



KERN HEALTH SYSTEMS

REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday, August 14, 2025

at

8:00 A.M.

At

**Kern Health Systems
2900 Buck Owens Boulevard
Bakersfield, CA 93308**

The public is invited.

For more information - please call (661) 664-5000.

AGENDA

BOARD OF DIRECTORS

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Regular Meeting
Thursday, August 14, 2025

8:00 A.M.

All agenda item supporting documentation is available for public review on the Kern Health Systems website: <https://www.kernfamilyhealthcare.com/about-us/governing-board/>
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 on the KHS website.

PLEASE SILENCE CELL PHONES AND OTHER ELECTRONIC DEVICES DURING THE MEETING.

BOARD TO RECONVENE

Directors: Watson, Thygerson, Patel, Elliott, Acharya, Alva, Bowers, Hoffmann, Johnson, Ma, McGlew, Meave, Singh, Tamsi, Turnipseed
ROLL CALL:

ADJOURN TO CLOSED SESSION

CLOSED SESSION

- 1) Request for Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) –
- 2) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION (Government Code § 54956.9 (d)(2).) Number of cases: 1
Significant exposure to litigation in the opinion of the Board of Directors on the advice of legal counsel, based on the receipt of a claim pursuant to the Government Claims Act or some other written communication from a potential plaintiff threatening litigation, which non-exempt claim or communication is available for public inspection. (Government Code § 54956.9 (e) (3).)

8:30 A.M.

BOARD TO RECONVENE

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

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 BOARD 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 BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 3) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board 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 Board at a later meeting. Also, the Board 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. THE MEETING FACILITATOR WILL INDICATE WHEN THERE IS 15 SECONDS REMAINING TO YOUR PRESENTATION TIME!

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 4) On their own initiative, Board 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))

DEPARTMENTAL MATTERS

- CA-5) Minutes for Kern Health Systems Board of Directors regular meeting on June 19, 2025 (Fiscal Impact: None) –
APPROVE

- 6) Appreciation recognition of Timothy McGlew for 12 years of dedicated service as a member of the Kern Health Systems Board of Directors (Fiscal Impact: None) –
RECEIVE AND FILE
- 7) Report on National Committee for Quality Assurance (NCQA) (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-8) Report on Kern Health Systems Provider Network Capacity Study (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-9) Report on Kern Health Systems investment portfolio for the second quarter ending June 30, 2025 (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-10) Proposed renewal and binding of insurance coverages for Primary and Excess General Liability from September 29, 2024 through September 29, 2026, Employed Lawyers Professional Liability Insurance from August 15, 2025 through August 15, 2026 and Earthquake Insurance from October 15, 2025 through October 15, 2026 (Fiscal Impact: \$950,000 Estimated; Budgeted) –
APPROVE
- CA-11) Proposed Contract Extension and Retroactive Approval with the Periscope Group increasing the current Not-to Exceed amount by \$569,910, which includes a retroactive amount of \$99,000 and \$470,910 for the two (2) year extension, from \$304,650 to \$874,560 to perform in-home functional mobility need assessments for KHS' members from September 5, 2025, through September 4, 2027 (Fiscal Impact \$569,910 over the term of the contract; Budgeted) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
- CA-12) Proposed increase in the Not-to Exceed amount with Cognizant by \$250,000 from \$6,607,387 to \$6,857,387 for processing claims and integrating authorization data using the Health Process Automation (HPA) tool from September 11, 2025, through September 10, 2026 (Fiscal Impact \$250,000 over the term of the contract; Budgeted) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
- CA-13) Proposed increase in the Not-to Exceed amount with CommGap by \$198,558 from \$190,000 to \$388,558 for in-person interpreting services from August 14, 2025, through July 5, 2026 (Fiscal Impact \$198,558 over the term of the contract; Budgeted) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
- 14) Report on Kern Health Systems financial statements for May 2025 and June 2025 (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-15) Report on Accounts Payable Vendor Report, Administrative Contracts between \$50,000 and \$200,000 for May 2025 and June 2025 and IT Technology Consulting Resources for the period ended May 31, 2025 (Fiscal Impact: None) –
RECEIVE AND FILE

- CA-16) Proposed Kern Health Systems provider contracts (rates confidential per Welfare and Institutions Code Section 14087.38(m)) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
- 17) Report on 2025 Great Place to Work Trust Index Survey (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-18) Kern Health Systems Chief Health Equity Officer report (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-19) Kern Health Systems Chief Compliance and Fraud Prevention Officer report (Fiscal Impact: None) –
RECEIVE AND FILE
- 20) Kern Health Systems Chief Medical Officer report (Fiscal Impact: None) –
RECEIVE AND FILE
- 21) Kern Health Systems Chief Executive Officer report (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-22) Miscellaneous Documents –
RECEIVE AND FILE
- A) Minutes for Kern Health Systems Utilization Management Committee meeting on May 14, 2025
 - B) Minutes for Kern Health Systems Drug Utilization Review Committee meeting on May 19, 2025
 - C) Minutes for Kern Health Systems Physician Advisory Committee meeting on June 4, 2024
 - D) Minutes for Kern Health Systems Finance Committee meeting on June 13, 2025
 - E) Minutes for Kern Health Systems Executive Quality Improvement Health Equity Committee Meeting on June 17, 2025
 - F) Minutes for Kern Health Systems Community Advisory Committee meeting on June 24, 2025
 - G) Minutes for Kern Health Systems Delegation Oversight Committee meeting on July 1, 2025

ADJOURN TO OCTOBER 23, 2025 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 Board of Directors may request assistance at the Kern Health Systems office, 2900 Buck Owens Boulevard, Bakersfield, California 93308 or by calling (661) 664-5010. 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

BOARD OF DIRECTORS

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Regular Meeting
Thursday, June 19, 2025

8:00 A.M.

BOARD RECONVENED

Directors: Watson, Thygerson, Patel, Elliott, Acharya, Alva, Bowers, Hoffmann, Johnson, Ma, McGlew, Meave, Singh, Tamsi, Turnipseed

ROLL CALL: 11 – Present; 4 Absent – Bowers, Hoffmann, Singh, Tamsi

NOTE: The vote is displayed in bold below each item. For example, Bowers-Acharya denotes Director Bowers made the motion, and Director Acharya seconded the motion.

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

BOARD ACTION SHOWN IN CAPS

ADJOURNED TO CLOSED SESSION

NOTE: DIRECTOR TAMSI ARRIVED AT 8:05 AM; DURING THE CLOSED SESSION

CLOSED SESSION

- 1) Request for Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) – SEE RESULTS BELOW
- 2) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
(Government Code § 54956.9 (d)(2).) Number of cases: 1
Significant exposure to litigation in the opinion of the Board of Directors on the advice of legal counsel, based on: Facts and circumstances that might result in litigation against Kern Health Systems, but which Kern Health Systems believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed.
(Government Code § 54956.9 (1).) – SEE RESULTS BELOW

8:15 A.M.

BOARD RECONVENED

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item No. 1 concerning a Request for Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) RECOMMENDED FOR **INITIAL CREDENTIALING FOR MAY 2025** – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL CREDENTIALING; DIRECTOR JOHNSON ABSTAINED FROM VOTING ON KAUR, SARRAFIAN; DIRECTOR MA ABSTAINED FROM VOTING ON YAP

Item No. 1 concerning a Request for Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) RECOMMENDED FOR **RECREREDENTIALING FOR MAY 2025** – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR RECREDENTIALING; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON GARCIA-PACHECO, SAKOWSKI, ZAMUDIO; DIRECTOR ACHARYA ABSTAINED FROM VOTING ON HOANG, WALIA; DIRECTOR JOHNSON ABSTAINED FROM VOTING ON ASHLI HEALTHCARE, INC.; DIRECTOR MEAVE ABSTAINED FROM VOTING ON DULANTO, GALINATO, PALOMINO, WALIA; DIRECTOR PATEL ABSTAINED FROM VOTING ON MENDOZA; DIRECTOR TURNIPSEED ABSTAINED FROM VOTING ON BOSQUE

Item No. 1 concerning a Request for Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) RECOMMENDED FOR **INITIAL CREDENTIALING FOR JUNE 2025** – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL CREDENTIALING; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON LAM, TREECE, VEYNA; DIRECTOR ACHARYA ABSTAINED FROM VOTING ON BRAR, SANDERLING DIALYSIS OF RIDGECREST; DIRECTOR JOHNSON ABSTAINED FROM VOTING ON HAWTHORNE, NAJERA; DIRECTOR MEAVE ABSTAINED FROM VOTING ON STEFANOVIC, CHANDE, HAN, HAUCK-WILSON, HLAING, PEREZ; DIRECTOR TURNIPSEED ABSTAINED FROM VOTING ON MADDELA

Item No. 1 concerning a Request for Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) RECOMMENDED FOR **RECREREDENTIALING FOR JUNE 2025** – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR RECREDENTIALING; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON BONILLA, CABAUG, CHEN, FAJARDO GOMEZ, GHAFARIZADEH, JONES, KERN MEDICAL SURGICAL CENTER, KHADKA, KOH, LINDBORG, PARKER, RAMOS, REYES, SABETIAN, SEKHAVAT-TAFTI, WILLIAMS; DIRECTOR ELLIOTT ABSTAINED FROM VOTING ON FRIESON; DIRECTOR BOWERS ABSTAINED FROM VOTING ON BHAMBI, JOHNSON; DIRECTOR JOHNSON ABSTAINED FROM VOTING ON PATEL, UNIVERSAL URGENT CARE – NILES; DIRECTOR MCGLEW ABSTAINED FROM VOTING ON FRIESON; DIRECTOR MEAVE ABSTAINED FROM VOTING ON BESOYAN, BRITO, CHENG, GHAI, GREWAL, KYAW, NWOSU, ROLDAN, STEWART, TRUONG, UY; DIRECTOR TURNIPSEED ABSTAINED FROM VOTING ON ADVENTIST HEALTH BAKERSFIELD, ASELTINE, AYAD, BANKHEAD, STRAHAN, STRATEGOS

Item No. 2 concerning a CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION (Government Code § 54956.9 (d)(2).) Number of cases: 1
Significant exposure to litigation in the opinion of the Board of Directors on the advice of legal counsel, based on: Facts and circumstances that might result in litigation against Kern Health Systems, but which Kern Health Systems believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed. (Government Code § 54956.9 (1).) – HEARD; NO REPORTABLE ACTION TAKEN

PUBLIC PRESENTATIONS

- 3) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board 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 Board at a later meeting. Also, the Board 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. THE MEETING FACILITATOR WILL INDICATE WHEN THERE IS 15 SECONDS REMAINING TO YOUR PRESENTATION TIME!**
NO ONE HEARD

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 4) On their own initiative, Board 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

DEPARTMENTAL MATTERS

- CA-5) Minutes for Kern Health Systems Board of Directors regular meeting on April 17, 2025 (Fiscal Impact: None) – APPROVED
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh

NOTE: DIRECTOR BOWERS ARRIVED AT 8:53 AM; DURING THE DISCUSSION OF ITEM 6

- 6) Report from the Milliman actuary firm regarding capital reserves and liquidity (Fiscal Impact: None) – AARON GATES AND MATT KRIDGEN, MILLIMAN, HEARD; APPROVED
Thygerson-Turnipseed: 13 Ayes: 2 Absent – Hoffmann, Singh

NOTE: DIRECTOR JOHNSON REFERRAL TO STAFF/FINANCE COMMITTEE TO DETERMINE HOW TO MOVE GOAL/PERFORMANCE INDICATOR TO ACHIEVE STATE AVERAGE GOAL

