, Kern Health Systems (“KHS”) issued a Request for Proposal (“RFP”) to provide Human Resource and Payroll Services. In August of 2015, KHS selected Ceridian as the vendor for these services and began the implementation process with a final go-live date of April 1, 2016.

Discussion

Ceridian is the descendant of the original Control Data Corporation (CDC) founded in 1957, and is a global leader in payroll, HR software and technology. Advances in technology with Ceridian’s innovative Dayforce platform, provides the ability to deliver a “real-time” HR application that is based on a single employee record. The “real-time” cloud-based technology eliminates latency issues, and their single point of employee entry reduces errors that are normally faced as a result of multiple platform entries, and data being synchronized through an interface.

KHS has enjoyed consistent service delivery from Ceridian with very few service disruptions over the nearly six-year relationship. We have experienced outstanding customer service and incident response times and have benefited from their constant innovation in HR services to employees.

KHS is seeking to sign a three-year agreement with Ceridian for the continuation of their services to provide Benefits Management, Compensation, Employee Engagement, HR Admin, Learning and Development (LMS), Payroll, Performance Reviews, Talent/Recruiting, Workforce Management (Timesheets and Schedules) and Succession Planning.

Financial Impact

Ceridian cost for these services are \$36.00 (PEPM) Per Employee Per Month rate. Estimated cost \$216,000 annually.

Requested Action

Approve; Refer to KHS Board of Directors.





KERN HEALTH SYSTEMS

Payroll and HCM Services

Anita Martin
Chief Human Resources Officer
February 4, 2022



Agenda

- Background
- Scope of Services
- Results and Recommendation
- Questions



Background

KHS has been utilizing Ceridian since April 2016 to provide Payroll and HCM services.

Ceridian is the descendant of the original Control Data Corporation (CDC) founded in 1957, and is a global leader in payroll, HR software and technology. Advances in technology with Ceridian's innovative Dayforce platform, provides the ability to deliver a "real-time" HR application that is based on a single employee record.

The "real-time" cloud-based technology eliminates latency issues, and their single point of employee entry reduces errors that are normally faced as a result of multiple platform entries, and data being synchronized through an interface.



Scope of Services

- Our Entire HCM Platform Consists of the Following:

- Benefits
- Compensation
- Payroll
- HR Admin
- Learning and Development (LMS)
- Talent/Recruiting
- Performance Reviews
- HR Administration
- Workforce Management (Timesheets and Schedules)
- Succession Planning*

(An employee assessment tool that divides and plots employees across 9 key data points in coordination with the performance module and evaluates employees' potential growth and talent used for succession planning.)

*indicates new module



Results and Recommendation

- In the nearly **six years** that KHS has contracted with Ceridian as our HCM vendor, we have had:
 - Consistent delivery of services and very few service disruptions
 - Outstanding customer service and incident response times
 - Constant innovation and addition of new modules to simplify and automate HR Services to employees
 - No price increases
- Request the Board of Directors authorize the CEO to approve a three-year contract with Ceridian, in the amount not to exceed \$216,000 annually (\$36 Per Employee Per Month) for Payroll and HRIS Services.



Questions

Please contact:

Anita Martin

Chief Human Resources Officer

661-664-5000

Anita.Martin@khs-net.com





KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

Department Name: HR

Department Head: Anita Martin

Vendor Name: Ceridian

Contact name & e-mail: Chris Tillery, Chris.Tillery@ceridian.com

What services will this vendor provide to KHS? Payroll and HCM services

Description of Contract	
<p>Type of Agreement: <u>Professional Services</u></p> <p><input type="checkbox"/> Contract</p> <p><input type="checkbox"/> Purchase</p> <p><input type="checkbox"/> New agreement</p> <p><input checked="" type="checkbox"/> Continuation of Agreement</p> <p><input type="checkbox"/> Addendum</p> <p><input type="checkbox"/> Amendment No. _____</p> <p><input type="checkbox"/> Retroactive Agreement</p>	<p>Background: <u>In April 2015, Kern Health Systems ("KHS") issued a Request for Proposal ("RFP") to provide Human Resource and Payroll Services. In August 2015, KHS selected Ceridian as the vendor for these services, with an April 1, 2016 go-live.</u></p> <p>Brief Explanation: <u>KHS is proposing to renew the services of Ceridian to provide our HCM platform. Ceridian delivers Dayforce HCM, a single SaaS (cloud-based) application for Benefits, Compensation, Employee Engagement, HR Admin, Learning and Development (LMS), Payroll, Performance Reviews, Talent/Recruiting, Workforce Management and Succession Planning. As a descendent of the original Control Data Corporation (CDC) founded in 1957, Ceridian is a global leader of HR software and services operating in the USA, Canada, Europe and Mauritius with 9,500 employees worldwide. Dayforce HCM has the ability to deliver a "real-time" HR application based on one employee record which has eliminated our previous latency issues and eliminated errors created as a result of multiple platform entries such as experienced with our previous provider.</u></p>
<p><input 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>Brief vendor selection justification:</p> <p><input checked="" type="checkbox"/> Sole source – no competitive process can be performed.</p>	
<p>Brief reason for sole source: <u>KHS has a current contract with Ceridian for all of our HR technology needs.</u></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 2022 Administrative Budget</p>	<p><input type="checkbox"/> NO <input checked="" type="checkbox"/> YES</p>
<p>Will this require additional funds?</p>	<p><input checked="" type="checkbox"/> NO <input type="checkbox"/> YES</p>
<p>Capital project</p>	<p><input checked="" type="checkbox"/> NO <input type="checkbox"/> YES</p>

Form updated 11/21/19

Project type: _____	
Budgeted Cost Center <u>510</u>	GL# <u>5495</u>
Maximum cost of this agreement not to exceed: <u>\$36.00 PEPM (Per Member Per Month)</u>	
Notes: _____	
Contract Terms and Conditions	
Effective date: <u>3/18/22</u>	Termination date: <u>3/17/25</u>
Explain extension provisions, termination conditions and required notice:	
Approvals	
Compliance DMHC/DHCS Review:	Legal Review:
Director of Compliance and Regulatory Affairs	Legal Counsel
Date	Date
Contract Owner:	Purchasing:
<u>Approved by Anita Martin</u>	<u>Approved by Alonso Hurtado</u>
Department Head	Director of Procurement and Facilities
<u>per contract meeting 1/27/22</u>	<u>per contract meeting 1/27/22</u>
Date	Date
Reviewed as to Budget:	Recommended by the Executive Committee:
<u>Robert Landis</u>	<u>[Signature]</u>
Chief Financial Officer or Controller	Chief Operating Officer
<u>1/31/22</u>	<u>1-31-22</u>
Date	Date
IT Approval:	Chief Executive Officer Approval:
<u>Approved by Richard Pruitt</u>	_____
Chief Information Officer or IT Director	Chief Executive Officer
<u>per contract meeting 1/27/22</u>	_____
Date	Date
Board of Directors approval is required on all contracts over \$50,000 if not budgeted and \$100,000 if budgeted.	

KHS Board Chairman	

Date	



To: KHS Finance Committee

From: Robert Landis, CFO

Date: February 4, 2022

Re: November 30, 2021 Financial Results

The November results reflect a \$845,979 Net Increase in Net Position which is a \$2,172,638 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$13.2 million favorable variance primarily due to:
 - A) \$8.0 million favorable variance primarily due to higher-than-expected budgeted membership.
 - B) \$2.3 million favorable variance in revenues earned from DHCS under the KHS Covid-19 Vaccination Incentive Program by meeting key performance measurements designed to improve the vaccination rate with our Members. Under this Program, KHS has offered incentives to Providers to perform significantly expanded outreach to KHS Members that are based on achieving specified outcomes. Additionally, there are Member Incentives (not to exceed \$50 per member) for our Members that get vaccinated. This amount is offset against amounts included in 2C below.
 - C) \$2.6 million favorable variance in Premium-Hospital Directed Payments primarily due to receiving updated rates for calendar year 2021 from DHCS and higher than expected membership offset against amounts included in 2D below.
- 2) Total Medical Costs reflect a \$10.7 million unfavorable variance primarily due to:
 - A) \$2.0 million unfavorable variance in Physician Services primarily due to higher-than-expected utilization of Primary Care and Urgent Care Services over the last several months.
 - B) \$5.8 million unfavorable variance in Inpatient primarily due to higher-than-expected utilization.
 - C) \$2.3 million unfavorable variance in Other Medical due to Vaccine Incentive Program expenses earned by our Providers along with Incentives earned by our Members offset against amounts included in 1B above.
 - D) \$2.6 million unfavorable variance in Hospital Directed Payments primarily due to receiving updated rates for calendar year 2021 from DHCS and higher than expected Membership offset against amounts included in 1C above.

- E) \$1.4 million favorable IBNR, Incentive, Paid Claims Adjustment primarily from lower-than-expected P4P payouts relating to the prior year.

The November Medical Loss Ratio is 91.5% which is favorable to the 93.3% budgeted amount. The November Administrative Expense Ratio is 6.1% which is favorable to the 6.7% budgeted amount.

The results for the 11 months ended November 30, 2021 reflect a Net Increase in Net Position of \$14,990,250. This is a \$22,571,135 favorable variance to budget and includes approximately \$4.6million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 92.7 % which is favorable to the 93.2% budgeted amount. The year-to-date Administrative Expense Ratio is 5.6% which is favorable to the 6.7% budgeted amount.

**Kern Health Systems
Financial Packet
November 2021**

KHS – Medi-Cal Line of Business

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KHS Group Health Plan – Healthy Families Line of Business

Comparative Statement of Net Position	Page 18
Statement of Revenue, Expenses, and Changes in Net Position	Page 19

KHS Administrative Analysis and Other Reporting

Monthly Member Count	Page 20
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF NOVEMBER 30, 2021			
ASSETS	NOVEMBER 2021	OCTOBER 2021	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 156,432,908	\$ 112,022,947	\$ 44,409,961
Short-Term Investments	139,573,231	146,132,207	(6,558,976)
Premiums Receivable - Net	117,505,175	109,116,929	8,388,246
Premiums Receivable - Hospital Direct Payments	301,594,558	284,832,595	16,761,963
Interest Receivable	184,046	90,191	93,855
Provider Advance Payment	5,126,469	5,166,656	(40,187)
Other Receivables	923,710	772,288	151,422
Prepaid Expenses & Other Current Assets	2,996,406	2,683,400	313,006
Total Current Assets	\$ 724,336,503	\$ 660,817,213	\$ 63,519,290
CAPITAL ASSETS - NET OF ACCUM DEPREE:			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,777,138	1,668,151	108,987
Computer Hardware and Software - Net	14,208,129	12,346,824	1,861,305
Building and Building Improvements - Net	34,515,645	34,591,339	(75,694)
Capital Projects in Progress	12,784,572	15,133,452	(2,348,880)
Total Capital Assets	\$ 67,376,190	\$ 67,830,472	\$ (454,282)
LONG TERM ASSETS:			
Restricted Investments	300,000	300,000	-
Officer Life Insurance Receivables	1,593,961	1,593,961	-
Total Long Term Assets	\$ 1,893,961	\$ 1,893,961	\$ -
DEFERRED OUTFLOWS OF RESOURCES	\$ 3,018,341	\$ 3,018,341	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 796,624,995	\$ 733,559,987	\$ 63,065,008
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accrued Salaries and Employee Benefits	\$ 3,565,173	\$ 4,379,517	(814,344)
Accrued Other Operating Expenses	1,797,562	1,542,264	255,298
Accrued Taxes and Licenses	19,638,235	9,744,181	9,894,054
Claims Payable (Reported)	24,429,531	22,032,450	2,397,081
IBNR - Inpatient Claims	44,582,541	43,141,224	1,441,317
IBNR - Physician Claims	17,350,901	15,903,083	1,447,818
IBNR - Accrued Other Medical	24,208,119	21,386,468	2,821,651
Risk Pool and Withholds Payable	5,023,866	6,423,866	(1,400,000)
Statutory Allowance for Claims Processing Expense	2,157,367	2,157,367	-
Other Liabilities	104,313,884	74,899,693	29,414,191
Accrued Hospital Directed Payments	301,594,558	284,832,595	16,761,963
Total Current Liabilities	\$ 548,661,737	\$ 486,442,708	\$ 62,219,029
NONCURRENT LIABILITIES:			
Net Pension Liability	5,800,140	5,800,140	-
TOTAL NONCURRENT LIABILITIES	\$ 5,800,140	\$ 5,800,140	\$ -
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	14,990,250	14,144,271	845,979
Total Net Position	\$ 242,076,434	\$ 241,230,455	\$ 845,979
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 796,624,995	\$ 733,559,987	\$ 63,065,008