-
- CA-7) Report on Kern Health Systems investment portfolio for the first quarter ending March 31, 2025 (Fiscal Impact: None) – RECEIVED AND FILED
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh
- CA-8) Proposed renewal and binding of insurance coverages for crime, excess crime, property, auto physical damage, fiduciary liability, cyber insurance, excess cyber insurance, managed care errors and omissions, flood insurance and deadly weapon response program from July 1, 2025 through June 30, 2026 (Fiscal Impact: \$960,000 Estimated; Budgeted) – APPROVED
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh
- CA-9) Proposed renewal and binding of employee benefit plans for medical (self-funded), dental, vision, life insurance, short-term and long-term disability, long-term care and worker's compensation from January 1, 2026, through December 31, 2026 (Fiscal Impact: \$13,200,000 Estimated; Budgeted) – APPROVED
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh
- 10) Proposed New Agreement with Kennaday Leavitt, PC for outside general counsel services from July 1, 2025, through June 30, 2030, with a not to exceed amount of \$1,000,000 per contract year. (Fiscal Impact: \$5,000,000 Estimated; Not budgeted) – TROY R. SZABO, KENNADAY LEAVITT, HEARD; APPROVED; AUTHORIZED CHAIRMAN TO SIGN
Patel-McGlew: 10 Ayes; 1 Nay – Bowers; 2 Recusals – Acharya, Johnson; 2 Absent - Hoffmann, Singh
- NOTE: DIRECTOR ACHARYA LEFT THE DAIS AT 9:15 AM AND RETURNED AT 9:57 AM; AFTER THE VOTE ON ITEM 10
- NOTE: DIRECTOR JOHNSON LEFT THE DAIS AT 9:15 AM AND RETURNED AT 9:57 AM; AFTER THE VOTE ON ITEM 10
- 11) Report on Kern Health Systems Strategic Plan Draft (Fiscal Impact: None) – RECEIVED AND FILED
Meave-Patel: 13 Ayes; 2 Absent – Hoffmann, Singh
- 12) Report on Kern Health Systems 2024 Managed Care Accountability Set (Fiscal Impact: None) – RECEIVED AND FILED
Alva-McGlew: 13 Ayes; 2 Absent – Hoffmann, Singh
- CA-13) Proposed New Agreement with Crowe and DELL for the implementation and licensing of a new Accounting Enterprise Resource Planning (ERP) System from July 1, 2025, through June 30, 2030, with a Not-to-Exceed amount of \$1,585,000 for implementation (Crowe) and for increasing the current Microsoft Enterprise Agreement by \$353,550 for the Microsoft Dynamics 365 Finance and Operations software and licenses (DELL) over the term of the contract. (Fiscal Impact: \$1,938,550; Budgeted) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh

NOTE: DIRECTOR JOHNSON ASKED TO REMOVE ITEM 14 FROM CONSENT

- 14) Proposed New Agreement with Citiguard, Inc. for Security Guard Services from August 1, 2025, through July 31, 2028, with a Not-to-Exceed amount of \$653,177 over the term of the contract. (Fiscal Impact: \$653,177; Budgeted) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Bowers-Acharya: 12 Ayes; 3 Absent – Hoffmann, Singh, Turnipseed

NOTE: DIRECTOR TURNIPSEED LEFT THE DAIS AT 10:53 AM AND DID NOT RETURN

- CA-15) Proposed Contract Extension with Bitfocus for the Licensing for the Homeless Management Information System (HMIS) from June 22, 2025, through September 30, 2026. Increasing the Not-to-Exceed amount by \$239,588 from \$416,665 to \$656,253 over the term of the contract. (Fiscal Impact: \$239,588; Budgeted) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh
- CA-16) Proposed Contract Extension with Milliman Care Guidelines (MCG) for Evidence Based Clinical Care Guidelines from August 5, 2025, through August 4, 2030. Increasing the Not-to-Exceed by \$8,878,564 from \$5,692,237 to \$14,570,801 over the term of the contract. (Fiscal Impact: \$8,878,564; Budgeted) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Elliot-Acharya: 11 Ayes; 1 Recusal – Johnson; 3 Absent – Bowers, Hoffmann, Singh
- CA-17) Proposed Contract Amendment with ImageNet for the Health Risk Assessment/ Optical Character Recognition (HRA/OCR) Process from June 20, 2025, through April 4, 2027. Increasing the Not-to-Exceed by \$75,092 from \$197,000 to \$272,092 over the term of the contract. (Fiscal Impact: \$75,092; Budgeted) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh
- 18) Report on Kern Health Systems financial statements for February 2025, March 2025 and April 2025 (Fiscal Impact: None) – RECEIVED AND FILED
Bowers-Tamsi: 13 Ayes; 2 Absent – Hoffmann, Singh, Turnipseed
- CA-19) Report on Accounts Payable Vendor Report, Administrative Contracts between \$50,000 and \$200,000 for February 2025, March 2025 and April 2025 and IT Technology Consulting Resources for the period ended March 31, 2025 (Fiscal Impact: None) – RECEIVED AND FILED
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh
- CA-20) Proposed Kern Health Systems provider contracts (rates confidential per Welfare and Institutions Code Section 14087.38(m)) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh

- 21) Report on Kern Health Systems Operation Performance and Review of the Kern Health Systems Grievance Report (Fiscal Impact: None) – ALAN AVERY, CHIEF OPERATNIG OFFICER PRESENTED THE 1ST QUARTER 2025 GRIEVANCE REPORT TO THE BOARD. MR. AVERY SHARED THAT THE TOTAL GRIEVANCES FOR THE 1ST QUARTER WERE SLIGHTLY HIGHER THAN THE LAST TWO QUARTERS OF 2024. SEVERAL CATEGORIES ATTRIBUTED TO THIS OVERALL INCREASE: ACCESS TO CARE, QUALITY OF SERVICE AND OTHER. NO SPECIFIC TRENDS WERE FOUND. DISCRIMINATION GRIEVANCES GREW SLIGHTLY DURING THE QUARTER AS WELL. THE PLAN IDENTIFIED 81 GRIEVANCES CLASSIFIED AS DISCRIMINATION DURING THE 1ST QUARTER REPORTING PERIOD COMPARED TO 71 RECEIVED DURING THE 4TH QUARTER. ALL DISCRIMINATION GRIEVANCES WERE REPORTED TIMELY TO THE OFFICE OF CIVIL RIGHTS. EXEMPT GRIEVANCES DECREASED SIGNIFICANTLY FROM THE 2024 AVERAGE. THESE ARE INFORMAL COMPLAINTS AND ARE NOT BROKEN DOWN FURTHER INTO SPECIFIC DETAILED CATEGORIES. THESE ARE MINOR COMPLAINTS; HOWEVER, WE ARE STILL REQUIRED TO INVESTIGATE THEIR COMPLAINTS FURTHER. THE PLAN USES THIS INFORMATION AS PART OF THE PROVIDERS RECREDENTIALING PROCESS. IN REVIEWING THE DISPOSITION OF THE 2316 FORMAL GRIEVANCES FOR THE QUARTER, MR. AVERY REPORTED THE ACCESS TO CARE AND QUALITY OF SERVICE GRIEVANCES WERE TWO CATEGORIES WITH THE MOST GRIEVANCES RECEIVED DURING THE QUARTER. MR. AVERY INDICATED THERE WERE NO SPECIFIC TRENDS THAT WAS APPARENT WITHIN THESE TWO CATEGORIES, BUT THE PLAN WOULD CONTINUE TO MONITOR AND TAKE APPROPRIATE ACTION. MR. AVERY REPORTED THE PLAN RECEIVED 2.47 GRIEVANCES PER 1,000 MEMBERS DURING THE 1ST QUARTER OF 2025. - RECEIVED AND FILED
Bowers-Acharya: 12 Ayes; 3 Absent – Hoffmann, Singh, Turnipseed

NOTE: DIRECTOR WATSON LEFT THE DAIS AT 11:20 AM AND DID NOT RETURN

- 22) Kern Health Systems Chief Compliance and Fraud Prevention Officer report (Fiscal Impact: None) – RECEIVED AND FILED
McGlew-Ma: 11 Ayes; 4 Absent – Watson, Hoffmann, Singh, Turnipseed

NOTE: DIRECTOR ACHARYA LEFT THE DAIS AT 11:40 AM AND DID NOT RETURN

- 23) Kern Health Systems Chief Medical Officer report (Fiscal Impact: None) – RECEIVED AND FILED
Elliott-Alva: 10 Ayes; 5 Absent – Watson, Acharya, Hoffmann, Singh, Turnipseed

- 24) Kern Health Systems Chief Executive Officer report (Fiscal Impact: None) – RECEIVED AND FILED
Thygerson-Patel: 11 Ayes; 4 Absent – Watson, Hoffmann, Singh, Turnipseed

CA-25) Miscellaneous Documents – RECEIVED AND FILED
Elliot-Acharya: 12 Ayes; 3 Absent – Bowers, Hoffmann, Singh

- A) Minutes for Kern Health Systems Population Health Management Committee meeting on March 5, 2025
- B) Minutes for Kern Health Systems Physician Advisory Committee meeting on April 2, 2025
- C) Minutes for Kern Health Systems Finance Committee meeting on April 11, 2025
- D) Minutes for Kern Health Systems Fraud, Waste, and Abuse Committee meeting on May 5, 2025
- E) Minutes for Kern Health Systems Physician Advisory Committee meeting on May 7, 2025
- F) Minutes for Kern Health Systems Health Equity Transformation Steering Committee meeting on May 13, 2025
- G) Minutes for Kern Health Systems Compliance Committee meeting on May 14, 2025
- H) Minutes for Kern Health Systems Governance and Compliance Committee meeting on May 29, 2025

ADJOURN TO AUGUST 14, 2025 AT 8:00 A.M.

/s/ Vijaykumar Patel, Secretary
Kern Health Systems Board of Directors



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Kristen Watson, Chairman
SUBJECT: Service Recognition of KHS Board of Director
DATE: August 14, 2025

Timothy McGlew served as a member of the Kern Health Systems Board of Directors from December 10, 2013 – August 14, 2025. Mr. McGlew resigned effective August 14, 2025.

On behalf of the Kern Health Systems Board of Directors, we valued member McGlew's participation and input on Kern Health Systems Board of Directors over the years.

Recognition

The Board of Directors will recognize Board Member McGlew's contribution with a service recognition award to commemorate his service on the Board.

Requested Action

Receive and File.



MEMORANDUM

TO: Kern Health Systems Board of Directors

FROM: Martha Tasinga, Chief Medical Officer
Traco Matthews, Chief Health Equity Officer

SUBJECT: NCQA Accreditation Journey

DATE: August 14, 2025

Background

In response to the state's mandate requiring all Medi-Cal managed care plans to achieve NCQA Health Plan Accreditation (HPA) and Health Equity Accreditation (HEA) by Jan. 1, 2026, Kern Family Health Care (KFHC) achieved both ahead of schedule—demonstrating national leadership in quality, access and equity.

What is NCQA?

The National Committee for Quality Assurance evaluates how well health plans deliver care backed by evidence. Accreditation reflects excellence in service, equity and operations.

Accreditation Scope

HPA reviewed credentialing, utilization management, member experience, network management, population health and quality improvement. HEA focused on cultural responsiveness, equity infrastructure and reducing disparities across the system.

Results and Impact

KFHC earned a 99 percent overall score in HPA, with 100 percent in five of six domains. Preliminary HEA results show perfect scores across all categories, including language access and SOGI data collection. Achieving this required more than 12,000 hours of cross-departmental work—updating systems, enhancing member outreach, improving provider engagement and expanding staff training in equity-focused care.