			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED NOVEMBER 30, 2021			YEAR-TO-DATE MEMBER MONTHS		
CURRENT MONTH MEMBERS								
ACTUAL	BUDGET	VARIANCE				ACTUAL	BUDGET	VARIANCE
193,430	185,400	8,030	Family Members			2,072,537	2,017,400	55,137
78,693	70,565	8,128	Expansion Members			829,086	776,215	52,871
15,840	15,230	610	SPD Members			176,424	167,530	8,894
9,026	7,000	2,026	Other Members			92,194	77,000	15,194
12,547	10,500	2,047	Kaiser Members			129,946	115,500	14,446
309,536	288,695	20,841	Total Members - MCAL			3,300,187	3,153,645	146,542
REVENUES								
37,111,335	32,280,191	4,831,144	Title XIX - Medicaid - Family and Other			385,142,863	352,815,550	32,327,313
31,001,586	26,523,701	4,477,885	Title XIX - Medicaid - Expansion Members			320,433,671	291,760,710	28,672,961
16,254,790	15,294,634	960,156	Title XIX - Medicaid - SPD Members			174,539,419	168,240,971	6,298,448
10,229,533	9,894,054	335,479	Premium - MCO Tax			109,321,239	102,898,163	6,423,076
16,753,272	14,106,810	2,646,462	Premium - Hospital Directed Payments			177,719,929	154,496,560	23,223,369
157,659	168,241	(10,582)	Investment Earnings And Other Income			622,290	1,831,410	(1,209,120)
-	80,677	(80,677)	Reinsurance Recoveries			-	881,062	(881,062)
8,691	-	8,691	Rate Adjustments - Hospital Directed Payments			49,176,877	-	49,176,877
66,815	-	66,815	Rate/Income Adjustments			3,179,171	-	3,179,171
111,583,681	98,348,307	13,235,374	TOTAL REVENUES			1,220,135,459	1,072,924,425	147,211,034
EXPENSES								
Medical Costs:								
17,258,969	15,231,590	(2,027,379)	Physician Services			176,103,413	166,663,398	(9,440,015)
4,829,415	4,739,638	(89,777)	Other Professional Services			52,033,181	51,992,648	(40,533)
4,818,883	5,601,587	782,704	Emergency Room			50,361,154	61,236,357	10,875,203
21,256,426	15,465,135	(5,791,291)	Inpatient			222,380,583	169,445,732	(52,934,851)
86,151	80,677	(5,474)	Reinsurance Expense			914,112	881,062	(33,050)
7,793,785	7,015,531	(778,254)	Outpatient Hospital			85,487,992	76,879,550	(8,608,442)
12,549,269	10,205,441	(2,343,828)	Other Medical			119,916,340	111,664,755	(8,251,585)
10,196,195	10,525,976	329,781	Pharmacy			108,072,882	115,420,101	7,347,219
-	528,571	528,571	Pay for Performance Quality Incentive			4,317,262	5,772,476	1,455,214
16,753,272	14,106,810	(2,646,462)	Hospital Directed Payments			177,719,929	154,496,560	(23,223,369)
8,691	-	(8,691)	Hospital Directed Payment Adjustment			48,165,023	-	(48,165,023)
24,857	-	(24,857)	Non-Claims Expense Adjustment			987,671	-	(987,671)
(1,378,922)	-	1,378,922	IBNR, Incentive, Paid Claims Adjustment			(1,237,376)	-	1,237,376
94,196,991	83,500,955	(10,696,036)	Total Medical Costs			1,045,222,166	914,452,637	(130,769,529)
17,386,690	14,847,351	2,539,339	GROSS MARGIN			174,913,293	158,471,788	16,441,505
Administrative:								
2,775,542	2,856,030	80,488	Compensation			30,210,602	31,491,333	1,280,731
1,095,098	1,071,006	(24,092)	Purchased Services			10,392,490	11,781,066	1,388,576
188,536	133,106	(55,430)	Supplies			974,278	1,464,169	489,891
716,552	500,520	(216,032)	Depreciation			4,969,027	5,505,724	536,697
276,718	385,959	109,241	Other Administrative Expenses			2,917,698	4,245,551	1,327,853
77,569	-	(77,569)	Administrative Expense Adjustment			(187,239)	-	187,239
5,130,015	4,946,622	(183,393)	Total Administrative Expenses			49,276,856	54,487,844	5,210,988
99,327,006	88,447,578	(10,879,428)	TOTAL EXPENSES			1,094,499,022	968,940,481	(125,558,541)
12,256,675	9,900,729	2,355,946	OPERATING INCOME (LOSS) BEFORE TAX			125,636,437	103,983,944	21,652,493
9,894,054	9,894,054	-	MCO TAX			102,925,961	102,898,163	(27,798)
2,362,621	6,675	2,355,946	OPERATING INCOME (LOSS) NET OF TAX			22,710,476	1,085,781	21,624,695
NONOPERATING REVENUE (EXPENSE)								
-	-	-	Gain on Sale of Assets			-	-	-
(1,346,906)	(1,166,667)	(180,239)	Provider Recruitment and Retention Grants			(6,770,178)	(6,833,333)	63,155
(169,736)	(166,667)	(3,069)	Health Home			(950,048)	(1,833,333)	883,285
(1,516,642)	(1,333,334)	(183,308)	TOTAL NONOPERATING REVENUE (EXPENSE)			(7,720,226)	(8,666,666)	946,440
845,979	(1,326,659)	2,172,638	NET INCREASE (DECREASE) IN NET POSITION			14,990,250	(7,580,885)	22,571,135
91.5%	93.3%	1.8%	MEDICAL LOSS RATIO			92.7%	93.2%	0.5%
6.1%	6.7%	0.6%	ADMINISTRATIVE EXPENSE RATIO			5.6%	6.7%	1.1%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED NOVEMBER 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
ENROLLMENT						
193,430	185,400	8,030	Family Members	2,072,537	2,017,400	55,137
78,693	70,565	8,128	Expansion Members	829,086	776,215	52,871
15,840	15,230	610	SPD Members	176,424	167,530	8,894
9,026	7,000	2,026	Other Members	92,194	77,000	15,194
12,547	10,500	2,047	Kaiser Members	129,946	115,500	14,446
309,536	288,695	20,841	Total Members - MCAL	3,300,187	3,153,645	146,542
REVENUES						
183.31	167.78	15.53	Title XIX - Medicaid - Family and Other	177.92	168.46	9.46
393.96	375.88	18.08	Title XIX - Medicaid - Expansion Members	386.49	375.88	10.61
1,026.19	1,004.24	21.94	Title XIX - Medicaid - SPD Members	989.32	1,004.24	(14.93)
34.44	35.57	(1.12)	Premium - MCO Tax	34.48	33.87	0.61
56.41	50.71	5.70	Premium - Hospital Directed Payments	56.06	50.85	5.21
0.53	0.60	(0.07)	Investment Earnings And Other Income	0.20	0.60	(0.41)
0.00	0.29	(0.29)	Reinsurance Recoveries	0.00	0.29	(0.29)
0.03	0.00	0.03	Rate Adjustments - Hospital Directed Payments	15.51	0.00	15.51
0.22	0.00	0.22	Rate/Income Adjustments	1.00	0.00	1.00
375.72	353.52	22.19	TOTAL REVENUES	384.87	353.15	31.72
EXPENSES						
Medical Costs:						
58.11	54.75	(3.36)	Physician Services	55.55	54.86	(0.69)
16.26	17.04	0.78	Other Professional Services	16.41	17.11	0.70
16.23	20.14	3.91	Emergency Room	15.89	20.16	4.27
71.57	55.59	(15.98)	Inpatient	70.15	55.77	(14.37)
0.29	0.29	(0.00)	Reinsurance Expense	0.29	0.29	0.00
26.24	25.22	(1.02)	Outpatient Hospital	26.97	25.30	(1.66)
42.25	36.68	(5.57)	Other Medical	37.83	36.75	(1.07)
34.33	37.84	3.50	Pharmacy	34.09	37.99	3.90
0.00	1.90	1.90	Pay for Performance Quality Incentive	1.36	1.90	0.54
56.41	50.71	(5.70)	Hospital Directed Payments	56.06	50.85	(5.21)
0.03	0.00	(0.03)	Hospital Directed Payment Adjustment	15.19	0.00	(15.19)
0.08	0.00	(0.08)	Non-Claims Expense Adjustment	0.31	0.00	(0.31)
(4.64)	0.00	4.64	IBNR, Incentive, Paid Claims Adjustment	(0.39)	0.00	0.39
317.17	300.15	(17.02)	Total Medical Costs	329.70	300.99	(28.71)
58.54	53.37	5.17	GROSS MARGIN	55.17	52.16	3.01
Administrative:						
9.35	10.27	0.92	Compensation	9.53	10.37	0.84
3.69	3.85	0.16	Purchased Services	3.28	3.88	0.60
0.63	0.48	(0.16)	Supplies	0.31	0.48	0.17
2.41	1.80	(0.61)	Depreciation	1.57	1.81	0.24
0.93	1.39	0.46	Other Administrative Expenses	0.92	1.40	0.48
0.26	0.00	(0.26)	Administrative Expense Adjustment	(0.06)	0.00	0.06
17.27	17.78	0.51	Total Administrative Expenses	15.54	17.93	2.39
334.45	317.93	(16.51)	TOTAL EXPENSES	345.24	318.93	(26.32)
41.27	35.59	5.68	OPERATING INCOME (LOSS) BEFORE TAX	39.63	34.23	5.40
33.31	35.57	2.25	MCO TAX	32.47	33.87	1.40
7.96	0.02	7.93	OPERATING INCOME (LOSS) NET OF TAX	7.16	0.36	6.81
NONOPERATING REVENUE (EXPENSE)						
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00
(4.54)	(4.19)	(0.34)	Reserve Fund Projects/Community Grants	(2.14)	(2.25)	0.11
(0.57)	(0.60)	0.03	Health Home	(0.30)	(0.60)	0.30
(5.11)	(4.79)	(0.31)	TOTAL NONOPERATING REVENUE (EXPENSE)	(2.44)	(2.85)	0.42
2.85	(4.77)	7.62	NET INCREASE (DECREASE) IN NET POSITION	4.73	(2.50)	7.22
91.5%	93.3%	1.8%	MEDICAL LOSS RATIO	92.7%	93.2%	0.5%
6.1%	6.7%	0.6%	ADMINISTRATIVE EXPENSE RATIO	5.6%	6.7%	1.1%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH NOVEMBER 30, 2021	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY
	2020	2020	2021	2021	2021	2021	2021
ENROLLMENT							
Members - MCAL	275,080	277,452	278,517	276,880	282,972	284,587	287,199
REVENUES							
Title XIX - Medicaid - Family and Other	30,920,096	32,216,002	33,254,490	33,365,704	33,587,650	33,739,041	34,872,666
Title XIX - Medicaid - Expansion Members	25,504,052	27,197,954	27,548,311	27,720,576	28,063,951	28,547,171	28,728,667
Title XIX - Medicaid - SPD Members	16,007,482	15,504,966	15,326,978	15,368,431	15,407,903	15,527,562	16,024,510
Premium - MCO Tax	8,420,487	8,830,398	9,577,432	9,657,982	9,752,737	9,805,142	9,876,747
Premium - Hospital Directed Payments	9,313,088	9,738,038	15,121,903	15,230,282	12,949,303	14,734,613	14,811,749
Investment Earnings And Other Income	166,556	147,197	4,303	116,471	(249,580)	205,894	195,233
Rate Adjustments - Hospital Directed Payments	10,627	(2,692)	39,990	21,877	78,150,342	3,134	79,899
Rate/Income Adjustments	127,031	226,726	799,886	594,678	1,527,455	266,498	595,656
TOTAL REVENUES	90,469,419	93,858,589	101,673,293	102,076,001	179,189,761	102,829,055	105,185,127
EXPENSES							
Medical Costs:							
Physician Services	13,867,872	12,660,363	14,907,160	14,731,540	15,058,794	15,642,095	15,744,708
Other Professional Services	4,389,484	4,935,401	4,421,552	4,883,941	5,048,627	5,107,193	4,658,383
Emergency Room	4,638,713	3,194,257	4,676,327	4,420,437	4,353,449	4,480,205	5,023,372
Inpatient	17,212,070	19,183,080	19,853,180	19,321,533	17,577,565	18,419,878	20,578,157
Reinsurance Expense	84,521	77,390	81,215	80,770	80,461	80,129	84,297
Outpatient Hospital	6,209,999	6,565,195	7,108,674	6,610,422	7,160,111	8,681,740	8,842,725
Other Medical	10,958,385	13,070,247	10,641,113	10,412,229	11,840,899	9,883,445	10,960,637
Pharmacy	8,717,167	9,651,881	9,100,359	9,049,621	10,299,227	9,412,697	9,349,484
Pay for Performance Quality Incentive	544,962	-	529,182	529,183	526,070	540,715	540,715
Hospital Directed Payments	9,313,088	9,738,038	15,121,903	15,230,282	12,949,303	14,734,613	14,811,759
Hospital Directed Payment Adjustment	6,596	(1,263)	39,990	21,878	77,356,953	3,134	597
Non-Claims Expense Adjustment	(209,309)	1,598	287,063	233,372	212,564	71,855	58,763
IBNR, Incentive, Paid Claims Adjustment	205,986	316,193	4,787	858,658	1,700,070	(85,946)	449,838
Total Medical Costs	75,939,534	79,392,380	86,772,505	86,383,866	164,164,093	86,971,753	91,103,435
GROSS MARGIN	14,529,885	14,466,209	14,900,788	15,692,135	15,025,668	15,857,302	14,081,692
Administrative:							
Compensation	2,456,357	2,766,869	2,772,584	2,908,104	2,457,160	2,691,957	2,748,394
Purchased Services	745,537	1,172,530	818,908	824,152	941,200	986,086	996,889
Supplies	106,489	39,305	57,592	57,416	4,446	131,712	57,943
Depreciation	419,850	421,301	422,833	422,834	426,541	426,541	422,382
Other Administrative Expenses	242,696	351,189	277,245	267,201	102,962	248,235	230,567
Administrative Expense Adjustment	-	1,407,045	18,296	(271,318)	57,294	(5,010)	(215)
Total Administrative Expenses	3,970,929	6,158,239	4,367,458	4,208,389	3,989,603	4,479,521	4,455,960
TOTAL EXPENSES	79,910,463	85,550,619	91,139,963	90,592,255	168,153,696	91,451,274	95,559,395
OPERATING INCOME (LOSS) BEFORE TAX	10,558,956	8,307,970	10,533,330	11,483,746	11,036,065	11,377,781	9,625,732
MCO TAX	8,904,649	8,904,649	8,902,943	8,904,649	8,933,228	8,905,080	8,905,142
OPERATING INCOME (LOSS) NET OF TAX	1,654,307	(596,679)	1,630,387	2,579,097	2,102,837	2,472,701	720,590
TOTAL NONOPERATING REVENUE (EXPENSE)	(931,682)	1,433,032	(137,472)	(151,159)	(88,366)	(167,372)	(245,779)
NET INCREASE (DECREASE) IN NET POSITION	722,625	836,353	1,492,915	2,427,938	2,014,471	2,305,329	474,811
MEDICAL LOSS RATIO	91.6%	92.5%	93.1%	92.2%	94.3%	92.3%	94.9%
ADMINISTRATIVE EXPENSE RATIO	5.5%	8.2%	5.7%	5.5%	5.1%	5.7%	5.5%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH NOVEMBER 30, 2021							
	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	NOVEMBER 2021	13 MONTH TOTAL
ENROLLMENT							
Members - MCAL	289,309	290,980	292,271	294,672	295,865	296,989	3,722,773
REVENUES							
Title XIX - Medicaid - Family and Other	35,878,342	35,761,670	34,569,656	35,961,464	37,040,845	37,111,335	448,278,961
Title XIX - Medicaid - Expansion Members	29,533,533	29,676,566	29,540,608	29,932,046	30,140,656	31,001,586	373,135,677
Title XIX - Medicaid - SPD Members	15,971,978	16,260,445	16,115,519	16,075,172	16,206,131	16,254,790	206,051,867
Premium - MCO Tax	9,961,634	10,025,153	10,069,582	10,136,079	10,229,218	10,229,533	126,572,124
Premium - Hospital Directed Payments	22,138,233	16,337,340	16,361,944	16,554,814	16,726,476	16,753,272	196,771,055
Investment Earnings And Other Income	(408,458)	(39,267)	567,469	(59,079)	131,645	157,659	936,043
Rate Adjustments - Hospital Directed Payments	4,445	(29,149,066)	7,365	5,709	4,491	8,691	49,184,812
Rate/Income Adjustments	(93,658)	(294,637)	(458,866)	122,473	52,871	66,815	3,532,928
TOTAL REVENUES	112,986,049	78,578,204	106,773,277	108,728,678	110,532,333	111,583,681	1,404,463,467
EXPENSES							
Medical Costs:							
Physician Services	16,190,717	15,305,367	15,819,470	17,895,535	17,549,058	17,258,969	202,631,648
Other Professional Services	4,460,451	4,604,443	4,825,412	4,347,759	4,846,005	4,829,415	61,358,066
Emergency Room	5,040,670	4,833,831	4,472,304	3,735,609	4,506,067	4,818,883	58,194,124
Inpatient	20,739,625	20,542,490	20,581,248	20,303,427	23,207,054	21,256,426	258,775,733
Reinsurance Expense	82,530	84,045	84,997	84,384	85,133	86,151	1,076,023
Outpatient Hospital	8,800,023	7,937,455	7,942,981	7,529,697	7,080,379	7,793,785	98,263,186
Other Medical	12,430,651	9,927,247	9,914,269	10,572,454	10,784,127	12,549,269	143,944,972
Pharmacy	10,442,688	9,774,211	10,298,442	9,913,574	10,236,384	10,196,195	126,441,930
Pay for Performance Quality Incentive	545,673	552,862	552,862	-	-	-	4,862,224
Hospital Directed Payments	22,138,233	16,337,330	16,361,944	16,554,814	16,726,476	16,753,272	196,771,055
Hospital Directed Payment Adjustment	3,943	(29,149,382)	7,365	(132,637)	4,491	8,691	48,170,356
Non-Claims Expense Adjustment	46,953	(11,833)	34,433	20,737	8,907	24,857	779,960
IBNR, Incentive, Paid Claims Adjustment	(2,226,487)	406,066	(55,915)	14,595	(924,120)	(1,378,922)	(715,197)
Total Medical Costs	98,695,670	61,144,132	90,839,812	90,839,948	94,109,961	94,196,991	1,200,554,080
GROSS MARGIN							
Administrative:	14,290,379	17,434,072	15,933,465	17,888,730	16,422,372	17,386,690	203,909,387
Compensation	2,731,289	2,805,915	2,781,896	2,791,543	2,746,218	2,775,542	35,433,828
Purchased Services	985,876	939,689	845,393	968,021	991,178	1,095,098	12,310,557
Supplies	85,576	156,626	193,504	(17,330)	58,257	188,536	1,120,072
Depreciation	425,837	425,522	427,805	427,804	424,376	716,552	5,810,178
Other Administrative Expenses	233,637	274,638	214,396	443,524	348,575	276,718	3,511,583
Administrative Expense Adjustment	(63,654)	(1,674)	(2,367)	3,540	300	77,569	1,219,806
Total Administrative Expenses	4,398,561	4,600,716	4,460,627	4,617,102	4,568,904	5,130,015	59,406,024
TOTAL EXPENSES	103,094,231	65,744,848	95,300,439	95,457,050	98,678,865	99,327,006	1,259,960,104
OPERATING INCOME (LOSS) BEFORE TAX	9,891,818	12,833,356	11,472,838	13,271,628	11,853,468	12,256,675	144,503,363
MCO TAX	8,904,648	9,894,054	9,894,055	9,894,054	9,894,054	9,894,054	120,735,259
OPERATING INCOME (LOSS) NET OF TAX	987,170	2,939,302	1,578,783	3,377,574	1,959,414	2,362,621	23,768,104
TOTAL NONOPERATING REVENUE (EXPENSE)	(164,148)	(833,809)	(949,330)	(2,438,918)	(1,027,231)	(1,516,642)	(7,218,876)
NET INCREASE (DECREASE) IN NET POSITION	823,022	2,105,493	629,453	938,656	932,183	845,979	16,549,228
MEDICAL LOSS RATIO	94.6%	90.9%	92.7%	90.7%	92.6%	91.5%	92.6%
ADMINISTRATIVE EXPENSE RATIO	5.4%	5.7%	5.6%	5.6%	5.5%	6.1%	5.8%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH NOVEMBER 30, 2021	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY
	2020	2020	2021	2021	2021	2021	2021
ENROLLMENT							
Members - MCAL	275,080	277,452	278,517	276,880	282,972	284,587	287,199
REVENUES							
Title XIX - Medicaid - Family and Other	164.62	168.64	174.01	177.17	172.94	173.28	177.71
Title XIX - Medicaid - Expansion Members	371.41	384.47	385.83	397.58	382.20	385.72	381.99
Title XIX - Medicaid - SPD Members	1,012.68	989.03	957.28	816.21	1,005.21	978.42	1,017.24
Premium - MCO Tax	30.61	31.83	34.39	34.88	34.47	34.45	34.39
Premium - Hospital Directed Payments	33.86	35.10	54.29	55.01	45.76	51.78	51.57
Investment Earnings And Other Income	0.61	0.53	0.02	0.42	(0.88)	0.72	0.68
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate Adjustments - Hospital Directed Payments	0.04	(0.01)	0.14	0.08	276.18	0.01	0.28
Rate/Income Adjustments	0.46	0.82	2.87	2.15	5.40	0.94	2.07
TOTAL REVENUES	328.88	338.29	365.05	368.67	633.24	361.33	366.24
EXPENSES							
Medical Costs:							
Physician Services	50.41	45.63	53.52	53.21	53.22	54.96	54.82
Other Professional Services	15.96	17.79	15.88	17.64	17.84	17.95	16.22
Emergency Room	16.86	11.51	16.79	15.97	15.38	15.74	17.49
Inpatient	62.57	69.14	71.28	69.78	62.12	64.72	71.65
Reinsurance Expense	0.31	0.28	0.29	0.29	0.28	0.28	0.29
Outpatient Hospital	22.58	23.66	25.52	23.87	25.30	30.51	30.79
Other Medical	39.84	47.11	38.21	37.61	41.84	34.73	38.16
Pharmacy	31.69	34.79	32.67	32.68	36.40	33.07	32.55
Pay for Performance Quality Incentive	1.98	0.00	1.90	1.91	1.86	1.90	1.88
Hospital Directed Payments	33.86	35.10	54.29	55.01	45.76	51.78	51.57
Hospital Directed Payment Adjustment	0.02	(0.00)	0.14	0.08	273.37	0.01	0.00
Non-Claims Expense Adjustment	(0.76)	0.01	1.03	0.84	0.75	0.25	0.20
IBNR, Incentive, Paid Claims Adjustment	0.75	1.14	0.02	3.10	6.01	(0.30)	1.57
Total Medical Costs	276.06	286.15	311.55	311.99	580.14	305.61	317.21
GROSS MARGIN	52.82	52.14	53.50	56.67	53.10	55.72	49.03
Administrative:							
Compensation	8.93	9.97	9.95	10.50	8.68	9.46	9.57
Purchased Services	2.71	4.23	2.94	2.98	3.33	3.46	3.47
Supplies	0.39	0.14	0.21	0.21	0.02	0.46	0.20
Depreciation	1.53	1.52	1.52	1.53	1.51	1.50	1.47
Other Administrative Expenses	0.88	1.27	1.00	0.97	0.36	0.87	0.80
Administrative Expense Adjustment	0.00	5.07	0.07	(0.98)	0.20	(0.02)	(0.00)
Total Administrative Expenses	14.44	22.20	15.68	15.20	14.10	15.74	15.52
TOTAL EXPENSES	290.50	308.34	327.23	327.19	594.24	321.35	332.73
OPERATING INCOME (LOSS) BEFORE TAX	38.39	29.94	37.82	41.48	39.00	39.98	33.52
MCO TAX	32.37	32.09	31.97	32.16	31.57	31.29	31.01
OPERATING INCOME (LOSS) NET OF TAX	6.01	(2.15)	5.85	9.31	7.43	8.69	2.51
TOTAL NONOPERATING REVENUE (EXPENSE)	(3.39)	5.16	(0.49)	(0.55)	(0.31)	(0.59)	(0.86)
NET INCREASE (DECREASE) IN NET POSITION	2.63	3.01	5.36	8.77	7.12	8.10	1.65
MEDICAL LOSS RATIO	91.6%	92.5%	93.1%	92.2%	94.3%	92.3%	94.9%
ADMINISTRATIVE EXPENSE RATIO	5.5%	8.2%	5.7%	5.5%	5.1%	5.7%	5.5%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH NOVEMBER 30, 2021	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	NOVEMBER 2021	13 MONTH TOTAL
	ENROLLMENT						
Members - MCAL	289,309	290,980	292,271	294,672	295,865	296,989	3,722,773
REVENUES							
Title XIX - Medicaid - Family and Other	181.55	180.10	173.76	179.43	183.53	183.31	176.12
Title XIX - Medicaid - Expansion Members	388.41	387.35	380.84	383.93	383.57	393.96	384.80
Title XIX - Medicaid - SPD Members	1,020.90	1,029.14	1,023.27	1,017.48	1,018.29	1,026.19	991.62
Premium - MCO Tax	34.43	34.45	34.45	34.40	34.57	34.44	34.00
Premium - Hospital Directed Payments	76.52	56.15	55.98	56.18	56.53	56.41	52.86
Investment Earnings And Other Income	(1.41)	(0.13)	1.94	(0.20)	0.44	0.53	0.25
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate Adjustments - Hospital Directed Payments	0.02	(100.18)	0.03	0.02	0.02	0.03	13.21
Rate/Income Adjustments	(0.32)	(1.01)	(1.57)	0.42	0.18	0.22	0.95
TOTAL REVENUES	390.54	270.05	365.32	368.98	373.59	375.72	377.26
EXPENSES							
Medical Costs:							
Physician Services	55.96	52.60	54.13	60.73	59.31	58.11	54.43
Other Professional Services	15.42	15.82	16.51	14.75	16.38	16.26	16.48
Emergency Room	17.42	16.61	15.30	12.68	15.23	16.23	15.63
Inpatient	71.69	70.60	70.42	68.90	78.44	71.57	69.51
Reinsurance Expense	0.29	0.29	0.29	0.29	0.29	0.29	0.29
Outpatient Hospital	30.42	27.28	27.18	25.55	23.93	26.24	26.40
Other Medical	42.97	34.12	33.92	35.88	36.45	42.25	38.67
Pharmacy	36.10	33.59	35.24	33.64	34.60	34.33	33.96
Pay for Performance Quality Incentive	1.89	1.90	1.89	0.00	0.00	0.00	1.31
Hospital Directed Payments	76.52	56.15	55.98	56.18	56.53	56.41	52.86
Hospital Directed Payment Adjustment	0.01	(100.18)	0.03	(0.45)	0.02	0.03	12.94
Non-Claims Expense Adjustment	0.16	(0.04)	0.12	0.07	0.03	0.08	0.21
IBNR, Incentive, Paid Claims Adjustment	(7.70)	1.40	(0.19)	0.05	(3.12)	(4.64)	(0.19)
Total Medical Costs	341.14	210.13	310.81	308.27	318.08	317.17	322.49
GROSS MARGIN	49.39	59.92	54.52	60.71	55.51	58.54	54.77
Administrative:							
Compensation	9.44	9.64	9.52	9.47	9.28	9.35	9.52
Purchased Services	3.41	3.23	2.89	3.29	3.35	3.69	3.31
Supplies	0.30	0.54	0.66	(0.06)	0.20	0.63	0.30
Depreciation	1.47	1.46	1.46	1.45	1.43	2.41	1.56
Other Administrative Expenses	0.81	0.94	0.73	1.51	1.18	0.93	0.94
Administrative Expense Adjustment	(0.22)	(0.01)	(0.01)	0.01	0.00	0.26	0.33
Total Administrative Expenses	15.20	15.81	15.26	15.67	15.44	17.27	15.96
TOTAL EXPENSES	356.35	225.94	326.07	323.94	333.53	334.45	338.45
OPERATING INCOME (LOSS) BEFORE TAX	34.19	44.10	39.25	45.04	40.06	41.27	38.82
MCO TAX	30.78	34.00	33.85	33.58	33.44	33.31	32.43
OPERATING INCOME (LOSS) NET OF TAX	3.41	10.10	5.40	11.46	6.62	7.96	6.38
TOTAL NONOPERATING REVENUE (EXPENSE)	(0.57)	(2.87)	(3.25)	(8.28)	(3.47)	(5.11)	(1.94)
NET INCREASE (DECREASE) IN NET POSITION	2.84	7.24	2.15	3.19	3.15	2.85	4.45
MEDICAL LOSS RATIO	94.6%	90.9%	92.7%	90.7%	92.6%	91.5%	92.6%
ADMINISTRATIVE EXPENSE RATIO	5.4%	5.7%	5.6%	5.6%	5.5%	6.1%	5.8%

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED NOVEMBER 30, 2021				YEAR-TO-DATE		
CURRENT MONTH		REVENUES		ACTUAL	BUDGET	VARIANCE
ACTUAL	BUDGET	VARIANCE				
28,182,544	24,914,087	3,268,457		299,178,401	272,538,512	26,639,889
2,277,551	2,520,887	(243,336)	Premium - Medi-Cal	26,601,561	27,729,757	(1,128,196)
26,385	79,948	(53,563)	Premium - Maternity Kick	398,207	871,765	(473,558)
606,456	494,175	112,281	Premium - Hep C Kick	6,886,066	5,388,565	1,497,501
226,217	178,742	47,475	Premium - BHT Kick	1,949,027	1,949,027	(52,134)
3,756,615	3,511,100	245,515	Premium - Health Home Kick	38,353,093	38,353,093	1,759,685
189,592	170,253	19,339	Premium - Provider Enhancement	2,016,056	1,862,477	153,579
152,174	277,863	(125,689)	Premium - Ground Emergency Medical Transportation	4,393,659	3,029,866	1,363,793
1,579,313	-	1,579,313	Premium - Behavioral Health Integration Program	2,456,181	-	2,456,181
114,488	91,926	22,562	Premium - Vaccine Incentive	1,203,061	1,010,066	192,995
37,111,335	32,238,981	4,872,354	Other	385,142,863	352,733,128	32,409,735
			Total Title XIX - Medicaid - Family & Other			
			Title XIX - Medicaid - Expansion Members			
27,289,404	24,002,303	3,287,101	Premium - Medi-Cal	289,025,199	264,025,333	24,999,866
615,407	214,253	401,154	Premium - Maternity Kick	4,130,335	2,356,783	1,773,552
200,939	202,017	(1,078)	Premium - Hep C Kick	2,035,591	2,222,186	(186,595)
390,695	356,121	34,574	Premium - Health Home Kick	3,272,937	3,917,331	(644,394)
1,604,409	1,455,050	149,359	Premium - Provider Enhancement	16,973,955	16,005,550	968,405
192,603	165,235	27,368	Premium - Ground Emergency Medical Transportation	2,037,975	1,817,585	220,390
61,064	102,122	(41,058)	Premium - Behavioral Health Integration Program	1,658,091	1,123,342	534,749
614,689	-	614,689	Premium - Vaccine Incentive	956,083	-	956,083
32,376	26,600	5,776	Other	343,505	292,600	50,905
31,001,586	26,523,701	4,477,885	Total Title XIX - Medicaid - Expansion Members	320,433,671	291,760,710	28,672,961
			Title XIX - Medicaid - SPD Members			
14,589,057	13,474,791	1,114,266	Premium - Medi-Cal	157,437,861	148,222,697	9,215,164
78,628	100,288	(21,660)	Premium - Hep C Kick	611,551	1,103,165	(491,614)
528,487	763,566	(235,079)	Premium - BHT Kick	6,558,432	8,399,224	(1,840,792)
311,430	351,842	(40,412)	Premium - Health Home Kick	2,771,596	3,870,262	(1,098,666)
474,120	454,632	19,488	Premium - Provider Enhancement	5,116,466	5,000,952	115,514
137,274	127,475	9,799	Premium - Ground Emergency Medical Transportation	1,481,394	1,402,225	79,169
11,810	22,041	(10,231)	Premium - Behavioral Health Integration Program	368,991	242,451	126,540
123,984	-	123,984	Premium - Vaccine Incentive	193,128	-	193,128
16,254,790	15,294,634	960,156	Total Title XIX - Medicaid - SPD Members	174,539,419	168,240,975	6,298,444