Why It Matters

Members gain better access and outcomes. Providers face fewer administrative hurdles and stronger partnerships. Employees benefit from a more structured, equity-driven culture. For KFHC, it reinforces our long-term commitment to quality and compliance.

Sustaining the Momentum

A three-year reaccreditation plan is underway, led by our NCQA Steering Committee and supported by tools like SAI360 and internal audits. HPA and HEA standards will continue to guide how we serve, improve and lead—keeping equity at the core of all we do.

Requested Action

Receive and File.



Our NCQA Accreditation Journey

Demonstrating National Excellence in
Quality and Health Equity

KHS Board of Directors Meeting, August 14, 2025

The Big Ask

DHCS Mandate

By Jan. 1, 2026, all Medi-Cal managed care plans must achieve:

- ✓ NCQA Health Plan Accreditation (HPA)
- ✓ NCQA Health Equity Accreditation (HEA)

What is NCQA?

- The National Committee for Quality Assurance evaluates how well health plans and providers deliver care backed by science.
- Accreditation signifies national leadership in quality, equity and operational excellence.

The Scope of Accreditation

Health Plan Accreditation (HPA)

- Credentialing and Recredentialing
- Quality Management and Improvement
- Member Experience
- Network Management
- Population Health Management
- Utilization Management

Health Equity Accreditation (HEA)

- Internal Culture and Operations Supporting Equity
- Cultural and Linguistic Responsiveness
- Reducing Disparities In Care

Survey Dates

HPA April 8, 2025

HEA June 10, 2025



Our Seal of Excellence



We are proud to be nationally recognized for meeting rigorous standards in quality, access and equity. This seal represents the culmination of years of planning, collaboration and execution by every corner of our organization.

Nearly Perfect Scores | HPA

Quality Management and
Improvement
11/11 (100%)

Utilization Management
36/36 (100%)

Population Health
Management
19/19 (100%)

Credentialing
16/16 (100%)

Member Experience
19/19 (100%)

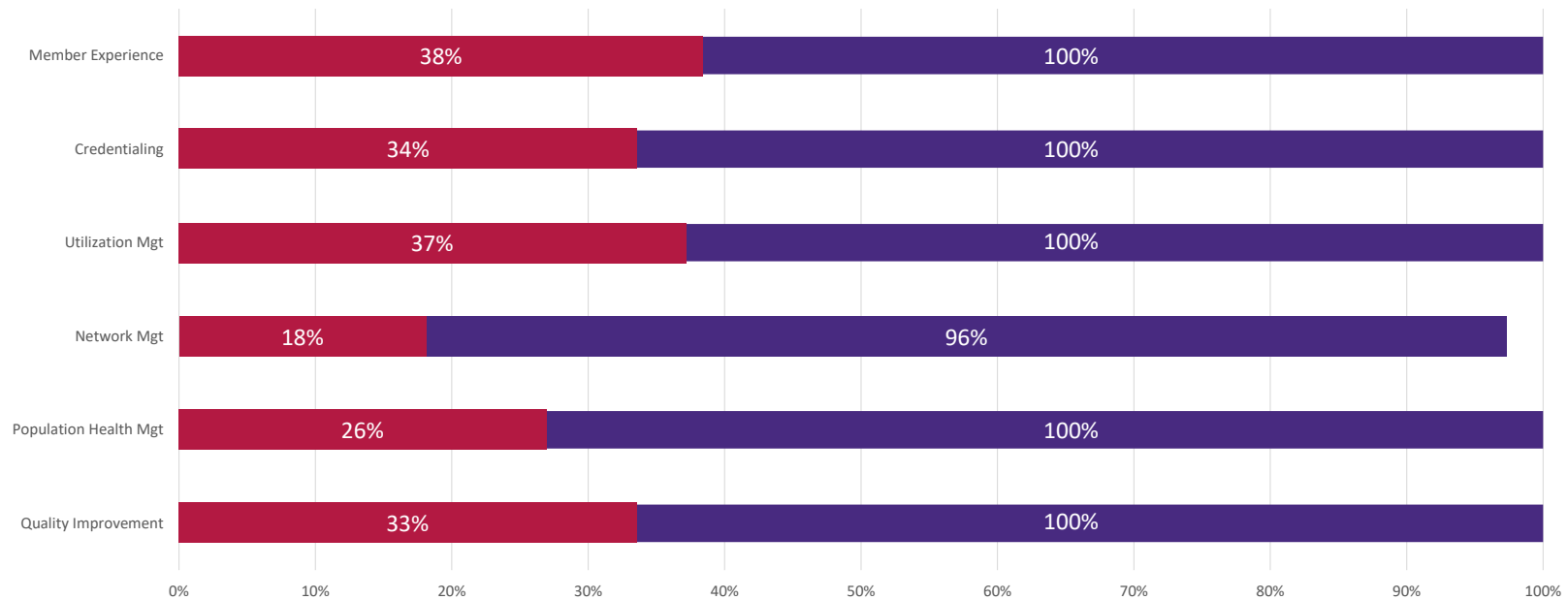
Network Management
24/25 (96%)

99%
Total

We didn't just pass—we excelled. Our final NCQA results reflect a near-perfect performance across every domain.



Readiness to Results | HPA



Perfect Scores | HEA

Race/Ethnicity, Language,
SOGI

100%

Culturally and
Linguistically Appropriate
Services Programs

100%

Access and Availability of
Language Services

100%

Practitioner Network
Cultural Responsiveness

100%

Reducing Health
Care Disparities

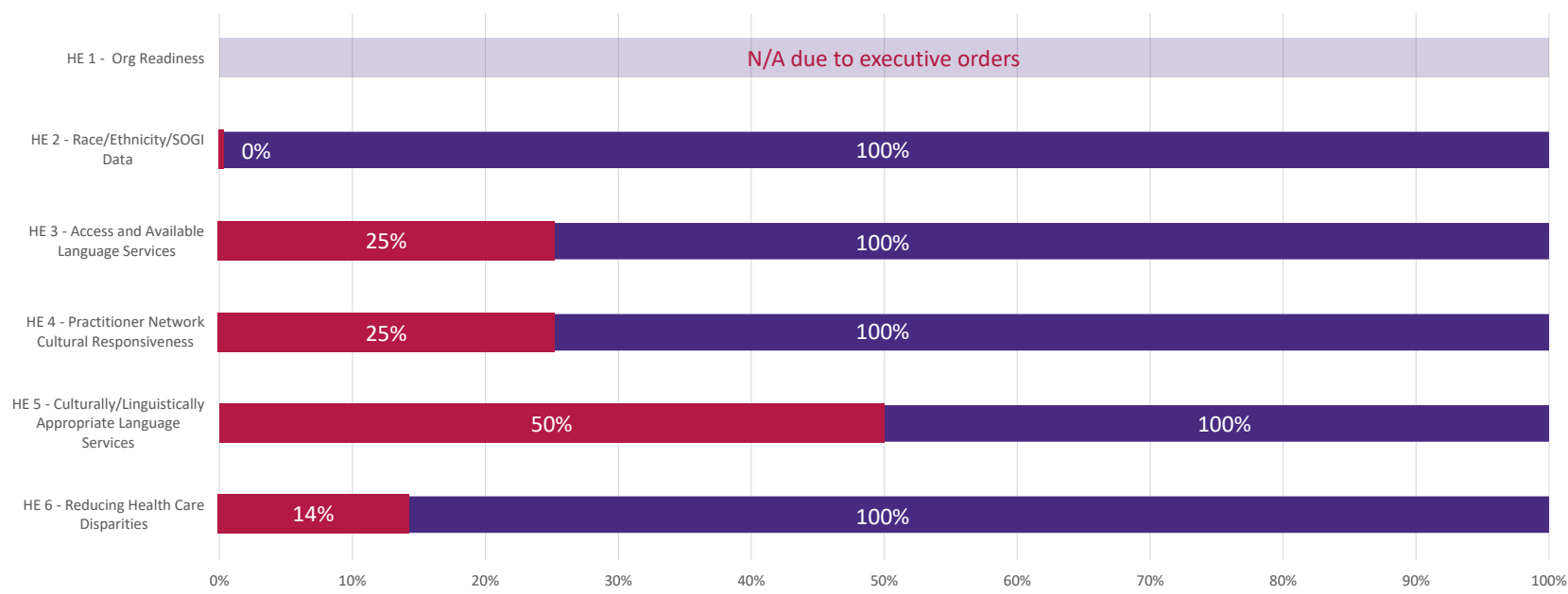
100%

100%
Total

Our Health Equity Accreditation results
reflect not just excellence, but **leadership**
in equity-driven care.



Readiness to Results | HEA





The Work Behind The Seals

HPA

550 Tasks	82 Materials
12 New Operations	23 File Reviews
87 Analytical Reports	73 Documented Processes

HEA

178 Tasks	34 Materials
15 Analytical Reports	20 Documented Processes

Examples of Transformation

- **Member outreach improved**
(e.g., follow-up surveys, after-hours protocols)
- **Provider engagement enhanced**
(e.g., behavioral health surveys, directory accuracy)
- **Data systems strengthened**
(e.g., automated file tracking, usability testing)
- **Staff training expanded**
(e.g., shared decision-making, CM plan building)

Real Changes, Real Impact



Kern Family
Health Care

Cross-Departmental Commitment

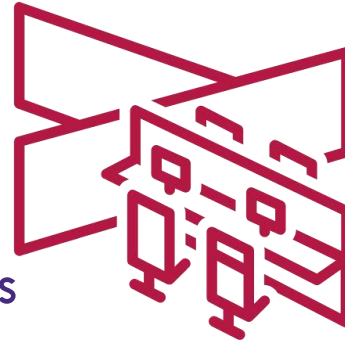
12,000+

Hours Invested



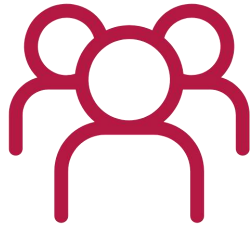
34

Departments

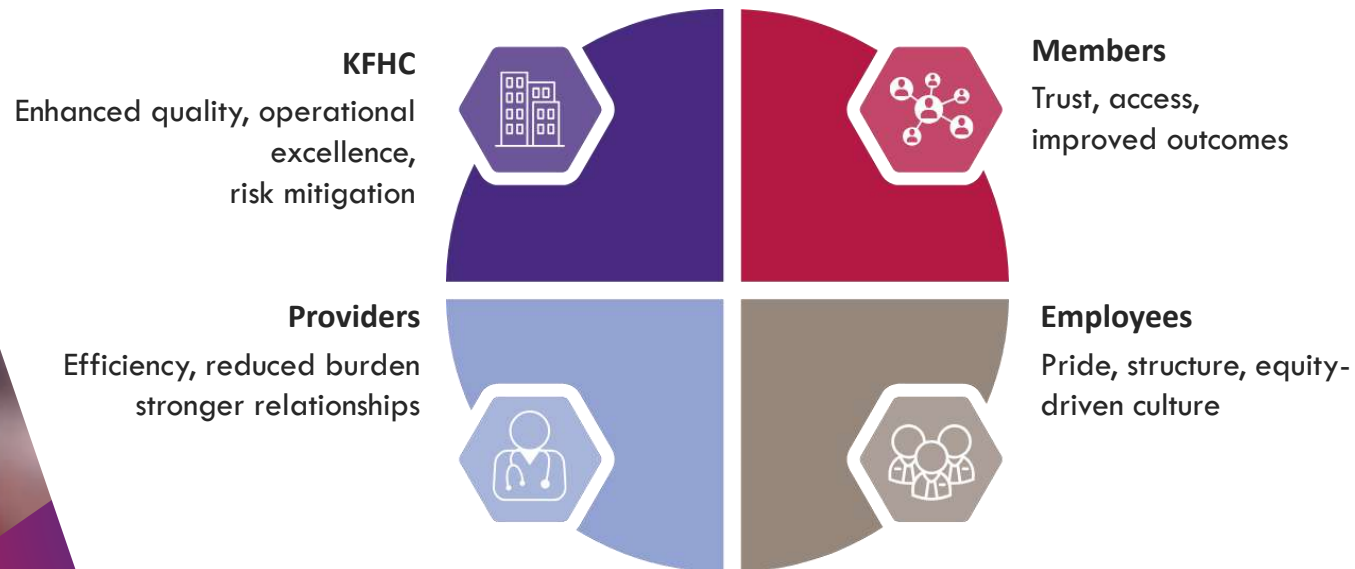


65

Staff



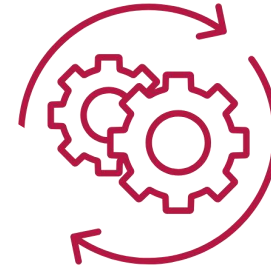
Every corner of KFHC
contributed to this success.