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED NOVEMBER 30, 2021				YEAR-TO-DATE	
CURRENT MONTH		YEAR-TO-DATE		ACTUAL	VARIANCE
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
3,850,517	3,086,864	(763,653)	38,103,138	33,726,827	(4,376,311)
11,112,843	10,623,987	(488,856)	120,572,995	116,332,454	(4,240,541)
2,286,609	1,511,739	(774,870)	17,327,080	16,503,916	(823,164)
9,000	9,000	-	100,200	100,200	-
17,258,969	15,231,590	(2,027,379)	176,103,413	166,663,398	(9,440,015)
PHYSICIAN SERVICES					
297,073	297,220	147	3,280,248	3,245,958	(34,290)
1,673,006	1,740,737	67,731	18,156,288	19,148,105	991,817
1,177,462	1,258,770	81,308	13,362,483	13,789,847	427,364
203,166	190,255	(12,911)	1,490,394	2,084,482	594,088
1,478,708	1,252,656	(226,052)	15,743,768	13,724,256	(2,019,512)
4,829,415	4,739,638	(89,777)	52,033,181	51,992,648	(40,533)
4,818,883	5,601,587	782,704	50,361,154	61,236,357	10,875,203
21,256,426	15,465,135	(5,791,291)	222,380,583	169,445,732	(52,934,851)
86,151	80,677	(5,474)	914,112	881,062	(33,050)
7,793,785	7,015,531	(778,254)	85,487,992	76,879,550	(8,608,442)
OTHER PROFESSIONAL SERVICES					
1,282,994	1,559,164	276,170	14,456,895	17,055,413	2,598,518
780,824	427,330	(353,494)	7,769,453	4,682,816	(3,086,637)
337,336	491,325	153,989	4,522,233	5,404,575	882,342
1,171,936	1,303,271	131,335	15,104,920	14,305,626	(799,294)
435,425	396,351	(39,074)	3,094,957	4,342,487	1,247,530
5,555,024	5,162,432	(392,592)	59,209,486	56,394,734	(2,814,752)
442,696	462,963	20,267	5,093,769	5,082,287	(11,482)
-	-	-	2,125,900	-	(2,125,900)
2,317,986	-	(2,317,986)	2,317,986	-	(2,317,986)
225,048	402,605	177,557	6,220,741	4,396,816	(1,823,925)
12,549,269	10,205,441	(2,343,828)	119,916,340	111,664,755	(8,251,585)
PHARMACY SERVICES					
9,186,350	9,404,400	218,050	97,130,813	103,118,400	5,987,587
290,397	382,419	92,022	2,966,452	4,197,448	1,230,996
874,776	772,585	(102,191)	9,227,208	8,470,804	(756,404)
(155,328)	(33,428)	121,900	(1,251,591)	(366,551)	885,040
10,196,195	10,525,976	329,781	108,072,882	115,420,101	7,347,219
-	528,571	528,571	4,317,262	5,772,476	1,455,214
16,753,272	14,106,810	(2,646,462)	177,719,929	154,496,560	(23,223,369)
8,691	-	(8,691)	48,165,023	-	(48,165,023)
24,857	-	(24,857)	987,671	-	(987,671)
(1,378,922)	-	1,378,922	(1,237,376)	-	1,237,376
94,196,991	83,500,955	(10,696,036)	1,045,222,166	914,452,637	(130,769,529)

KHS1/24/2022 * Medical costs per DMHC regulations

Management Use Only

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMIPM FOR THE MONTH ENDED NOVEMBER 30, 2021				CURRENT MONTH		YEAR-TO-DATE	
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE	
12.97	11.10	(1.87)	PHYSICIAN SERVICES	12.02	11.10	(0.92)	
37.42	38.19	0.77	Primary Care Physician Services	38.03	38.29	0.26	
7.70	5.43	(2.27)	Referral Specialty Services	5.47	5.43	(0.03)	
0.03	0.03	0.00	Urgent Care & After Hours Advise	0.03	0.03	0.00	
58.11	54.75	(3.36)	Hospital Admitting Team	55.55	54.86	(0.69)	
			TOTAL PHYSICIAN SERVICES				
			OTHER PROFESSIONAL SERVICES				
1.00	1.07	0.07	Vision Service Capitation	1.03	1.07	0.03	
5.63	6.26	0.62	Medical Departments - UM Allocation *	5.73	6.30	0.58	
3.96	4.52	0.56	Behavior Health Treatment	4.21	4.54	0.32	
0.68	0.00	(0.68)	Mental Health Services	0.47	0.69	0.22	
4.98	4.50	(0.48)	Other Professional Services	4.97	4.52	(0.45)	
16.26	17.04	0.78	TOTAL OTHER PROFESSIONAL SERVICES	16.41	17.11	0.70	
16.23	20.14	3.91	EMERGENCY ROOM	15.89	20.16	4.27	
71.57	55.59	(15.98)	INPATIENT HOSPITAL	70.15	55.77	(14.37)	
0.29	0.29	(0.00)	REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.00	
26.24	25.22	(1.02)	OUTPATIENT HOSPITAL SERVICES	26.97	25.30	(1.66)	
			OTHER MEDICAL				
4.32	5.60	1.28	Ambulance and NEMT	4.56	5.61	1.05	
2.63	1.54	(1.09)	Home Health Services & CBAS	2.45	1.54	(0.91)	
1.14	1.77	0.63	Utilization and Quality Review Expenses	1.43	1.78	0.35	
3.95	4.68	0.74	Long Term/SNE/Hospice	4.76	4.71	(0.06)	
1.47	1.42	(0.04)	Health Home Capitation & Incentive	0.98	1.43	0.45	
18.70	18.56	(0.15)	Provider Enhancement Expense - Prop. 56	18.56	18.56	0.00	
1.49	1.66	0.17	Provider Enhancement Expense - GEMT	1.61	1.67	0.07	
0.00	0.00	0.00	Provider COVID-19 Expenses	0.67	0.00	(0.67)	
7.80	0.00	(7.80)	Vaccine Incentive Program Expense	0.73	0.00	(0.73)	
0.76	1.45	0.69	Behavioral Health Integration Program	1.96	1.45	(0.52)	
42.25	36.68	(5.57)	TOTAL OTHER MEDICAL	37.83	36.75	(1.07)	
			PHARMACY SERVICES				
30.93	33.81	2.87	RX - Drugs & OTC	30.64	33.94	3.30	
0.98	1.37	0.40	RX - HEP-C	0.94	1.38	0.45	
2.95	2.78	(0.17)	Rx - DME	2.91	2.79	(0.12)	
(0.52)	(0.12)	0.40	RX - Pharmacy Rebates	(0.39)	(0.12)	0.27	
34.33	37.84	3.50	TOTAL PHARMACY SERVICES	34.09	37.99	3.90	
-	1.90	1.90	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.36	1.90	0.54	
56.41	50.71	(5.70)	HOSPITAL DIRECTED PAYMENTS	56.06	50.85	(5.21)	
0.03	0.00	(0.03)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	15.19	0.00	(15.19)	
0.08	0.00	(0.08)	NON-CLAIMS EXPENSE ADJUSTMENT	0.31	0.00	(0.31)	
(4.64)	0.00	4.64	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(0.39)	0.00	0.39	
317.17	300.15	(17.02)	Total Medical Costs	329.70	300.99	(28.71)	

KHS/1/24/2022 * Medical costs per DMHC regulations
Management Use Only

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH NOVEMBER 30, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 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
Referral Specialty Services	10,512,215	10,171,851	9,997,168	11,114,617	11,103,264	11,178,950
Urgent Care & After Hours Advise	1,423,381	1,588,229	1,484,832	954,611	932,687	1,282,025
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	9,000
TOTAL PHYSICIAN SERVICES	14,907,160	14,731,540	15,058,794	15,642,095	15,744,708	16,190,717
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	294,054	292,442	292,443	289,005	305,213	298,817
Medical Departments - UM Allocation *	1,593,546	1,548,498	1,654,203	1,591,328	1,632,091	1,626,889
Behavior Health Treatment	867,517	947,944	1,407,309	1,506,149	1,204,226	1,186,572
Mental Health Services	292,517	181,749	96,618	153,559	43,140	72,194
Other Professional Services	1,373,918	1,913,308	1,598,054	1,567,152	1,473,713	1,275,979
TOTAL OTHER PROFESSIONAL SERVICES	4,421,552	4,883,941	5,048,627	5,107,193	4,658,383	4,460,451
EMERGENCY ROOM	4,676,327	4,420,437	4,353,449	4,480,205	5,023,372	5,040,670
INPATIENT HOSPITAL	19,853,180	19,321,533	17,577,565	18,419,878	20,578,157	20,739,625
REINSURANCE EXPENSE PREMIUM	81,215	80,770	80,461	80,129	84,297	82,530
OUTPATIENT HOSPITAL SERVICES	7,108,674	6,610,422	7,160,111	8,681,740	8,842,725	8,800,023
OTHER MEDICAL						
Ambulance and NEMT	1,400,971	1,208,039	1,444,178	1,338,929	1,314,492	1,189,224
Home Health Services & CBAS	490,933	582,371	853,147	657,817	707,296	964,318
Utilization and Quality Review Expenses	228,696	372,499	688,633	430,683	359,626	509,705
Long Term/SNF/Hospice	1,616,577	1,132,832	1,933,711	1,041,624	1,114,812	1,301,188
Health Home Capitation & Incentive	211,140	294,005	334,675	299,855	228,752	341,280
Provider Enhancement Expense - Prop. 56	5,190,164	5,226,990	5,265,692	5,318,961	5,342,952	5,386,833
Provider Enhancement Expense - GEMT	456,380	456,381	265,311	423,904	494,669	527,330
Provider COVID-19 Expenes	674,580	767,440	683,880	-	-	-
Vaccine Incentive Program Expense	-	-	-	-	-	-
Behaviorial Health Integration Program	371,672	371,672	371,672	371,672	1,398,038	2,210,773
TOTAL OTHER MEDICAL	10,641,113	10,412,229	11,840,899	9,883,445	10,960,637	12,430,651
PHARMACY SERVICES						
RX - Drugs & OTC	8,174,252	8,080,594	9,316,542	8,462,224	8,518,642	9,049,899
RX - HEP-C	245,144	264,815	249,449	260,020	290,418	365,687
Rx - DME	815,963	839,212	868,236	825,453	690,067	1,035,049
RX - Pharmacy Rebates	(135,000)	(135,000)	(135,000)	(135,000)	(149,643)	(7,947)
TOTAL PHARMACY SERVICES	9,100,359	9,049,621	10,299,227	9,412,697	9,349,484	10,442,688
PAY FOR PERFORMANCE QUALITY INCENTIVE	529,182	529,183	526,070	540,715	540,715	545,673
HOSPITAL DIRECTED PAYMENTS	15,121,903	15,230,282	12,949,303	14,734,613	14,811,759	22,138,233
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	39,990	21,878	77,356,953	3,134	597	3,943
NON-CLAIMS EXPENSE ADJUSTMENT	287,063	233,372	212,564	71,855	58,763	46,953
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	4,787	858,658	1,700,070	(85,946)	449,838	(2,226,487)
Total Medical Costs	86,772,505	86,383,866	164,164,093	86,971,753	91,103,435	98,695,670

KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH NOVEMBER 30, 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	NOVEMBER 2021	YEAR TO DATE 2021
PHYSICIAN SERVICES						
Primary Care Physician Services	3,239,377	3,824,662	3,847,107	2,864,591	3,850,517	38,103,138
Referral Specialty Services	10,801,894	10,559,258	11,970,037	12,050,898	11,112,843	120,572,995
Urgent Care & After Hours Advise	1,254,796	1,426,250	2,069,391	2,624,269	2,286,609	17,327,080
Hospital Admitting Team	9,300	9,300	9,000	9,300	9,000	100,200
TOTAL PHYSICIAN SERVICES	15,305,367	15,819,470	17,895,535	17,549,058	17,258,969	176,103,413
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	304,301	307,745	305,529	293,626	297,073	3,280,248
Medical Departments - UM Allocation *	1,665,834	1,672,683	1,872,595	1,625,615	1,673,006	18,156,288
Behavior Health Treatment	1,269,876	1,426,863	1,080,856	1,287,709	1,177,462	13,362,483
Mental Health Services	95,878	114,350	92,882	144,341	203,166	1,490,394
Other Professional Services	1,268,554	1,303,771	995,897	1,494,714	1,478,708	15,743,768
TOTAL OTHER PROFESSIONAL SERVICES	4,604,443	4,825,412	4,347,759	4,846,005	4,829,415	52,033,181
EMERGENCY ROOM	4,833,831	4,472,304	3,735,609	4,506,067	4,818,883	50,361,154
INPATIENT HOSPITAL	20,542,490	20,581,248	20,303,427	23,207,054	21,256,426	222,380,583
REINSURANCE EXPENSE PREMIUM	84,045	84,997	84,384	85,133	86,151	914,112
OUTPATIENT HOSPITAL SERVICES	7,937,455	7,942,981	7,529,697	7,080,379	7,793,785	85,487,992
OTHER MEDICAL						
Ambulance and NEMT	1,328,439	1,323,146	1,451,342	1,175,141	1,282,994	14,456,895
Home Health Services & CBAS	749,534	599,655	595,101	788,457	780,824	7,769,453
Utilization and Quality Review Expenses	373,641	230,711	404,807	585,896	337,336	4,522,233
Long Term/SNF/Hospice	1,204,596	1,258,956	1,619,759	1,708,929	1,171,936	15,104,920
Health Home Capitation & Incentive	162,780	267,430	263,420	256,195	435,425	3,094,957
Provider Enhancement Expense - Prop. 56	5,433,266	5,440,313	5,498,898	5,550,393	5,555,024	59,209,486
Provider Enhancement Expense - GEMT	449,942	569,010	514,078	494,068	442,696	5,093,769
Provider COVID-19 Expenes	-	-	-	-	-	2,125,900
Vaccine Incentive Program Expense	-	-	-	-	2,317,986	2,317,986
Behavioral Health Integration Program	225,049	225,048	225,049	225,048	225,048	6,220,741
TOTAL OTHER MEDICAL	9,927,247	9,914,269	10,572,454	10,784,127	12,549,269	119,916,340
PHARMACY SERVICES						
RX - Drugs & OTC	8,878,267	9,311,107	8,903,588	9,249,348	9,186,350	97,130,813
RX - HEP-C	239,266	251,754	258,446	251,056	290,397	2,966,452
Rx - DME	791,678	870,581	761,862	854,331	874,776	9,227,208
RX - Pharmacy Rebates	(135,000)	(135,000)	(10,322)	(118,351)	(155,328)	(1,251,591)
TOTAL PHARMACY SERVICES	9,774,211	10,298,442	9,913,574	10,236,384	10,196,195	108,072,882
PAY FOR PERFORMANCE QUALITY INCENTIVE	552,862	552,862	-	-	-	4,317,262
HOSPITAL DIRECTED PAYMENTS	16,337,330	16,361,944	16,554,814	16,726,476	16,753,272	177,719,929
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(29,149,382)	7,365	(132,637)	4,491	8,691	48,165,023
NON-CLAIMS EXPENSE ADJUSTMENT	(11,833)	34,433	20,737	8,907	24,857	987,671
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	406,066	(55,915)	14,595	(924,120)	(1,378,922)	(1,237,376)
Total Medical Costs	61,144,132	90,839,812	90,839,948	94,109,961	94,196,991	1,045,222,166

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH NOVEMBER 30, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021
PHYSICIAN SERVICES						
Primary Care Physician Services	10.64	10.70	12.61	12.52	12.88	12.86
Referral Specialty Services	37.74	36.74	35.33	39.06	38.66	38.64
Urgent Care & After Hours Advise	5.11	5.74	5.25	3.35	3.25	4.43
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	55.96
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	1.06	1.06	1.03	1.02	1.06	1.03
Medical Departments - UM Allocation *	5.72	5.59	5.85	5.59	5.68	5.62
Behavior Health Treatment	3.11	3.42	4.97	5.29	4.19	4.10
Mental Health Services	1.05	0.66	0.34	0.54	0.15	0.25
Other Professional Services	4.93	6.91	5.65	5.51	5.13	4.41
TOTAL OTHER PROFESSIONAL SERVICES	15.88	17.64	17.84	17.95	16.22	15.42
EMERGENCY ROOM	16.79	15.97	15.38	15.74	17.49	17.42
INPATIENT HOSPITAL	71.28	69.78	62.12	64.72	71.65	71.69
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	30.42
OTHER MEDICAL						
Ambulance and NEMT	5.03	4.36	5.10	4.70	4.58	4.11
Home Health Services & CBAS	1.76	2.10	3.01	2.31	2.46	3.33
Utilization and Quality Review Expenses	0.82	1.35	2.43	1.51	1.25	1.76
Long Term/SNF/Hospice	5.80	4.09	6.83	3.66	3.88	4.50
Health Home Capitation & Incentive	0.76	1.06	1.18	1.05	0.80	1.18
Provider Enhancement Expense - Prop. 56	18.63	18.88	18.61	18.69	18.60	18.62
Provider Enhancement Expense - GEMT	1.64	1.65	0.94	1.49	1.72	1.82
Provider COVID-19 Expenes	2.42	2.77	2.42	0.00	0.00	0.00
Vaccine Incentive Program Expense	0.00	0.00	0.00	0.00	0.00	0.00
Behaviorial Health Integration Program	1.33	1.34	1.31	1.31	4.87	7.64
TOTAL OTHER MEDICAL	38.21	37.61	41.84	34.73	38.16	42.97
PHARMACY SERVICES						
RX - Drugs & OTC	29.35	29.18	32.92	29.74	29.66	31.28
RX - HEP-C	0.88	0.96	0.88	0.91	1.01	1.26
Rx - DME	2.93	3.03	3.07	2.90	2.40	3.58
RX - Pharmacy Rebates	(0.48)	(0.49)	(0.48)	(0.47)	(0.52)	(0.03)
TOTAL PHARMACY SERVICES	32.67	32.68	36.40	33.07	32.55	36.10
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.90	1.91	1.86	1.90	1.88	1.89
HOSPITAL DIRECTED PAYMENTS	54.29	55.01	45.76	51.78	51.57	76.52
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	0.14	0.08	273.37	0.01	0.00	0.01
NON-CLAIMS EXPENSE ADJUSTMENT	1.03	0.84	0.75	0.25	0.20	0.16
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.02	3.10	6.01	(0.30)	1.57	(7.70)
Total Medical Costs	311.55	311.99	580.14	305.61	317.21	341.14

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH NOVEMBER 30, 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	NOVEMBER 2021	YEAR TO DATE 2021
PHYSICIAN SERVICES						
Primary Care Physician Services	11.13	13.09	13.06	9.68	12.97	12.02
Referral Specialty Services	37.12	36.13	40.62	40.73	37.42	38.03
Urgent Care & After Hours Advise	4.31	4.88	7.02	8.87	7.70	5.47
Hospital Admitting Team	0.03	0.03	0.03	0.03	0.03	0.03
TOTAL PHYSICIAN SERVICES	52.60	54.13	60.73	59.31	58.11	55.55
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	1.05	1.05	1.04	0.99	1.00	1.03
Medical Departments - UM Allocation *	5.72	5.72	6.35	5.49	5.63	5.73
Behavior Health Treatment	4.36	4.88	3.67	4.35	3.96	4.21
Mental Health Services	0.33	0.39	0.32	0.49	0.68	0.47
Other Professional Services	4.36	4.46	3.38	5.05	4.98	4.97
TOTAL OTHER PROFESSIONAL SERVICES	15.82	16.51	14.75	16.38	16.26	16.41
EMERGENCY ROOM	16.61	15.30	12.68	15.23	16.23	15.89
INPATIENT HOSPITAL	70.60	70.42	68.90	78.44	71.57	70.15
REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.29	0.29	0.29	0.29
OUTPATIENT HOSPITAL SERVICES	27.28	27.18	25.55	23.93	26.24	26.97
OTHER MEDICAL						
Ambulance and NEMT	4.57	4.53	4.93	3.97	4.32	4.56
Home Health Services & CBAS	2.58	2.05	2.02	2.66	2.63	2.45
Utilization and Quality Review Expenses	1.28	0.79	1.37	1.98	1.14	1.43
Long Term/SNF/Hospice	4.14	4.31	5.50	5.78	3.95	4.76
Health Home Capitation & Incentive	0.56	0.92	0.89	0.87	1.47	0.98
Provider Enhancement Expense - Prop. 56	18.67	18.61	18.66	18.76	18.70	18.68
Provider Enhancement Expense - GEMT	1.55	1.95	1.74	1.67	1.49	1.61
Provider COVID-19 Expenses	0.00	0.00	0.00	0.00	0.00	0.67
Vaccine Incentive Program Expense	0.00	0.00	0.00	0.00	7.80	0.73
Behaviorial Health Integration Program	0.77	0.77	0.76	0.76	0.76	1.96
TOTAL OTHER MEDICAL	34.12	33.92	35.88	36.45	42.25	37.83
PHARMACY SERVICES						
RX - Drugs & OTC	30.51	31.86	30.22	31.26	30.93	30.64
RX - HEP-C	0.82	0.86	0.88	0.85	0.98	0.94
Rx - DME	2.72	2.98	2.59	2.89	2.95	2.91
RX - Pharmacy Rebates	(0.46)	(0.46)	(0.04)	(0.40)	(0.52)	(0.39)
TOTAL PHARMACY SERVICES	33.59	35.24	33.64	34.60	34.33	34.09
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.90	1.89	0.00	0.00	0.00	1.36
HOSPITAL DIRECTED PAYMENTS	56.15	55.98	56.18	56.53	56.41	56.06
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(100.18)	0.03	(0.45)	0.02	0.03	15.19
NON-CLAIMS EXPENSE ADJUSTMENT	(0.04)	0.12	0.07	0.03	0.08	0.31
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	1.40	(0.19)	0.05	(3.12)	(4.64)	(0.39)
Total Medical Costs	210.13	310.81	308.27	318.08	317.17	329.70

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED NOVEMBER 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
393,580	377,031	(16,549)	110 - Executive	4,314,037	4,222,343	(91,694)
190,753	212,651	21,898	210 - Accounting	2,151,926	2,339,162	187,236
385,122	362,443	(22,679)	220 - Management Information Systems	3,957,656	3,986,875	29,219
11,546	64,468	52,922	221 - Business Intelligence	143,635	709,148	565,513
217,197	281,931	64,734	222 - Enterprise Development	2,668,914	3,101,240	432,326
573,033	448,524	(124,509)	225 - Infrastructure	4,440,981	4,933,760	492,779
546,377	576,323	29,946	230 - Claims	5,999,959	6,339,554	339,595
53,063	149,779	96,716	240 - Project Management	1,279,045	1,647,573	368,528
111,298	101,775	(9,523)	310 - Health Services - Utilization Management	1,185,586	1,119,524	(66,062)
23,180	27,902	4,722	311 - Health Services - Quality Improvement	281,697	306,924	25,227
-	55	55	312 - Health Services - Education	59	605	546
158,204	142,146	(16,058)	313- Pharmacy	1,651,822	1,563,604	(88,218)
95	6,642	6,547	314 - Health Homes	4,355	73,058	68,703
-	22,357	22,357	315 - Case Management	209,565	245,924	36,359
38,981	-	(38,981)	316 - Population Health Management	38,981	-	(38,981)
-	29,325	29,325	616 - Disease Management	260,833	322,578	61,745
313,414	323,502	10,088	320 - Provider Network Management	3,101,539	3,558,527	456,988
721,826	656,475	(65,351)	330 - Member Services	6,609,625	7,221,228	611,603
928,414	702,275	(226,139)	340 - Corporate Services	6,710,601	7,725,023	1,014,422
42,560	66,363	23,803	360 - Audit & Investigative Services	614,043	729,992	115,949
51,562	69,250	17,688	410 - Advertising Media	615,302	761,750	146,448
87,412	73,950	(13,462)	420 - Sales/Marketing/Public Relations	648,994	813,446	164,452
204,829	251,455	46,626	510 - Human Resources	2,574,940	2,766,006	191,066
77,569	-	(77,569)	Administrative Expense Adjustment	(187,239)	-	187,239
5,130,015	4,946,622	(183,393)	Total Administrative Expenses	49,276,856	54,487,844	5,210,988