What Accreditation Means for Us

What's Next?

Ongoing Monitoring and Maintenance



→ NCQA Steering Committee

→ 3-Year Work Plan for Reaccreditation

→ SAI360 Tracking

→ Regulatory Compliance Manager (RCM)

→ Internal Audits

Our journey of improvement continues—with systems in place to sustain and build on this progress.



Thank You

"Accreditation wasn't a requirement we met—it was a standard we rose to."





MEMORANDUM

TO: Kern Health System Board of Directors
FROM: Amisha Pannu, Senior Director Provider Network
SUBJECT: Provider Network Capacity Study
DATE: August 14, 2025

Background

On an annual basis, Kern Health Systems (KHS) conducts the Provider Network Capacity Study. The Provider Network Capacity Study helps to identify potential adequacy and capacity issues within the KHS network, reviewing specific provider types and geographic regions of the Plan's service area. The Plan utilizes the results of this study to steer recruitment and contracting efforts and develop strategic network expansion activities.

Requested Action

Receive and File.

2024 Provider Network Capacity Report



**KERN HEALTH
SYSTEMS**

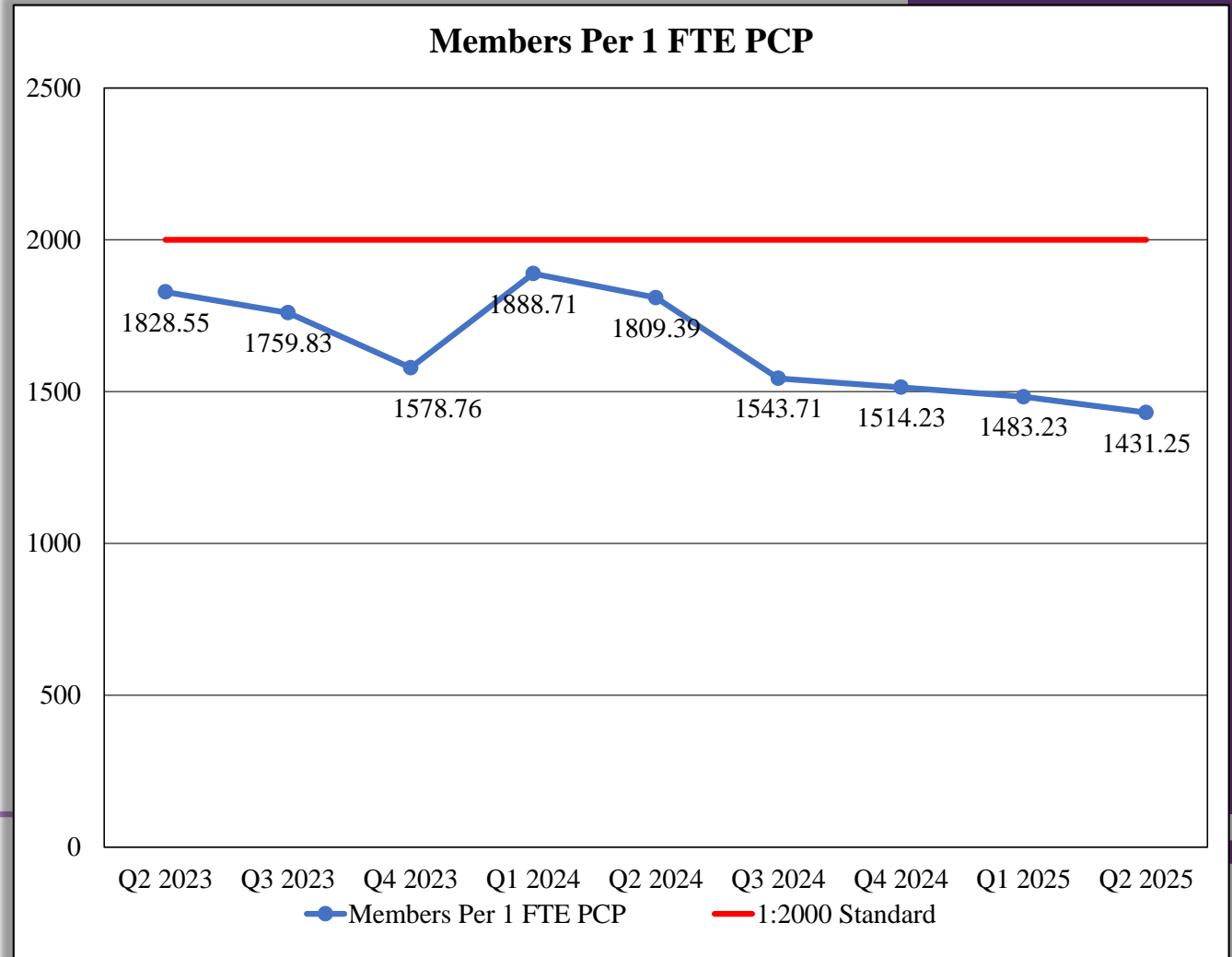
Board of Directors
August 14, 2025

Background/ Scope

- On an annual basis, Kern Health Systems (KHS) reviews network capacity to ensure members have appropriate access to high-quality healthcare providers.
- The Plan's Provider Network Management Department reviewed:
 - Provider to Member Ratio
 - PCP Medical Service Study Area Capacity
 - Specialty Provider Network
 - Mental Health Provider Network
- The 2024 Provider Network Capacity Report includes analysis as of Q2 2025

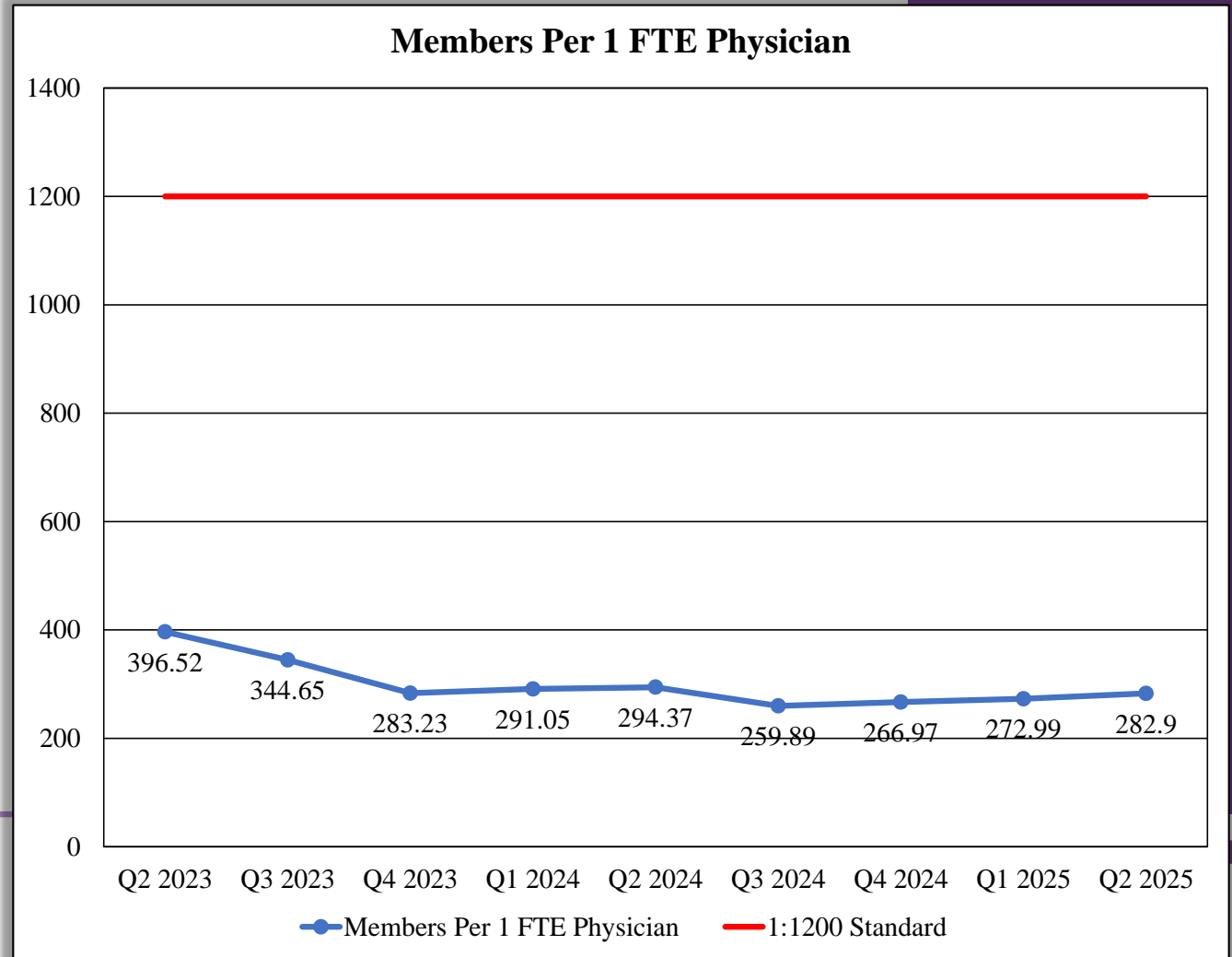


PCP to Enrollee Ratios



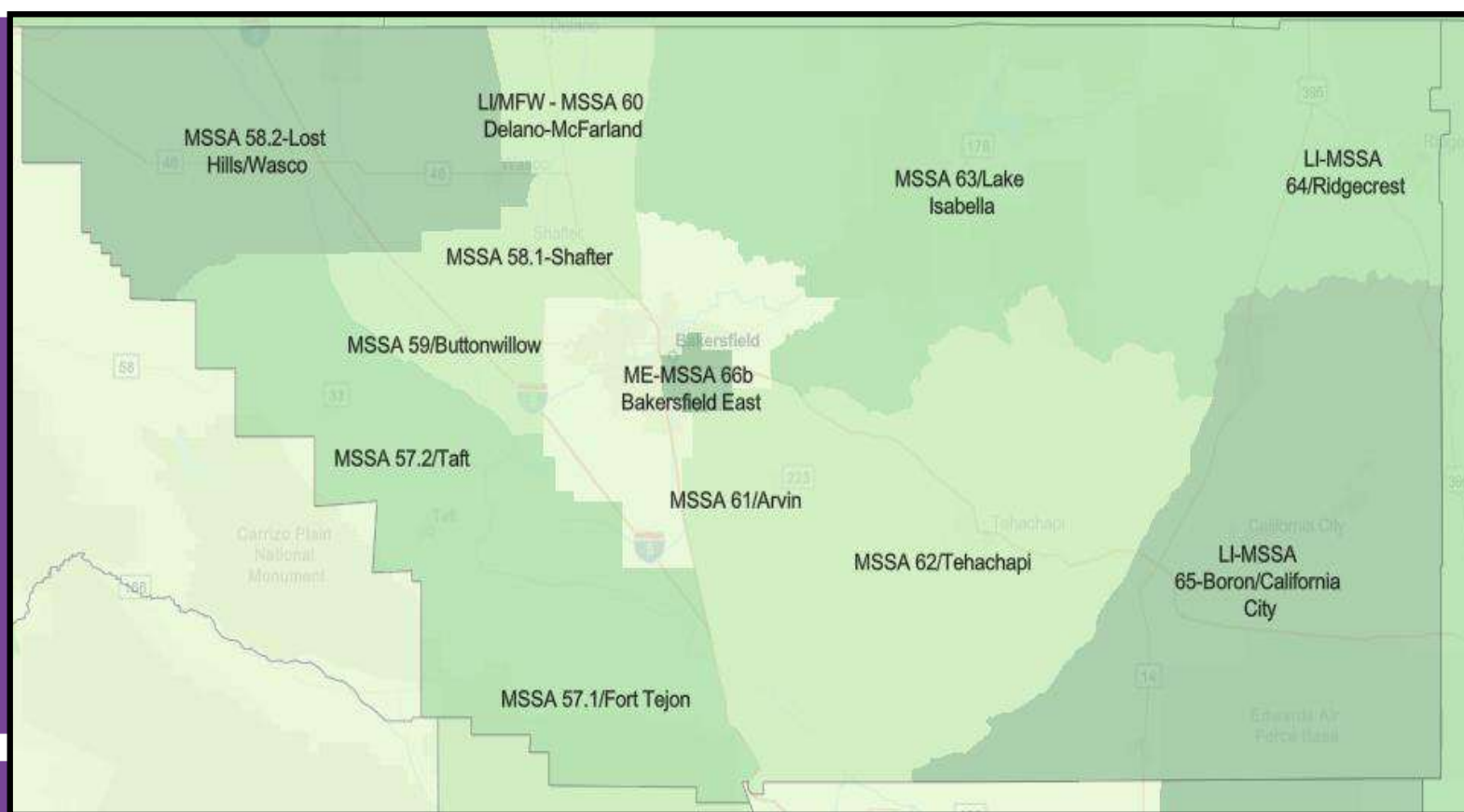


Physician to Enrollee Ratios



Primary Care – HPSA Map

- Kern County – Primary Care Health Professional Shortage Areas (HPSA)



PCP Capacity, Per MSSA Region



MSSAMS	Major Cities	Number of Primary Care Physicians	Number of Primary Care Mid-levels	Total FTE PCP	Membership Q2 2025	Percent of KFHC Members per MSSA	Number of FTE PCPs to Serve Membership	FTE PCP Gap
57.1	Frazier Park, Lebec	1	1	1.06	1,538	0.38%	0.77	No Gap
57.2	Taft, Maricopa	9	10	9.91	11,573	2.86%	5.79	No Gap
58.1	Shafter	14	25	18.77	11,897	2.94%	5.95	No Gap
58.2	Lost Hills, Wasco	26	31	29.39	14,723	3.64%	7.36	No Gap
59	Buttonwillow	2	1	1.77	1,220	0.30%	0.61	No Gap
60	Delano, McFarland	40	39	42.13	34,713	8.57%	17.36	No Gap
61	Arvin, Lamont	19	20	20.54	26,271	6.49%	13.14	No Gap
62	Tehachapi	5	7	6.02	5,992	1.48%	3.00	No Gap
63	Lake Isabella, Wofford Heights, Kernville	5	9	6.73	3,266	0.81%	1.63	No Gap
64	Ridgecrest	23	17	22.31	8,649	2.14%	4.32	No Gap
65	Boron, California City, Mojave	18	17	18.77	11,858	2.93%	5.93	No Gap
66a, 66b, 66c, 66d	Metropolitan Bakersfield	158	160	168.54	268,559	66.31%	134.28	No Gap

KHS Board of Directors Meeting, August 14, 2025



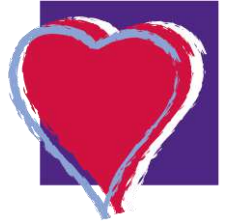
Specialist Growth

≥5% Increase

≥5% Decrease

Specialty	2020	2021	2022	2023	2024	5YR %
Cardiology	42	46	44	46	45	7%
Dermatology	35	35	45	53	51	46%
Endocrinology	20	24	26	29	31	55%
ENT/Otolaryngology	10	9	14	15	16	60%
Gastroenterology	22	24	33	35	39	77%
General Surgery	68	62	64	67	69	1%
Hematology	19	23	23	22	30	58%
Infectious Diseases	10	8	11	13	14	40%
Nephrology	25	28	32	30	28	12%
Neurology	25	25	29	33	32	28%
Oncology	24	27	26	24	33	38%
Ophthalmology	30	28	32	37	35	17%
Orthopedic Surgery	21	22	32	32	29	38%
Physical Med & Rehab	24	10	8	9	8	-67%
Psychiatry	54	53	65	76	109	102%
Pulmonology	20	20	21	25	24	20%
Urology	17	16	22	25	26	53%

NCQA



- Over the past two years, the Plan has worked to update its accessibility monitoring processes to bring them in line with the Provider Network Standards held by the National Committee of Quality Assurance (NCQA).
- Standards for Provider Network (NET) encompass Provider Ratios, Network Geographic Distribution, Appointment Availability, and Provider Directory.
- The Plan worked with an external vendor to develop appropriate standards. Results of the Plan's review conducted for NCQA accreditation are outlined in the following slides.

Kern Family Health Care received
NCQA accreditation and scored a **96%**
for all NET items.



Primary Care Network



Ratio Standards:

Primary Care Provider Ratio Standards			
Specialty	Ratio Standard	Ratio Result	Goal Met
General Practitioner/Family Practice	1 Provider to every 3,000 Members	1 Provider to every 2,270 Members	Yes
Internal Medicine	1 Provider to every 5,000 Members	1 Provider to every 3,693 Members	Yes
Pediatrician	1 Provider to every 5,000 Members	1 Provider to every 4,714 Members	Yes

Geographic Standards:

Primary Care Provider Geographic Standards				
Specialty	Geographic Standard	Goal	Result	Goal Met
General Practitioner/Family Practice	1 Provider within 10 miles	90%	97.0%	Yes
Internal Medicine	1 Provider within 10 miles	90%	93.4%	Yes
Pediatrician	1 Provider within 10 miles	90%	95.6%	Yes

Specialty Network



Ratio Standards:

High-Volume Specialty Ratio Standards			
Specialty	Ratio Standard	Ratio Result	Goal Met
OBGYN	1 Provider to every 5,000 Female Members	1 Provider to every 1,771 Female Members	Yes
Cardiology	1 Provider to every 7,500 Members	1 Provider to every 5,950 Members	Yes
Ophthalmology	1 Provider to every 7,500 Members	1 Provider to every 4,227 Members	Yes
Neurology	1 Provider to every 7,500 Members	1 Provider to every 3,996 Members	Yes

Geographic Standards:

High-Volume Specialty Geographic Standards				
Specialty	Geographic Standard	Goal	Result	Goal Met
OBGYN	1 Provider within 10 miles	90%	99.0%	Yes
Cardiology	1 Provider within 45 miles	90%	99.8%	Yes
Ophthalmology	1 Provider within 45 miles	90%	97.6%	Yes
Neurology	1 Provider within 45 miles	90%	99.7%	Yes

Behavioral Health Network



Ratio Standards:

High-Volume Behavioral Healthcare Practitioner Ratio Standards			
Specialty	Ratio Standard	Ratio Result	Goal Met
Psychiatry	1 Provider to every 7,500 Members	1 Provider to every 3,231 Members	Yes
Psychology	1 Provider to every 10,000 Members	1 Provider to every 7,285 Members	Yes
LCSW	1 Provider to every 10,000 Members	1 Provider to every 5,343 Members	Yes
LMFT	1 Provider to every 15,000 Members	1 Provider to every 8,525 Members	Yes

Geographic Standards:

High-Volume Behavioral Healthcare Practitioner Geographic Standards				
Specialty	Geographic Standard	Goal	Result	Goal Met
Psychiatry	1 Provider within 45 miles	90%	99.9%	Yes
Psychology	1 Provider within 45 miles	90%	94.2%	Yes
LCSW	1 Provider within 45 miles	90%	99.9%	Yes
LMFT	1 Provider within 45 miles	90%	99.8%	Yes

*Behavioral Health network review did not include ABA Providers



2023-2025 Grants & Initiatives

Recruitment and Retention Grant

- Through the Provider Recruitment & Retention Grant Program, the Plan partnered with local contracted provider groups to work to expand access to care in Kern County.
- Targeted Specialties included:
 - Endocrinology
 - Geriatric Medicine
 - Cardiology
 - Otolaryngology
 - Optometry
 - Psychiatry
 - Physical Therapy
 - Licensed Marriage and Family Therapy
 - ABA Services

Healthcare Workforce Expansion Initiative

- The Healthcare Workforce Expansion initiative supported partnerships between educational institutions and health care providers to address provider shortages in Kern County. Its goals are to grow local medical talent, improve access to care, and expand residency programs.
- The Plan has partnered with:
 - Cerro Coso Community College (Ridgecrest)
 - Taft Community College
 - CSU Bakersfield
 - Adventist Health Bakersfield
 - Good Samaritan Hospital
 - Kern Medical Center
 - Bakersfield Memorial Hospital
 - Clinica Sierra Vista



Moving Forward

- The Plan maintains ongoing adequacy and accessibility monitoring
 - On a quarterly basis, the Plan's **Network Adequacy Committee (NAC)** meets to review access topics, including - Appointment Availability, Access Grievances, Geographic Access, and Network Adequacy, with an emphasis on Health Equity
 - Provider Network Management and Behavioral Health Department working to conduct specialty specific access reviews, including Applied Behavioral Analysis (ABA) services
- In January 2026, the Plan will launch the Kern Family Health Care Medicare (D-SNP) Line of Business.
 - The Plan is in the process of building this new network to ensure network adequacy appropriate for this membership and in compliance with CMS regulations.

Questions

For additional information, please contact:

Amisha Pannu
Senior Director of Provider Network Management
(661) 664-5000





MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Robert Landis, Chief Financial Officer
SUBJECT: Quarterly Review of Kern Health Systems Investment Portfolio
DATE: August 14, 2025

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 period are utilized to pay providers, meet operating expenses, fund capital projects, distribute pass-through monies, potential State premium recoupments, MCO Tax advances, and for amounts owed under various Risk Corridors. 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 period are typically for reserves and to take advantage of obtaining higher yields.

Requested Action

Receive and File.

**Kern Health Systems
Investment Portfolio
30-Jun-25**

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, 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.