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

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED NOVEMBER 30, 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	NOVEMBER 2021	YEAR TO DATE 2021
110 - Executive	361,179	347,546	484,965	482,602	393,580	4,314,037
210 - Accounting	202,043	228,799	196,234	213,569	190,753	2,151,926
220 - Management Information Systems (MIS)	325,601	386,243	328,212	342,882	385,122	3,957,656
221 - Business Intelligence	14,545	11,545	11,602	11,794	11,546	143,635
222 - Enterprise Development	253,485	225,132	261,069	244,312	217,197	2,668,914
225 - Infrastructure	459,826	393,273	374,951	372,602	573,033	4,440,981
230 - Claims	539,331	558,400	653,741	510,500	546,377	5,999,959
240 - Project Management	160,413	89,609	93,857	96,574	53,063	1,279,045
310 - Health Services - Utilization Management	91,643	121,643	111,276	112,888	111,298	1,185,586
311 - Health Services - Quality Improvement	25,067	5,726	19,122	85,753	23,180	281,697
312 - Health Services - Education	-	-	-	-	-	59
313- Pharmacy	150,515	155,464	155,452	157,190	158,204	1,651,822
314 - Health Homes	-	-	35	-	95	4,355
315 - Case Management	25,548	22,605	31,573	(9,699)	-	209,565
316 - Population Health Management	-	-	-	-	38,981	38,981
616 - Disease Management	30,175	30,230	27,472	(14,009)	-	260,833
320 - Provider Network Management	286,715	280,971	294,114	284,682	313,414	3,101,539
330 - Member Services	624,470	570,700	614,787	628,618	721,826	6,609,625
340 - Corporate Services	620,533	709,892	514,089	586,016	928,414	6,710,601
360 - Audit & Investigative Services	68,450	28,549	39,743	61,247	42,560	614,043
410 - Advertising Media	88,385	11,477	97,203	(10,998)	51,562	615,302
420 - Sales/Marketing/Public Relations	37,987	55,545	56,141	67,695	87,412	648,994
510 - Human Resources	236,479	229,645	247,924	344,386	204,829	2,574,940
Total Department Expenses	4,602,390	4,462,994	4,613,562	4,568,604	5,052,446	49,464,095
ADMINISTRATIVE EXPENSE ADJUSTMENT	(1,674)	(2,367)	3,540	300	77,569	(187,239)
Total Administrative Expenses	4,600,716	4,460,627	4,617,102	4,568,904	5,130,015	49,276,856

KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF NOVEMBER 30, 2021			
ASSETS	NOVEMBER 2021	OCTOBER 2021	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,138,351	\$ 1,138,351	-
Interest Receivable	560	280	280
TOTAL CURRENT ASSETS	\$ 1,138,911	\$ 1,138,631	\$ 280
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	845	565	280
Total Net Position	\$ 1,138,911	\$ 1,138,631	\$ 280
TOTAL LIABILITIES AND NET POSITION	\$ 1,138,911	\$ 1,138,631	\$ 280

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED NOVEMBER 30, 2021	YEAR-TO-DATE		
ENROLLMENT						
-	-	-	Members	-	-	-
REVENUES						
-	-	-	Premium	-	-	-
280	-	280	Interest	3,408	-	3,408
-	-	-	Other Investment Income	(2,563)	-	(2,563)
280	-	280	TOTAL REVENUES	845	-	845
EXPENSES						
-	-	-	Medical Costs	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-
-	-	-	Total Medical Costs	-	-	-
280	-	280	GROSS MARGIN	845	-	845
Administrative						
-	-	-	Management Fee Expense and Other Admin Exp	-	-	-
-	-	-	Total Administrative Expenses	-	-	-
-	-	-	TOTAL EXPENSES	-	-	-
280	-	280	OPERATING INCOME (LOSS)	845	-	845
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-
280	-	280	NET INCREASE (DECREASE) IN NET POSITION	845	-	845
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
ADULT AND FAMILY												
ADULT	602,191	51,548	53,449	52,941	53,378	54,092	54,867	55,250	55,691	56,542	56,931	57,502
CHILD	1,470,346	131,669	126,764	133,240	133,228	133,944	134,540	134,904	134,848	135,535	135,746	135,928
SUB-TOTAL ADULT & FAMILY	2,072,537	183,217	180,213	186,181	186,606	188,036	189,407	190,154	190,539	192,077	192,677	193,430
OTHER MEMBERS												
PARTIAL DUALS - FAMILY	6,908	403	523	529	576	563	576	594	673	809	831	831
PARTIAL DUALS - CHILD	-1	0	-1	0	0	0	0	0	0	0	0	0
PARTIAL DUALS - BCCTP	34	2	2	2	2	2	4	4	4	4	4	4
BCCTP - TABACCO SETTLEMENT	0	0	0	0	0	0	0	0	0	0	0	0
FULL DUALS (SPD)												
SPD FULL DUALS	85,253	7,484	7,591	7,505	7,523	7,635	7,640	7,814	7,739	8,069	8,062	8,191
SUBTOTAL OTHER MEMBERS	92,194	7,889	8,115	8,036	8,101	8,200	8,220	8,412	8,416	8,882	8,897	9,026
TOTAL FAMILY & OTHER	2,164,731	191,106	188,328	194,217	194,707	196,236	197,627	198,566	198,955	200,959	201,574	202,456
SPD												
SPD (AGED AND DISABLED)	176,424	16,011	18,829	15,328	15,870	15,756	15,645	15,800	15,749	15,775	15,821	15,840
MEDI-CAL EXPANSION												
ACA Expansion Adult-Citizen	818,929	70,649	69,251	72,532	73,089	74,161	74,905	75,451	76,525	77,016	77,595	77,755
ACA Expansion Duals	10,157	751	472	895	921	1,046	1,132	1,163	1,042	922	875	938
SUB-TOTAL MED-CAL EXPANSION	829,086	71,400	69,723	73,427	74,010	75,207	76,037	76,614	77,567	77,938	78,470	78,693
TOTAL KAISER	129,946	11,047	11,196	11,349	11,505	11,692	11,852	11,983	12,108	12,250	12,417	12,547
TOTAL MEDI-CAL MEMBERS	3,300,187	289,564	288,076	294,321	296,092	298,891	301,161	302,963	304,379	306,922	308,282	309,536

KERN • HEALTH SYSTEMS

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Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	440,685.45	4,776,430.28	NOV., 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4699	ZEOMEGA ****	395,508.98	494,237.45	AUG., SEPT., OCT. & NOV. 2021 PROFESSIONAL SERVICES & ANNUAL LICENSE AND M&S FEES	VARIOUS
T1845	DEPARTMENT OF MANAGED HEALTH CARE ****	284,955.06	595,829.91	2ND & FINAL PAYMENT 2021 MCAL ANNUAL ASSESSMENT FEES	ADMINISTRATION
T4350	COMPUTER ENTERPRISE INC.	259,768.72	2,525,721.65	OCT., NOV. 2021 PROFESSIONAL SERVICES / CONSULTING SERVICES	VARIOUS
T4695	EDIFECs, INC ****	206,738.07	214,343.07	ANNUAL TSM MAINTENANCE RENEWAL	MIS INFRASTRUCTURE
T4237	FLUIDEDGE CONSULTING, INC.	174,984.40	1,222,203.90	OCT. 2021 CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING-CALAIM EXPANSION	VARIOUS
T5377	TELEHEALTHDOCS MEDICAL GROUP ****	140,952.57	140,952.57	OCT. 2021-2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5413	PHILIPP RAMON MELENDEZ MD ****	126,137.57	126,137.57	2021-2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2726	DST PHARMACY SOLUTIONS, INC.	124,614.12	1,282,960.56	OCT. 2021 PHARMACY CLAIMS	PHARMACY
T4069	KERN VALLEY HEALTHCARE DISTRICT ****	80,743.35	80,743.35	OCT. 2021-2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	69,246.57	760,215.53	NOV. 2021 VOLUNTARY LIFE, AD&D, DENTAL INSURANCE	VARIOUS
T1180	LANGUAGE LINE SERVICES INC.	62,015.73	560,521.19	OCT. 2021 INTERPRETATION SERVICES	UTILIZATION MANAGEMENT - HE
T5398	GOLDEN EMPIRE GLEANERS ****	55,000.00	55,000.00	SEPT. 2021-2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS



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Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5376	KHCC ****	53,418.00	78,418.00	SEPT. - DEC. 2021 COVID-19 VACCINE CAMPAIGN	HEALTH EDUCATION
T4165	SHI INTERNATIONAL CO.	47,107.22	208,584.46	2021-2022 VMWARE SUPPORT RENEWAL	MIS INFRASTRUCTURE
T4582	HEALTHX, INC.	41,576.00	465,336.00	NOV. 2021 MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	40,298.54	465,883.24	OCT. 2021 PROFESSIONAL SERVICES	VARIOUS
T5005	CRAYON SOFTWARE EXPERTS LLC	39,026.83	835,422.41	SEPT. 2021 ESD AZURE COVERAGE	MIS INFRASTRUCTURE
T5412	DIAGENIX CORPORATION ****	34,358.40	34,358.40	2021-2024 NUANCE SOFTWARE SUPPORT & MAINTENANCE	MIS INFRASTRUCTURE
T4496	VOX NETWORK SOLUTIONS, INC ****	33,262.60	47,965.99	YR 3 TELSTRAT LICENSE RENEWAL	MIS INFRASTRUCTURE
T2458	HEALTHCARE FINANCIAL, INC ****	33,000.00	363,000.00	SEPT. & OCT. 2021 PROFESSIONAL SERVICES	ADMINISTRATION
T5321	TYK TECHNOLOGIES LTD ****	30,000.00	30,000.00	2021-2022 TYK SOLUTION LICENSE	MIS INFRASTRUCTURE
T4193	STRIA LLC	26,226.42	286,324.95	OCT. 2021 OCR SERVICES AND PROFESSIONAL SERVICES	VARIOUS
T4733	UNITED STAFFING ASSOCIATES	24,583.84	232,532.78	OCT. 2021 TEMPORARY HELP - (7) MS; (1) HHP; (1) HE; (1) UM	VARIOUS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	24,510.80	261,282.79	OCT. 2021 EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T5145	CCS ENGINEERING FRESNO INC	24,412.00	184,973.26	OCT. & NOV. 2021 JANITORIAL & ADDITIONAL DAY PORTER	CORPORATE SERVICES
T1128	HALL LETTER SHOP ****	23,103.50	121,511.30	MEMBER COVID -19 FLYER & MAIL PREP & NEW MEMBER PACKETS	VARIOUS
T4537	BURKE, WILLIAMS & SORENSEN, LLP ****	22,832.00	22,832.00	AUG. & SEPT. 2021 LEGAL SERVICES	ADMINISTRATION
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	22,750.00	196,690.00	OCT. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM

KERN • HEALTH SYSTEMS

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Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T3011	OFFICE ALLY, INC	21,306.25	210,069.00	OCT. 2021 EDI CLAIM PROCESSING	CLAIMS
T4657	DAPONDE SIMPSON ROWE PC	20,516.00	152,005.00	SEPT. 2021 LEGAL FEES	VARIOUS
T5215	RICHARD GARCIA ***	20,475.00	32,550.00	AUG., SEPT. & OCT. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-JM
T2584	UNITED STATES POSTAL SVC. - HASLER ****	20,000.00	200,000.00	REPLENISH POSTAGE (PERMIT) FUNDS	CORPORATE SERVICES
T4460	PAYSPAN, INC	17,209.23	191,621.21	OCT. 2021 ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T4261	KAISER FOUNDATION HEALTH PLAN-TX PPO	17,092.60	127,063.04	NOV. 2021 EMPLOYEE PPO HEALTH BENEFITS PREMIUM	VARIOUS
T4652	BAKERSFIELD SYMPHONY ORCHESTRA ****	16,666.66	41,666.67	OCT. & NOV. 2021 SPONSORSHIP	ADMINISTRATION
T5022	SVAM INTERNATIONAL INC	16,530.00	291,686.00	OCT. 2021 PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T5322	MANINDER KHALSA	16,510.00	107,100.50	OCT. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-JM
T2167	PG&E	16,439.74	249,355.41	NOV. 2021 USAGE / UTILITIES	CORPORATE SERVICES
T5389	ADAKC ****	16,159.98	20,296.03	2021-2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T1408	DELL MARKETING L.P.	14,344.15	174,339.72	SUPPORT & MAINTENANCE FOR 11 POWEREDGE M630 BLADE SERVERS	MIS INFRASTRUCTURE
T4483	INFUSION AND CLINICAL SERVICES, INC ****	13,065.05	206,300.77	AUG. 2021 HEALTH HOMES GRANT	COMMUNITY GRANT
T4501	ALLIED UNIVERSAL SECURITY SERVICES	12,705.80	156,447.87	OCT. & NOV. 2021 ONSITE SECURITY	CORPORATE SERVICES
T1005	COLONIAL LIFE & ACCIDENT	11,767.04	131,807.33	OCT. 2021 LIFE INSURANCE PREMIUM	VARIOUS

KERN·HEALTH SYSTEMS

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Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4959	BERKSHIRE HATHAWAY HOMESTATE COMPANIES ****	11,153.00	11,384.00	2020 - 2021 WORKERS COMP FINAL AUDIT	VARIOUS
T4182	THE LAMAR COMPANIES****	10,615.00	63,190.00	OCT. & NOV. 2021 BILLBOARDS	MARKETING
T4476	KERN PARTNERSHIP FOR CHILDREN AND FAMILIES ****	10,000.00	12,000.00	HOLIDAY COTTAGE SPONSORSHIP	MARKETING
T5318	CANONICAL GROUP LIMITED ****	10,000.00	17,500.00	2020 - 2021 UA INFRASTRUCTURE LICENSE	MIS INFRASTRUCTURE
		3,234,372.24			
	TOTAL VENDORS OVER \$10,000	3,234,372.24			
	TOTAL VENDORS UNDER \$10,000	243,684.45			
	TOTAL VENDOR EXPENSES- NOVEMBER	\$ 3,478,056.69			

Note:

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

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	4,776,430.28	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T1001	KERN MEDICAL CENTER	3,730,673.49	2019/2020 PROVIDER QUALITY CARE GRANT & 2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4350	COMPUTER ENTERPRISE INC.	2,525,721.65	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT
T4982	NGC US, LLC	1,676,270.87	PREFUND HEALTH EDUCATION MEMBER INCENTIVES	HEALTH EDUCATION
T2704	MCG HEALTH LLC	1,648,909.88	HEALTH CARE MANAGEMENT & SOFTWARE LICENSE 8/5/2021 - 08/04/2022	UTILIZATION MANAGEMENT
T2726	DST PHARMACY SOLUTIONS, INC.	1,282,960.56	PHARMACY CLAIMS	PHARMACY
T4237	FLUIDEDGE CONSULTING, INC.	1,222,203.90	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	VARIOUS
T2686	ALLIANT INSURANCE SERVICES INC.	1,210,766.90	ANNUAL INSURANCE & ACIP CRIME PREMIUMS	ADMINISTRATION
T3130	OPTUMINSIGHT, INC.	1,043,176.00	ANNUAL LICENSED SOFTWARE EASYGROUP & INCREMENTAL LICENSE	MIS INFRASTRUCTURE
T4391	OMNI FAMILY HEALTH	860,848.60	HEALTH HOMES AND PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T5005	CRAYON SOFTWARE EXPERTS LLC	835,422.41	ANNUAL SOFTWARE LICENSE AND ESD AZURE OVERAGE <input type="checkbox"/>	MIS INFRASTRUCTURE
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	760,215.53	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE PREMIUM <input type="checkbox"/>	VARIOUS
T1845	DEPARTMENT OF MANAGED HEALTH CARE	595,829.91	2021-2022 MCAL ANNUAL ASSESSMENT	ADMINISTRATION
T1180	LANGUAGE LINE SERVICES INC.	560,521.19	INTERPRETATION SERVICES	MEMBER SERVICES

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Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4699	Z6OMEGA, INC.	494,237.45	PROFESSIONAL SERVICES AND TRAVEL EXP.	UTILIZATION MANAGEMENT
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	465,883.24	PROFESSIONAL SERVICES	VARIOUS
T4582	HEALTHX, INC.	465,336.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T2458	HEALTHCARE FINANCIAL, INC.	363,000.00	PROFESSIONAL SERVICES	ADMINISTRATION
T5109	RAND EMPLOYMENT SOLUTIONS	342,810.38	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T5111	ENTISYS 360	306,584.94	ANNUAL DISASTER RECOVERY CONTINUITY PROJECT	CAPITAL PROJECT/MIS INFRASTRUCTURE
T5022	SVAM INTERNATIONAL INC	291,686.00	PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T4193	STRIA LLC	286,324.95	OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	261,282.79	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T2167	PG&E	249,355.41	USAGE/UTILITIES	CORPORATE SERVICES
T4483	INFUSION AND CLINICAL SERVICES, INC.	206,300.77	HEALTH HOMES GRANT	COMMUNITY GRANT
T5317	PRESIDIO NETWORKED SOLUTIONS GROUP LLC.	241,910.78	NUTANIX HARDWARE & SOFTWARE - SECURITY PROGRAM ASSESSMENT	MIS INFRASTRUCTURE
T4733	UNITED STAFFING ASSOCIATES	232,532.78	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T5229	DIGNITY HEALTH MEDICAL GROUP - BAKERSFIELD	217,442.81	HEALTH HOME GRANT	COMMUNITY GRANTS
T4695	EDIFECS, INC ****	214,343.07	ANNUAL TSM MAINTENANCE	MIS INFRASTRUCTURE

KERN·HEALTH SYSTEMS

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Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to Date	Description	Department
T3011	OFFICE ALLY, INC.	210,069.00	EDI CLAIM PROCESSING	CLAIMS
T4165	SHI INTERNATIONAL CO.	208,584.46	SOFTWARE LICENSES	MIS INFRASTRUCTURE
T1861	CERIDIAN HCM, INC.	200,948.26	MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T2584	UNITED STATES POSTAL SVC.-HASLER	200,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	196,690.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4460	PAYSPAN, INC	191,621.21	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5337	CAZADOR CONSULTING GROUP INC	186,170.68	TEMPORARY HELP	VARIOUS
T5145	CCS ENGINEERING FRESNO INC.,	184,973.26	JANITORIAL SERVICES	CORPORATE SERVICES
T1408	DELL MARKETING L.P.	174,339.72	HARDWARE & COMPUTER EQUIPMENT	MIS INFRASTRUCTURE
T4967	ADMINISTRATIVE SOLUTIONS, INC.	159,028.03	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T4501	ALLIED UNIVERSAL SECURITY SERVICES	156,447.87	ONSITE SECURITY	CORPORATE SERVICES
T4331	COTIVITI, INC	152,237.24	CALIFORNIA MEDI-CAL MEDICAID MEASURES & ANNUAL LICENSE FEE	QUALITY IMPROVEMENT



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Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4657	DAPONDE SIMPSON ROWE PC	152,005.00	LEGAL FEES	VARIOUS
T1071	CLINICA SIERRA VISTA	143,473.30	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T3448	SYNERGY HEALTHCARE, INC.	141,500.00	ASTHMA PROGRAM GRANT	COMMUNITY GRANTS
T5377	TELEHEALTHDOCS MEDICAL GROUP ****	140,952.57	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING	131,807.33	EMPLOYEE PREMIUM - ACCIDENT & CRITICAL ILLNESS	VARIOUS
T5344	SIGNATURE STAFF RESOURCES LLC	129,444.00	PROJECT MANAGEMENT CONSULTING	PROJECT MANAGEMENT
T4261	KAISER FOUNDATION HEALTH PLAN -TX PPO	127,063.04	TX-PPO EMPLOYEE HEALTH BENEFITS	VARIOUS
T5413	PHILIPP RAMON MELENDEZ MD ****	126,137.57	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5319	CITIUSTECH INC.	125,000.00	CITIUS TECHS FAST AND IMPLEMENTATION FEES	MIS INFRASTRUCTURE
T1128	HALL LETTER SHOP, INC.	121,511.30	NEW MEMBER LETTER/ENVELOPES, MEMBER HANDBOOKS, CLINICAL CARE MANUAL FOR HH, NEW MEMBER PACKETS & POSTERS	VARIOUS
T5185	HOUSING AUTHORITY COUNTY OF KERN	117,200.00	2021 HOUSING AUTHORITY GRANT	UTILIZATION MANAGEMENT - UM WELLNESS
T1272	COFFEY COMMUNICATIONS INC.	113,747.48	MEMBER NEWSLETTER/ WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE
T2850	QUEST SOFTWARE INC.	109,598.00	SQL LICENSE / SPOTLIGHT SOFTWARE	MIS INFRASTRUCTURE
T5322	MANINDER KHALSA	107,100.50	2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T1960	LOCAL HEALTH PLANS OF CALIFORNIA	101,257.59	2021 ANNUAL DUE ASSESSMENT & TRAINING REGISTRATION	VARIOUS

KERN·HEALTH SYSTEMS

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Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4396	KAISER FOUNDATION HEALTH-DHMO	100,716.63	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4353	TWE SOLUTIONS, INC.	96,518.01	ANNUAL TECHNICAL SUPPORT AND MAINTENANCE FOR NIMBLE STORAGE SOLUTIONS	MIS INFRASTRUCTURE
T3446	WITT/KIEFFER INC	95,091.19	RECRUITMENT FEES	HUMAN RESOURCES
T3449	CDW GOVERNMENT	94,458.15	ANNUAL ADOBE TEAM LICENSING	MIS INFRASTRUCTURE
T1189	APPLE ONE INC, EMPLOYMENT SERVICES	89,361.64	TEMPORARY HELP	MIS ADMINISTRATION
T2413	TREK IMAGING INC	81,371.62	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T4059	KERN VALLEY HEALTHCARE DISTRICT ****	80,743.35	2021 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T5376	KCHCC	78,418.00	COVID TASK FORCE SPONSORSHIP	MARKETING
T4963	LINKEDIN CORPORATION	78,275.00	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES
T4813	ADVENTIST HEALTH TEHACHAPI VALLEY	77,925.82	2021 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T5121	TPx COMMUNICATIONS	77,465.78	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T1022	UNUM LIFE INSURANCE CO.	75,346.40	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T5329	RELAY NETWORK, LLC	73,333.37	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T5132	TIME WARNER CABLE LLC	71,370.25	INTERNET SERVICES	MIS INFRASTRUCTURE
T4217	CONTEXT 4 HEALTHCARE, INC	69,630.00	AMA ROYALTY FEE & CPT RENEWAL	MIS INFRASTRUCTURE



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4960	ZELIS CLAIMS INTEGRITY, LLC	67,536.96	POST EDITING SYSTEMS FOR CLAIMS PROCESSING	CLAIMS
T5401	KERN MEDICAL SUPPLY, LLC	65,546.02	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	65,000.00	2021 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5346	TURNKEY ENERGY	63,378.00	EV CHARGING STATIONS	CORPORATE SERVICES
T4182	THE LAMAR COMPANIES	63,190.00	OUTDOOR ADVERTISEMENT-BILLBOARDS	ADVERTISING
T4785	COMMIGAP	61,624.75	INTERPRETATION SERVICES	HEALTH EDUCATION
T4503	VISION SERVICE PLAN	60,772.77	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	60,098.72	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4563	SPH ANALYTICS	59,988.80	PROVIDER AND MEMBER SATISFACTION SURVEYS	VARIOUS
T4792	KP LLC	56,884.05	PROVIDER DIRECTORIES & FORMULARY (SUPPORT/MAINT.)	PHARMACY/PROVIDER RELATIONS
T4944	CENTRAL VALLEY FARMWORKER FOUNDATION	56,528.25	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5325	WADE A MCNAIR	56,174.00	LEADABILITY PROGRAM FACILITATION-CONSULTING SERVICES/ONSITE TRAINING	HUMAN RESOURCES
T5398	GOLDEN EMPIRE GLEANERS ****	55,000.00	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	54,735.75	2021-2022 OUTDOOR ADVERTISING	MARKETING
T3986	JACQUELYN S. JANS	54,600.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING
T1957	FRIENDS OF MERCY FOUNDATION	54,000.00	COVID VACCINE CAMPAIGN SPONSORSHIP	MARKETING
T2961	SOLUTION BENCH, LLC	53,814.59	M-FILES & SCANFINITY LICENSES SUPPORT	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
T4415	DANIELS PHILLIPS VAUGHAN AND BOCK	49,950.00	2020 AUDIT FEES	FINANCE
T2933	SIERRA PRINTERS, INC.	48,793.65	PRINTING OF MEMBER EDUCATION MATERIAL/PROVIDER DIRECTORY/BUSINESS CARDS	VARIOUS
T4781	EDRINGTON HEALTH CONSULTING, LLC	48,600.00	CONSULTING SERVICES	ADMINISTRATION
T4496	VOX NETWORK SOLUTIONS, INC	47,965.99	WORKFORCE MANAGEMENT ADVANCED LICENSE ANNUAL RENEWAL	MIS INFRASTRUCTURE
T2446	AT&T MOBILITY	46,909.50	CELLULAR PHONE / INTERNET USAGE	MIS INFRASTRUCTURE
T1183	MILLIMAN USA	45,672.75	CY2019/2020 RDT & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T4038	POLYCLINIC MEDICAL CENTER, INC	43,118.97	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5396	NYMI INC	43,000.00	CONTRACT TRACING DEVICES	CORPORATE SERVICES
T2441	LAURA J. BREZINSKI	41,900.00	MARKETING MATERIALS	MARKETING
T5201	JAC SERVICES, INC.	41,794.00	AC MAINTENANCE & SERVICE	CORPORATE SERVICES
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	41,666.67	COMMUNITY SPONSORSHIP	ADMINISTRATION
T2407	KAISER FOUNDATION HEALTH -COBRA	41,551.84	COBRA EMPLOYEE HEALTH BENEFITS	VARIOUS
T2969	AMERICAN BUSINESS MACHINES INC	40,584.20	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T5015	SENTINEL ENGINEERING	40,380.00	JUNIPER ANNUAL SUPPORT RENEWAL	MIS INFRASTRUCTURE
T2918	STINSON'S	38,804.28	2021 OFFICE SUPPLIES	VARIOUS
T5340	GARTNER INC	38,500.00	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4607	AGILITY RECOVERY SOLUTIONS INC.	37,990.00	PROFESSIONAL SERVICES	ADMINISTRATION



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T5107	CITRIX SYSTEMS, INC.	37,350.00	ANNUAL LICENSE AND SUPPORT FEES	MIS INFRASTRUCTURE
T4708	HEALTH MANAGEMENT ASSOCIATES, INC.	37,242.25	CONSULTING SERVICES	ADMINISTRATION
T5292	ALL'S WELL HEALTH CARE SERVICES	37,179.00	TEMPORARY HELP	VARIOUS
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	36,199.00	2021 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T2135	BAKERSFIELD CITY SCHOOL DISTRICT	35,955.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T5412	DIAGENIX CORPORATION ***	34,358.40	2021-2024 NUANCE SOFTWARE SUPPORT & MAINTENANCE	MIS INFRASTRUCTURE
T2941	KERN PRINT SERVICES INC.	34,257.75	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T1655	KERN,KXXX,KISV,KGEO,KGFM,KEBT,KZOZ,KKJG,KVEC,KSTT,KRQK,KPAT,	34,000.00	DIGITAL ADS	MARKETING
T5119	PACIFIC WEST SOUND PROFESSIONAL AUDIO & DESIGN INC.	33,654.85	HARDWARE BOARD ROOM REMOTE VIDEO CONFERENCING	MIS INFRASTRUCTURE
T4731	LOGMEIN USA, INC.	33,535.60	INTERNET SERVICES	MIS INFRASTRUCTURE
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC	33,440.00	COVID-19 TESTING	HUMAN RESOURCES
T5215	RICHARD GARCIA	32,550.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T5321	TYK TECHNOLOGIES LTD ***	30,000.00	2021-2022 TYK LICENSE	MIS INFRASTRUCTURE
T1152	MICHAEL K. BROWN LANDSCAPE & MAINTENANCE CO., INC.	29,603.47	2021 BUILDING MAINTENANCE	CORPORATE SERVICE
T2509	USPS	28,798.14	REPLENISH POSTAGE (PERMIT) FUNDS	CORPORATE SERVICES
T5387	NAVIA BENEFITS SOLUTIONS, INC	28,446.27	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS

KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4575	SCHNEIDER ELECTRIC IT CORPORATION	26,791.50	APC COOLING UNITS - ANNUAL MAINTENANCE	CORPORATE SERVICES
T4216	NEXSTAR BROADCASTING INC	26,610.00	ADVERTISEMENT - MEDIA	MARKETING
T5269	KERN COMMUNITY FOUNDATION	26,311.00	ANNUAL CONTRIBUTION - KERN CONNECTED COMMUNITY NETWORK MGMT FEE	UTILIZATION MANAGEMENT- OUTREACH
T5298	TOTALMED, INC.	25,591.00	DIRECT PLACEMENT FEES	HUMAN RESOURCES
T4663	DEVELOPMENT DIMENSIONS INTERNATIONAL, INC.	25,000.00	LEADERSHIP FOUNDATION LICENSE	HUMAN RESOURCES
T5345	DEVVIO INC	23,250.00	ANNUAL SOFTWARE & HARDWARE DEVTTRACE 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
T4424	GUROCK SOFTWARE GmbH ****	23,100.00	TESTRAIL RENEWAL	MIS INFRASTRUCTURE
T3092	LINKS FOR LIFE, INC	22,950.00	2021 EVENT SPONSORSHIP	MARKETING
T4537	BURKE, WILLIAMS & SORENSEN, LLP ****	22,832.00	LEGAL FEES	VARIOUS
T5159	AT&T CORP	21,481.77	INTERNET SERVICES	MIS INFRASTRUCTURE
T5334	PACIFIC INTERPRETERS, INCORPORATED	21,443.57	INTERPRETATION SERVICES	HEALTH EDUCATION
T5333	CENTRAL CALIFORNIA ASTHMA COLLABORATIVE	21,390.00	2021 CENTRAL CALIFORNIA ASTHMA COLLAB. GRANT	HE WELLNESS
T5161	INTEGRATED HEALTHCARE ASSOCIATION	21,304.73	ADVERTISEMENT - FILMING SERVICES	MARKETING
T4523	BERKSHIRE LIFE INSURANCE COMPANY OF AMERICA	21,044.56	EMPLOYEE PREMIUM	ADMINISTRATION
T4228	THE SSI GROUP, LLC.	20,695.20	EDI CLAIM PROCESSING	CLAIMS
T5389	ADAKC ****	20,296.03	2021-2022 COMMUNITY GRANT	COMMUNITY GRANTS



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T3084	KERN COUNTY-COUNTY COUNSEL	20,161.20	LEGAL FEES	ADMINISTRATION
T4605	KERVILLE UNION SCHOOL DISTRICT	19,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T1326	WALKER-LEWIS RENTS	19,279.51	COVID-19 TESTING SITE EQUIPMENT	MARKETING
T1097	NCQA	19,230.75	HEDIS, VOL 2 PLUS QUALITY COMPASS AND POPULATION HEALTH PROGRAM ACCREDITATION	QUALITY IMPROVEMENT
T4934	APPLE INC	19,066.34	2021 SERVICE AWARDS & CELL PHONES	VARIOUS
T4514	A.J. KLEIN, INC. T. DENATALE, B. GOLDNER	18,193.50	LEGAL FEES	ADMINISTRATION
T5128	STANDARD SCHOOL DISTRICT	18,000.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T4585	DELANO UNION SCHOOL DISTRICT	17,500.00	2019/2021 SCHOOL WELLNESS PROGRAM GRANT- FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T4802	KERN COUNTY SUPERINTENDENT OF SCHOOLS	17,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T5318	CANONICAL GROUP LIMITED ****	17,500.00	2020 - 2021 UA INFRASTRUCTURE LICENSE	MIS INFRASTRUCTURE
T5013	ELIZA CORPORATION	17,130.00	202 DATA MANAGEMENT FEE	CASE MANAGEMENT
T4993	LEGALSHIELD	17,083.81	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION
T4962	LIBERTY DATA, INC.	17,000.00	PROFESSIONAL SERVICES ANNUAL RENEWAL	MIS INFRASTRUCTURE
T4016	FIRST DATABANK, INC	16,620.00	SOFTWARE LICENSE	MIS INFRASTRUCTURE
T1347	ADVANCED DATA STORAGE	16,065.70	STORAGE AND SHREDDING SERVICES	CORPORATE SERVICES
T2955	DELTA ELECTRIC INC.	15,915.00	BUILDING MAINTENANCE	CORPORATE SERVICES
T2787	SAGE SOFTWARE, INC	15,819.93	2020-21 SAGE300 ERP SILVER BUSINESS ANNUAL LICENSE	FINANCE



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T5336	TEAMDYNAMIX SOLUTIONS LLC	15,200.00	SOFTWARE LICENSE	MIS INFRASTRUCTURE
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
T4389	EXACT STAFF, INC.	13,998.52	TEMPORARY HELP	VARIOUS
T4920	OTIS ELEVATOR COMPANY	13,174.60	2021 ELEVATOR MAINTENANCE SERVICES	CORPORATE SERVICES
T4686	CENTRIC HEALTH	13,060.08	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2790	KERN COUNTY DEPT OF PUBLIC HEALTH	12,915.00	INFLUENZA VACCINATION SPONSORSHIP	MARKETING
T4466	SMOOTH MOVE USA	12,884.73	2021 MOVING EXPENSES	CORPORATE SERVICES
T1650	UNIVISION TELEVISION GROUP	12,750.00	ADVERTISEMENT - TELEVISION	MARKETING
T5375	HADASSAH E PEREZ ****	12,458.98	EMPLOYEE RELOCATION	HUMAN RESOURCES
T2938	SAP AMERICA, INC	12,308.32	SAP BUSINESS OBJECTS SOFTWARE ANNUAL MAINTENANCE FEE	BUSINESS INTELLIGENCE
T4476	KERN PARTNERSHIP FOR CHILDREN AND FAMILIES ****	12,000.00	COMMUNITY SPONSORSHIP	MARKETING
T4577	LA CAMPESSINA, KBDS, KUFW, KMYX, KSEA, KBHH, KYLI, KCEC, KNAI	12,000.00	ADVERTISEMENT - RADIO	MARKETING



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4959	BERKSHIRE HATHWAY HOMESTATE COMPANIES ****	11,384.00	2020-2021 WORKER'S COMPENSATION INSURANCE PREMIUM	ADMINISTRATION
T5386	PARTNER ENGINEERING AND SCIENCE, INC	11,150.00	PROFESSIONAL SERVICES	CORPORATE SERVICES
T5099	PROGRESS SOFTWARE CORPORATION	10,968.02	SOFTWARE LICENSE	MIS INFRASTRUCTURE
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
		<u>35,946,977.75</u>		
	TOTAL VENDORS OVER \$10,000	35,946,977.75		
	TOTAL VENDORS UNDER \$10,000	750,637.81		
	TOTAL VENDOR EXPENSES - NOVEMBER	<u>\$36,697,615.56</u>		

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

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							
Entsys360	\$99,999.00	Yes	IT	Richard Pruitt	Xi Leap Cloud Services co-termed	5/26/2021	5/26/2022
June							
Milliman	\$50,000.00	Yes	ACCT	Veronica Barker	Actuarial services (IBNP)	6/1/2021	5/31/2022
Dell	\$62,756.60	Yes	IT	Richard Pruitt	25 Dell 5420 Laptops and 25 docking stations	6/24/2021	6/23/2025
Edrington Health Consulting	\$99,000.00	Yes	ACCT	Veronica Barker	Actuarial services (RDT, SDR's, rate analysis, discussion guide)	6/1/2021	5/31/2022
Presidio	\$80,418.89	Yes	IT	Richard Pruitt	Node purchase to expand Rubrik backup and recovery solution	6/24/2021	6/23/2024
Entsys360	\$99,400.36	Yes	IT	Richard Pruitt	Rubrik polaris Sonar software	6/24/2021	6/23/2024

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
July							
Solution Bench	\$33,814.59	Yes	IT	Richard Pruitt	Subscription-based licensing program for all M-Files licenses	7/24/2021	7/23/2022
ABM	\$91,854.00	Yes	IT	Richard Pruitt	Support and printing for all printing equipment	10/1/2021	9/30/2023
Golden Empire Transit (GET)	\$53,735.75	Yes	MRK	Louie Iturrria	Four (4) King Kong outdoor advertisements	7/15/2021	6/30/2022
Sentinel	\$40,380.00	Yes	IT	Richard Pruitt	Juniper Networks switches support and maintenance	7/1/2021	6/30/2022
August							
FluidEdge	\$78,000.00	Yes	Compl	Alan Avery	Resource (Amy Kramer) to support the compliance team	8/16/2021	11/12/2022
Context4 Healthcare	\$68,600.00	Yes	IT	Richard Pruitt	CPT code set licenses for access to CPT additional through AMA	8/12/2021	8/11/2022
Dell	\$53,967.22	Yes	IT	Richard Pruitt	Fifty (50) OptiPlex 5090 Micro Desktop with 4 years support	8/4/2021	8/3/2025
WittKieffer	\$65,000.00	Yes	HR	Anita Martin	Recruitment/search of a new CEO for KHS	8/24/2021	8/23/2022
FluidEdge	\$86,600.00	Yes	PM	Lavonne Banks	Temporarily Interim Senior Project Manager for PMO dept	8/16/2021	11/19/2024
Entisys360	\$83,976.66	Yes	IT	Richard Pruitt	Rubrik backup and recovery solution one (1) year renewal	8/23/2021	8/22/2022
TotalMed	\$40,000.00	Yes	HR	Anita Martin	Staffing services	8/14/2021	8/13/2022
TriZetto	\$88,000.00	Yes	CLM	Robin Dow-Morales	Electronic claims processing	8/28/2021	8/27/2022
ZeOmega	\$96,000.00	Yes	IT	Richard Pruitt	Professional consulting services for CalAIM	8/16/2021	12/31/2021
TPx	\$43,839.36	Yes	IT	Richard Pruitt	SIP Cloud Network for DR site	8/12/2021	8/11/2024
September							
The Periscope Group	\$98,880.00	Yes	UM	Deborah Muir	In-home assessment visits for evaluation of DME support	9/25/2021	9/24/2022
October							
ABM	\$91,954.00	Yes	IT	Richard Pruitt	Support & printing for all printing equipment	10/1/2021	9/30/2023
Lamar	\$32,450.00	Yes	PNM	Emily Duran	Outdoor advertisement (23 billboards) for COVID Vaccination	10/18/2021	2/20/2022
November							
TYK Launch	\$30,000.00	Yes	IT	Richard Pruitt	Annual support for Launch subscription for API Manager	11/12/2021	11/12/2022
Dell	\$58,863.68	Yes	IT	Richard Pruitt	25 Dell 5420 Laptops and 25 Docking stations	11/12/2021	11/11/2025
Payscale	\$51,360.00	Yes	IT	Richard Pruitt	Compensation study and salary analytics	11/24/2021	11/23/2024
NYMI	\$39,040.00	Yes	IT	Richard Pruitt	(150) Additional Nyimi Generation 3 Bands co-termed	11/19/2021	9/22/2022
Dell	\$54,017.03	Yes	IT	Richard Pruitt	50 OptiPlex	11/12/2021	11/11/2025
Entisys360	\$99,999.99	Yes	IT	Richard Pruitt	Support and maint. For Nutanix VDI Cluster	11/4/2021	11/1/2022
December							
SHI	\$47,107.22	Yes	IT	Richard Pruitt	(54) Vmware licenses renewal with support and maint.	12/8/2021	12/31/2022
Diagenix	\$34,358.40	Yes	IT	Richard Pruitt	Diagenix voice survey and Nuance Speech Recognition support and maint	12/31/2021	12/31/2024
FluidEdge	\$31,920.00	Yes	PMO	Lavonne Banks	Interim Senior Project Management resource, Karie Klepper	12/1/2021	12/31/2021

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	
	Project Name																		
1	Project Portfolio Management System	CAP	\$154,562	\$0	\$0	\$18,400	\$0	\$16,000	\$43,040	\$34,440	\$17,600						\$129,480	\$25,082	
2	Community Based Organization Referral System	CAP	\$359,653	\$0	\$0	\$0	\$0	\$10,925	\$55,209	\$78,556	\$79,816	\$0	\$8,150	\$35,075			\$267,731	\$91,922	
3	Enterprise Logging System	CAP	\$333,996	\$12,036	\$15,200	\$0	\$17,600	\$0	\$0	\$0	\$14,960	\$18,480	\$18,480	\$89,960			\$186,716	\$147,280	
4	Interoperability	CAP	\$162,044	\$4,944	\$0	\$0	\$0	\$0	\$0	\$27,720	\$16,500	\$26,400	\$27,390	\$21,780			\$124,734	\$37,310	
5	Enterprise Data Warehouse System	CAP	\$673,553	\$87,957	\$94,932	\$104,117	\$111,364	\$86,608	\$29,040	\$0	\$0	\$0	\$73,364	\$15,552			\$602,934	\$70,619	
6	Major Organ Transplants	CAP	\$62,000							\$0	\$17,290	\$37,800	\$0	\$0			\$55,090	\$6,910	
7	Enhanced Care Management	CAP	\$344,000							\$0	\$17,640	\$91,938	\$56,235	\$57,120			\$222,933	\$121,067	
8	Staff Augmentation	EXP	\$1,918,488	\$142,543	\$143,097	\$174,994	\$156,367	\$142,092	\$166,264	\$144,199	\$154,486	\$154,536	\$145,230	\$143,600			\$1,667,408	\$251,080	
	Totals:	Totals:	\$4,008,296	\$247,480	\$253,229	\$297,511	\$285,331	\$255,625	\$293,553	\$284,915	\$318,292	\$329,154	\$328,849	\$363,087			\$3,257,026	\$751,270	

Updated 1/18/22