<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 and Sweep Accounts	(1)	\$	4,000,000	1.03%	100%	3.00%	1 Day	None
Money Market Accounts	(A)	\$	131,000,000	33.80%	40%	4.15%	1 Day	None
Local Agency Investment Fund (LAIF)	(B)	\$	25,600,000	6.60%	50%	4.27%	2 Days	None
								Subject to
US T-Bills & Federal Agencies at Wells Fargo	(1)	\$	49,800,000	12.85%	100%	4.25%	1 Day	Interest Rate
								Fluctuations
								Subject to
KHS Managed Portfolio at Wells Fargo	(C)	\$	-	0.00%		0.00%	3 Days	Interest Rate and
Sub-Total		\$	210,400,000	54.28%		4.16%		Credit
								Fluctuations

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)	\$	78,000,000	20.12%		4.16%	3 Days	Subject to
								Interest Rate and
								Credit
								Fluctuations
								Subject to
KHS Managed Portfolio at Wells Fargo	(C)	\$	99,200,000	25.53%		4.81%	3 Days	Interest Rate and
Sub-Total		\$	177,200,000	45.72%		4.52%		Credit
								Fluctuations
Total Portfolio		\$	387,600,000	100.00%		4.33%		

<u>Yield Curve</u>	<u>Yield Curve</u>			
	<u>Treasuries</u>	<u>AA Corporate Bonds</u>	<u>A Corporate Bonds</u>	<u>CD's</u>
1 year	4.06%	4.22%	4.30%	3.95%
2 year	3.90%	4.09%	4.20%	3.85%
3 year	3.87%	4.10%	4.23%	3.90%
5 year	3.98%	4.28%	4.43%	4.05%

(A) Money market fund comprised of US Treasury and Repurchase Agreement Obligations.

(B) LAIF is part of a \$178.1 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 Federal Agency Securities and Corporate Bonds

(D) High quality diversified portfolio comprising certificate of deposits, corporate bonds and notes, municipal securities and US Treasury Securities.
Includes investments maturing in less than 1 year that will be re-invested for over 1 year at maturity.

(1) Funds are utilized to pay providers, meet operating expenses, fund capital projects, distribute pass-through monies, potential State premium recoupments, MCO Tax advances, 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 the CalPERS Liability



Branch office
9201 Camino Media
Suite 230
Bakersfield, CA 93311

Financial Advisor
THE COHEN GROUP
6616633200

UBS Client Review

As of June 30, 2025

Report Prepared for: Kern Health Systems

Account Number	Account Name	Type	What's inside
EX XX120	BOND PORTFOLIO	Portfolio Management Program	Portfolio Review. 2
Risk profile:	Conservative		Asset Allocation by Account. 5
Return Objective:	Current Income		Asset Allocation Review. 6
			Bond Summary. 7
			Bond Holdings. 8
			Additional Information About Your Portfolio. 16
			Important Information About This Report. 17



Portfolio Review

as of June 30, 2025

Asset Allocation Review

	Value on 06/30/2025 (\$)	% of Portfolio
A Cash	339,523.35	0.44
Cash	339,523.35	0.44
US	339,523.35	0.44
B Fixed Income	77,666,715.40	99.56
US	77,666,715.40	99.56
Corporate IG Credit	77,666,715.40	99.56
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	\$78,006,238.75	100%

Balanced mutual funds and Insurance & Annuity products 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 period of 12/31/2024 to 03/31/2025	For period of 03/31/2025 to 06/30/2025	YTD 12/31/2024 to 06/30/2025	2024 12/31/2023 to 12/31/2024
Opening value	75,185,423.80	76,625,024.22	75,185,423.80	62,402,938.86
Net deposits/withdrawals	-30,167.59	-30,804.38	-60,971.97	9,897,427.60
Div./Interest income	696,186.36	579,304.42	1,275,490.78	2,029,555.82
Change in accr. interest	47,384.40	184,582.74	231,967.14	179,259.02
Change in value	726,197.25	648,131.75	1,374,329.00	676,242.50
Closing value	76,625,024.22	78,006,238.75	78,006,238.75	75,185,423.80
Net Time-weighted ROR	1.91	1.80	3.75	4.46

Net deposits and withdrawals include program and account fees.

Summary of Gains and Losses

	Short term (\$)	Long term (\$)	Total (\$)
2024 Realized gains and losses	25,376.54	133,272.58	158,649.12
Taxable	25,376.54	133,272.58	158,649.12
Tax-Deferred	0.00	0.00	0.00
2025 Year to date	81,300.00	189,691.00	270,991.00
Taxable	81,300.00	189,691.00	270,991.00
Tax-Deferred	0.00	0.00	0.00

Prior to 2024, Interest income for short-term obligations that were held to maturity or redeemed is displayed as realized gain; however, it will be reported as interest income on your annual 1099 and PR480.6 tax forms.

Past performance does not guarantee future results and current performance may be lower/higher than past data presented.
Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025

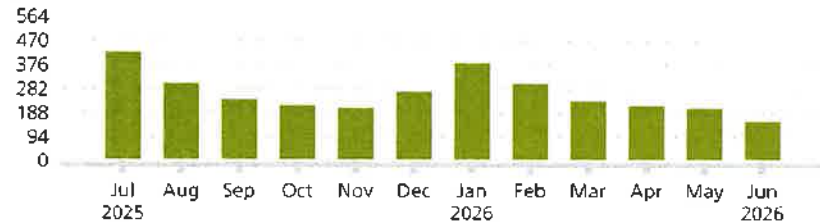


Portfolio Review

as of June 30, 2025 (continued)

Expected Cash Flow

\$ Thousands



■ Taxable income

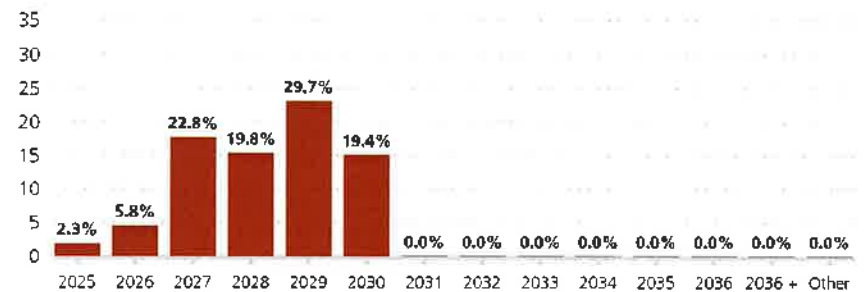
Total taxable income: \$3,238,431.70

Total expected cash flow: \$3,238,431.70

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

Bond Maturity Schedule

\$ Millions



■ Effective maturity schedule

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

Equity Sector Analysis

Compared to S&P 500 index

	Value on 06/30/2025 (\$)	Actual (%)	Model (%)	Gap (%)
Communication Services	0.00	0.00	9.87	-9.87
Consumer Discretionary	0.00	0.00	10.84	-10.84
Consumer Staples	0.00	0.00	5.97	-5.97
Energy	0.00	0.00	3.00	-3.00
Financials	0.00	0.00	13.38	-13.38
Health Care	0.00	0.00	9.09	-9.09
Industrials	0.00	0.00	8.55	-8.55
Information Technology	0.00	0.00	32.80	-32.80
Materials	0.00	0.00	1.91	-1.91
Real Estate	0.00	0.00	2.05	-2.05
Utilities	0.00	0.00	2.36	-2.36
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.

Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025

Page 3 of 22



Portfolio Review

as of June 30, 2025 (continued)

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

Summary of Performance by Account

						Performance returns (annualized > 1 year)			
						For period of 12/31/2024 to 03/31/2025	For period of 03/31/2025 to 06/30/2025	YTD 12/31/2024 to 06/30/2025	2024 12/31/2023 to 12/31/2024
		Performance start date	Value on 06/30/2025 (\$)	% of portfolio					
EX XX120	BOND PORTFOLIO•PMP•Ira Cohen / Jason Cohen Fixed Income	Dec 08, 2008	78,006,238.75	100.00%	Net time-weighted	1.91%	1.80%	3.75%	4.46%
Risk profile: Conservative									
Return objective: Current Income									
Total Portfolio		Dec 08, 2008	\$78,006,238.75	100%	Net time-weighted	1.91%	1.80%	3.75%	4.46%
						For period of 12/31/2024 to 03/31/2025	For period of 03/31/2025 to 06/30/2025	YTD 12/31/2024 to 06/30/2025	2024 12/31/2023 to 12/31/2024
Benchmarks - Annualized time-weighted returns									
Blended Index						1.62%	1.37%	3.01%	4.77%
US Treasury Bill - 3 Mos						1.04%	1.07%	2.13%	5.32%
BBG US Agg (1-3 Y)						1.63%	1.27%	2.92%	4.39%
S&P 500						-4.27%	10.94%	6.20%	25.02%

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

Blended Index 06/30/2023 - Current: 45% BBG US Corp 1-3Y Incp76; 55% BBG US Agg Gvt & CR 1-3 Y+

+Additional benchmark information can be found on the benchmark composition page.

Report created on: July 23, 2025



Asset Allocation by Account

as of June 30, 2025

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

	Equities (\$/%)				Fixed Income (\$/%)			Non-Traditional (\$/%)	Commodities (\$/%)	Other (\$/%)	Total
	Cash (\$/%)	U.S.	Global	International	U.S.	Global	International				
	339,523.35	0.00	0.00	0.00	77,666,715.40	0.00	0.00	0.00	0.00	0.00	\$78,006,238.75
Total Portfolio	0.44	0.00	0.00	0.00	99.56	0.00	0.00	0.00	0.00	0.00	100%
	339,523.35	0.00	0.00	0.00	77,666,715.40	0.00	0.00	0.00	0.00	0.00	\$78,006,238.75
	0.44	0.00	0.00	0.00	99.56	0.00	0.00	0.00	0.00	0.00	100.00%

EX XX120 • BOND PORTFOLIO • BSA PMP

Risk profile: Conservative

Return objective: Current Income

	Equities (\$/%)				Fixed Income (\$/%)			Non-Traditional (\$/%)	Commodities (\$/%)	Other (\$/%)	Total
	Cash (\$/%)	U.S.	Global	International	U.S.	Global	International				
	339,523.35	0.00	0.00	0.00	77,666,715.40	0.00	0.00	0.00	0.00	0.00	\$78,006,238.75
Total Portfolio	0.44	0.00	0.00	0.00	99.56	0.00	0.00	0.00	0.00	0.00	100%

Balanced mutual funds and Insurance & Annuity products are allocated in the 'Other' category

Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025

Page 5 of 22



Asset Allocation Review

as of June 30, 2025

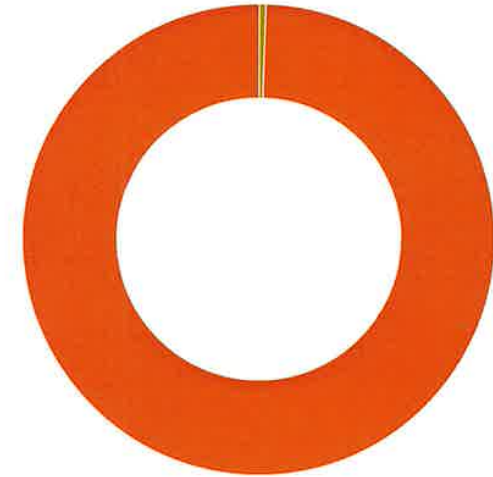
Summary of Asset Allocation

	Market value (\$)	% of Portfolio
Cash	339,523.35	0.44
Cash	339,523.35	0.44
US	339,523.35	0.44
Fixed Income	77,666,715.40	99.56
US	77,666,715.40	99.56
Corporate IG Credit	77,666,715.40	99.56
Equity	0.00	0.00
Commodities	0.00	0.00
Non-Traditional	0.00	0.00
Other	0.00	0.00
Total Portfolio	\$78,006,238.75	100%

Balanced mutual funds and Insurance & Annuity products are allocated in the 'Other' category

Total Value: \$78,006,238.75

■ Cash 0.44%
■ US Fixed Income 99.56%



Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025



Bond Summary

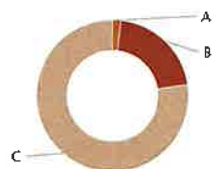
as of June 30, 2025

Bond Overview

Total quantity	76,275,000
Total market value	\$76,735,932.00
Total accrued interest	\$930,783.40
Total market value plus accrued interest	\$77,666,715.40
Total estimated annual bond interest	\$3,235,388.50
Average coupon	4.25%
Average current yield	4.22%
Average yield to maturity	4.18%
Average yield to worst	4.16%
Average modified duration	2.68
Average effective maturity	3.17

Credit Quality of Bond Holdings

Effective credit rating	Issues	Value on 06/30/2025 (\$)	% of port.
A Aaa/AAA/AAA	1	1,413,748.00	1.83
B Aa/AA/AA	11	16,117,026.35	20.76
C A/A/A	36	60,135,941.05	77.41
D Baa/BBB/BBB	0	0.00	0.00
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	48	\$77,666,715.40	100%



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Prepared for Kern Health Systems

Risk profile: Conservative

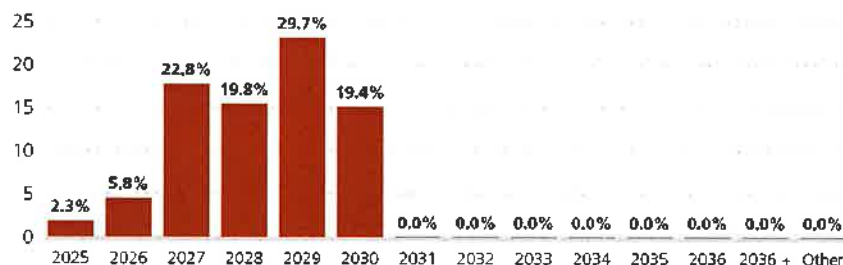
Return Objective: Current Income

Investment Type Allocation

Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
U.S. corporates	77,666,715.40	0.00	77,666,715.40	100.00
Total	\$77,666,715.40	\$0.00	\$77,666,715.40	100%

Bond Maturity Schedule

\$ Millions



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. Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025

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Bond Holdings

as of June 30, 2025

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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
2025	1	1,800,000	72,000.00	4.00%	5.38%	5.38%	0.06	1,798,200	108.00	1,829,708.00	2.34%
2026	3	4,500,000	140,812.50	3.17%	4.23%	4.23%	1.03	4,286,118	162,754.50	4,480,436.56	5.80%
2027	13	17,675,000	644,641.25	3.67%	4.01%	4.01%	1.93	17,200,350.45	355,627.55	17,724,794.83	22.88%
2028	9	15,225,000	627,983.50	4.12%	4.08%	4.05%	2.53	15,071,670.91	169,408.09	15,408,554.60	19.86%
2029	13	22,475,000	1,037,081.25	4.55%	4.20%	4.17%	3.19	22,342,784.76	458,570.74	23,114,947.84	29.71%
2030	9	14,600,000	712,870.00	4.79%	4.34%	4.31%	3.95	14,597,951.59	292,387.41	15,108,273.56	19.40%
2031	0	0			N/A	N/A	N/A				
2032	0	0			N/A	N/A	N/A				
2033	0	0			N/A	N/A	N/A				
2034	0	0			N/A	N/A	N/A				
2035	0	0			N/A	N/A	N/A				
2036	0	0			N/A	N/A	N/A				
2037	0	0			N/A	N/A	N/A				
2038	0	0			N/A	N/A	N/A				
2039	0	0			N/A	N/A	N/A				
2040	0	0			N/A	N/A	N/A				
2041	0	0			N/A	N/A	N/A				
2042	0	0			N/A	N/A	N/A				
2043	0	0			N/A	N/A	N/A				
2044	0	0			N/A	N/A	N/A				
2045	0	0			N/A	N/A	N/A				
2046	0	0			N/A	N/A	N/A				
2047	0	0			N/A	N/A	N/A				
2048	0	0			N/A	N/A	N/A				
2049	0	0			N/A	N/A	N/A				
2050	0	0			N/A	N/A	N/A				
2050 +	0	0			N/A	N/A	N/A				
Other	0	0			N/A	N/A	N/A				
Total	48	76,275,000	\$3,235,388.50	4.22%	4.18%	4.16%	2.68	\$75,297,075.71	\$1,438,856.29	\$77,666,715.40	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025



Bond Holdings

as of June 30, 2025 (continued)

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

Details of Bond Holdings

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Total Bond Portfolio		76,275,000	4.25%	08/29/2028	N/A	\$3,235,388.50 4.22%	4.18% 4.16%	2.68	\$75,297,075.71 \$1,438,856.29	N/A	\$76,735,932.00 \$930,783.40 \$77,666,715.40	100%
Maturing 2025												
MORGAN STANLEY B/E 04.000% 072325 DTD072315 FC012316 CALL@MW+25BP	A1/A+/A- NR/NR/NR	1,800,000	4.00%	07/23/2025		72,000.00 4.00%	5.38% 5.38%	0.06	1,798,200.00 108.00	99.906	1,798,308.00 31,400.00	2.34%
Total 2025		1,800,000	4.00%	07/23/2025		\$72,000.00 4.00%	5.38% 5.38%	0.06	\$1,798,200.00 \$108.00		\$1,798,308.00 \$31,400.00	2.34%
Maturing 2026												
BANK OF AMER CORP NTS 03.500% 041926 DTD041916 FC101916 B/E	A1/AA-/A- NR/NR/NR	1,650,000	3.50%	04/19/2026		57,750.00 3.53%	4.41% 4.41%	0.77	1,581,525.00 56,644.50	99.283	1,638,169.50 11,389.58	2.13%
ARCHER-DANIELS-MIDL& CO 02.500% 081126 DTD081116 FC021117 CALL@MW+15BP	A2/A/A NR/NR/NR	1,500,000	2.50%	08/11/2026	05/11/2026 100.00	37,500.00 2.55%	4.16% 4.16%	1.07	1,425,765.00 47,385.00	98.210	1,473,150.00 14,479.17	1.92%
WALT DISNEY COMPANY/THE 03.375% 111526 DTD111519 CALL@MW+20BP	A2/A-/A NR/NR/NR	1,350,000	3.38%	11/15/2026	08/15/2026 100.00	45,562.50 3.41%	4.07% 4.07%	1.32	1,278,828.00 58,725.00	99.078	1,337,553.00 5,695.31	1.74%
Total 2026		4,500,000	3.13%	07/29/2026		\$140,812.50 3.17%	4.23% 4.23%	1.03	\$4,286,118.00 \$162,754.50		\$4,448,872.50 \$31,564.06	5.80%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025

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Bond Holdings

as of June 30, 2025 (continued)

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for: Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

	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 2027												
MORGAN STANLEY B/E 03.625% 012027 DTD012017 FC072017	A1/A+/A- NR/NR/NR	1,000,000	3.63%	01/20/2027	11/15/2026 100.00	36,250.00 3.66%	4.21% 4.21%	1.47	913,100.00 78,220.00	99.132	991,320.00 16,111.11	1.29%
IBM CORP B/E 03.300% 012727 DTD012717 FC072717 CALL@MW+15BP	A3/A-/A- NR/NR/NR	1,100,000	3.30%	01/27/2027		36,300.00 3.34%	4.16% 4.16%	1.49	1,060,532.00 25,201.00	98.703	1,085,733.00 15,427.50	1.41%
COCA-COLA CO NTS B/E 03.375% 032527 DTD032520 FC092520 CALL@MW+40BP	A1/WD/A+ NR/NR/NR	1,675,000	3.38%	03/25/2027	01/25/2027 100.00	56,531.25 3.41%	3.91% 3.91%	1.65	1,644,582.00 15,343.00	99.100	1,659,925.00 14,917.97	2.16%
AMAZON.COM INC NTS B/E 03.300% 041327 DTD041322 FC101322 CALL@MW+10BP	A1/AA-/AA NR/NR/NR	1,000,000	3.30%	04/13/2027	03/13/2027 100.00	33,000.00 3.34%	3.95% 3.95%	1.70	942,880.00 45,910.00	98.879	988,790.00 7,058.33	1.29%
QUALCOMM INC NTS B/E 03.250% 052027 DTD052617 FC112017 CALL @MW+20BP	A2/NR/A NR/NR/NR	1,000,000	3.25%	05/20/2027	02/20/2027 100.00	32,500.00 3.29%	3.95% 3.95%	1.80	967,941.00 19,419.00	98.736	987,360.00 3,611.11	1.29%
ELI LILLY & CO NTS B/E 04.150% 081427 DTD081424 FC021425 CALL@MW+07BP	Aa3/NR/A+ NR/NR/NR	1,500,000	4.15%	08/14/2027	07/14/2027 100.00	62,250.00 4.13%	3.91% 3.90%	1.90	1,504,440.05 2,774.95	100.481	1,507,215.00 23,516.67	1.96%
META PLATFORMS INC NTS 03.500% 081527 DTD080922 FC021523 CALL@MW+15BP	Aa3/NR/AA- NR/NR/NR	1,500,000	3.50%	08/15/2027	07/15/2027 100.00	52,500.00 3.53%	3.98% 3.98%	2.00	1,446,825.00 38,715.00	99.036	1,485,540.00 19,687.50	1.94%
WALMART INC NTS B/E 03.950% 090927 DTD090922 FC030923 CALL@MW+10BP	Aa2/AA/AA NR/NR/NR	2,000,000	3.95%	09/09/2027	08/09/2027 100.00	79,000.00 3.95%	3.91% 3.91%	1.97	1,984,580.00 16,860.00	100.072	2,001,440.00 24,358.33	2.61%
CATERPILLAR FINL SERVICE 04.400% 101527 DTD081624 CALL@MW+10BP	A2/A+/A NR/NR/NR	1,200,000	4.40%	10/15/2027		52,800.00 4.37%	4.08% 4.08%	2.14	1,207,382.40 849.60	100.686	1,208,232.00 11,000.00	1.57%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025



Bond Holdings

as of June 30, 2025 (continued)

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

	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 2027												
PEPSICO INC NTS B/E 03.000% 101527 DTD101017 FC041518 CALL@MW+15BP	A1/WD/A+ NR/NR/NR	2,100,000	3.00%	10/15/2027	07/15/2027 100.00	63,000.00 3.07%	4.03% 4.03%	2.17	2,046,975.00 6,090.00	97.765	2,053,065.00 13,125.00	2.68%
BANK OF AMER CORP 03.248% 102127 DTD102116 FC042117 CALL@MW+25BP	A1/AA-/A- NR/NR/NR	2,000,000	3.25%	10/21/2027	10/21/2026 100.00	64,960.00 3.31%	4.13% 4.13%	2.18	1,891,000.00 70,580.00	98.079	1,961,580.00 12,450.67	2.56%
THERMO FISHER SCIENTIFIC 04.800% 112127 DTD112122 CALL@MW+15BP	A3/A-/A- NR/NR/NR	1,100,000	4.80%	11/21/2027	10/21/2027 100.00	52,800.00 4.72%	4.03% 4.00%	2.15	1,096,733.00 22,440.00	101.743	1,119,173.00 5,720.00	1.46%
AMAZON.COM INC NTS B/E 04.550% 120127 DTD120122 FC060123 CALL@MW+10BP	A1/AA-/AA NR/NR/NR	500,000	4.55%	12/01/2027	11/01/2027 100.00	22,750.00 4.49%	3.97% 3.95%	2.18	493,380.00 13,225.00	101.321	506,605.00 1,832.64	0.66%
Total 2027		17,675,000	3.65%	07/28/2027		\$644,641.25 3.67%	4.01% 4.01%	1.93	\$17,200,350.45 \$355,627.55		\$17,555,978.00 \$168,816.83	22.88%
Maturing 2028												
ECOLAB INC NTS B/E 05.250% 011528 DTD111722 CALL@MW+15BP	A3/A-/A- NR/NR/NR	1,000,000	5.25%	01/15/2028	12/15/2027 100.00	52,500.00 5.10%	4.00% 3.96%	2.29	1,006,966.71 22,903.29	102.987	1,029,870.00 24,062.50	1.34%
BRISTOL-MYERS SQUIBB CO 03.900% 022028 DTD022020 FC082020 CALL@MW+20BP	A2/WD/A NR/NR/NR	2,000,000	3.90%	02/20/2028	11/20/2027 100.00	78,000.00 3.92%	4.08% 4.08%	2.44	1,938,170.00 52,590.00	99.538	1,990,760.00 28,166.67	2.59%
KENVUE INC NTS B/E 05.050% 032228 DTD092223 FC032224 CALL@MW+15BP	A1/NR/A NR/NR/NR	500,000	5.05%	03/22/2028	02/22/2028 100.00	25,250.00 4.93%	4.11% 4.08%	2.41	499,325.00 12,650.00	102.395	511,975.00 6,873.61	0.67%

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Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025

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Bond Holdings

as of June 30, 2025 (continued)

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for: Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

	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 2028												
SALESFORCE.COM INC NTS 03.700% 041128 DTD041118 FC101118 CALL@MW+15BP	A1/NR/A+ NR/NR/NR	2,000,000	3.70%	04/11/2028	01/11/2028 100.00	74,000.00 3.73%	3.97% 3.97%	2.59	1,959,650.00 26,230.00	99.294	1,985,880.00 16,238.89	2.59%
GENERAL DYNAMICS CORP 03.750% 051528 DTD051118 FC111518 CALL@MW+15BP	A2/WD/A NR/NR/NR	2,000,000	3.75%	05/15/2028	02/15/2028 100.00	75,000.00 3.77%	3.96% 3.96%	2.68	1,950,170.00 38,430.00	99.430	1,988,600.00 9,375.00	2.59%
MERCK & CO INC NTS B/E 04.050% 051728 DTD051723 FC111723	Aa3/NR/A+ NR/NR/NR	1,975,000	4.05%	05/17/2028	04/17/2028 100.00	79,987.50 4.03%	3.89% 3.88%	2.60	1,977,953.58 5,696.92	100.438	1,983,650.50 9,554.06	2.59%
CME GROUP INC NTS B/E 03.750% 061528 DTD062118 FC121518 CALL@MW+15BP	Aa3/AA-/AA- NR/NR/NR	1,400,000	3.75%	06/15/2028	03/15/2028 100.00	52,500.00 3.78%	3.99% 3.99%	2.76	1,400,291.92 -9,573.92	99.337	1,390,718.00 2,187.50	1.81%
JPMORGAN CHASE & CO NTS 4.851% 072528 DTD072522 FC012523 CALL@MW+30BP	A1/AA-/A NR/NR/NR	2,100,000	4.85%	07/25/2028	07/25/2027 100.00	101,871.00 4.80%	4.48% 4.32%	1.91	2,108,313.70 13,484.30	101.038	2,121,798.00 43,861.13	2.77%
UNION PAC CORP B/E 03.950% 091028 DTD060818 FC031019 CALL@MW+20BP	A3/A-/A- NR/NR/NR	2,250,000	3.95%	09/10/2028	06/10/2028 100.00	88,875.00 3.97%	4.13% 4.13%	2.93	2,230,830.00 6,997.50	99.459	2,237,827.50 27,156.25	2.92%
Total 2028		15,225,000	4.13%	05/20/2028		\$627,983.50 4.12%	4.08% 4.05%	2.53	\$15,071,670.91 \$169,408.09		\$15,241,079.00 \$167,475.60	19.86%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025



Bond Holdings

as of June 30, 2025 (continued)

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

	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 2029												
PROCTER & GAMBLE CO/THE 04.350% 012929 DTD012924 FC072924 CALL@MW+5BP	Aa3/NR/AA- NR/NR/NR	1,025,000	4.35%	01/29/2029		44,587.50 4.29%	3.93% 3.93%	3.23	1,022,627.50 16,517.50	101.380	1,039,145.00 18,701.98	1.35%
ELI LILLY & CO NTS B/E 04.500% 020929 DTD020924 FC080924 CALL@MW+10BP	Aa3/NR/A+ NR/NR/NR	1,500,000	4.50%	02/09/2029	01/09/2029 100.00	67,500.00 4.44%	4.08% 4.07%	3.16	1,492,560.00 28,380.00	101.396	1,520,940.00 26,437.50	1.98%
LOCKHEED MARTIN CORP NTS 04.500% 021529 DTD012924 FC081524 CALL@MW+10BP	A2/A/A- NR/NR/NR	1,075,000	4.50%	02/15/2029	01/15/2029 100.00	48,375.00 4.46%	4.21% 4.21%	3.18	1,065,223.50 20,010.50	100.952	1,085,234.00 18,140.63	1.41%
WASTE MGMT INC NTS B/E 04.875% 021529 DTD080323 FC021524 CALL@MW+15BP	A3/A-/A- NR/NR/NR	2,325,000	4.88%	02/15/2029	01/15/2029 100.00	113,343.75 4.76%	4.15% 4.14%	3.16	2,328,254.61 52,545.39	102.400	2,380,800.00 42,503.91	3.10%
CISCO SYSTEMS INC NTS 04.850% 022629 DTD022624 FC082624 CALL@MW+10BP	A1/NR/AA- NR/NR/NR	1,950,000	4.85%	02/26/2029	01/26/2029 100.00	94,575.00 4.73%	4.12% 4.10%	3.19	1,970,142.41 27,730.09	102.455	1,997,872.50 32,575.83	2.60%
LAM RESEARCH CORP B/E 04.000% 031529 DTD030419 FC091519 CALL@MW+25BP	A2/NR/A- NR/NR/NR	1,500,000	4.00%	03/15/2029	12/15/2028 100.00	60,000.00 4.03%	4.22% 4.22%	3.37	1,457,025.00 31,815.00	99.256	1,488,840.00 17,500.00	1.94%
HOME DEPOT INC NTS B/E 04.900% 041529 DTD120423 FC041524	A2/A/A NR/NR/NR	2,000,000	4.90%	04/15/2029	03/15/2029 100.00	98,000.00 4.78%	4.15% 4.14%	3.32	2,002,138.02 49,541.98	102.584	2,051,680.00 20,416.67	2.67%
AMER EXPRESS CO NTS B/E 04.050% 050329 DTD050322 FC110322	A2/A/A- NR/NR/NR	2,000,000	4.05%	05/03/2029	03/03/2029 100.00	81,000.00 4.05%	4.06% 4.06%	3.50	1,946,340.00 52,660.00	99.950	1,999,000.00 12,825.00	2.61%
COMCAST CORP NTS B/E 05.100% 060129 DTD052224 FC120124 CALL@MW+10BP	A3/A-/A- NR/NR/NR	1,300,000	5.10%	06/01/2029	05/01/2029 100.00	66,300.00 4.94%	4.21% 4.20%	3.43	1,294,046.00 47,216.00	103.174	1,341,262.00 5,340.83	1.75%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
Accrued interest, if any, has been included in the total market value.

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Bond Holdings

as of June 30, 2025 (continued)

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

	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 2029												
APPLIED MATERIALS INC 04.800% 061529 DTD061124 FC121524 CALL@MW+10BP	A2/NR/A NR/NR/NR	2,300,000	4.80%	06/15/2029	05/15/2029 100.00	110,400.00 4.70%	4.18% 4.17%	3.49	2,309,067.72 42,314.28	102.234	2,351,382.00 4,600.00	3.06%
PEPSICO INC NTS B/E 04.500% 071729 DTD071724 FC011725 CALL@MW+10BP	A1/NR/A+ NR/NR/NR	2,000,000	4.50%	07/17/2029	06/17/2029 100.00	90,000.00 4.43%	4.08% 4.08%	3.59	1,994,280.00 36,540.00	101.541	2,030,820.00 40,750.00	2.65%
ELI LILLY & CO NTS B/E 04.200% 081429 DTD081424 FC021425 CALL@MW+10BP	Aa3/NR/A+ NR/NR/NR	1,500,000	4.20%	08/14/2029	07/14/2029 100.00	63,000.00 4.18%	4.10% 4.10%	3.61	1,471,080.00 34,320.00	100.360	1,505,400.00 23,800.00	1.96%
GOLDMAN SACHS GROUP INC 05.000% 123129 DTD123124 FC123125 MED TERM NTS	A2/A/B8B+ NR/NR/NR	2,000,000	5.00%	12/31/2029	12/31/2026 100.00	100,000.00 4.98%	4.88% 4.66%	1.38	1,990,000.00 18,980.00	100.449	2,008,980.00 50,000.00	2.62%
Total 2029		22,475,000	4.62%	05/12/2029		\$1,037,081.25 4.55%	4.20% 4.17%	3.19	\$22,342,784.76 \$458,570.74		\$22,801,355.50 \$313,592.34	29.71%
	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 2030												
CATERPILLAR FINL SERVICE 04.800% 010830 DTD010825 FC070825 CALL@MW+10BP	A2/A+/A NR/NR/NR	2,000,000	4.80%	01/08/2030		96,000.00 4.69%	4.22% 4.22%	3.95	1,992,980.00 54,420.00	102.370	2,047,400.00 45,866.67	2.67%
CONOCOPHILLIPS CO NTS 04.700% 011530 DTD120524 FC071525 CALL@MW+10BP	A2/A/A- NR/NR/NR	1,000,000	4.70%	01/15/2030	12/15/2029 100.00	47,000.00 4.64%	4.36% 4.36%	3.98	993,920.00 19,780.00	101.370	1,013,700.00 26,763.89	1.32%
UNITEDHEALTH GROUP INC 04.800% 011530 DTD072524 FC011525 CALL@MW+10BP	A2/A/A+ NR/NR/NR	1,200,000	4.80%	01/15/2030	12/15/2029 100.00	57,600.00 4.73%	4.42% 4.42%	3.97	1,199,592.00 18,924.00	101.543	1,218,516.00 26,400.00	1.59%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
Accrued interest, if any, has been included in the total market value.

Report created on: July 23, 2025

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Bond Holdings

as of June 30, 2025 (continued)

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income

	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 2030												
WELLS FARGO & CO NTS B/E 05.198% 012330 DTD012324 FC072324 CALL@MW+20BP	A1/A+/BBB+ NR/NR/NR	1,500,000	5.20%	01/23/2030	01/23/2029 100.00	77,970.00 5.08%	4.61% 4.46%	3.16	1,498,260.00 37,770.00	102.402	1,536,030.00 34,003.58	2.00%
TRUIST FINANCIAL CORP 05.435% 012430 DTD012424 FC072424 MED TERM NTS	Baa1/A-/A- NR/NR/NR	2,500,000	5.44%	01/24/2030	01/24/2029 100.00	135,875.00 5.28%	N/A N/A	N/A	2,519,335.92 53,914.08	102.930	2,573,250.00 0.00	3.35%
ABBVIE INC NTS B/E 04.875% 031530 DTD022625 FC091525 CALL@MW+10BP	A3/NR/A- NR/NR/NR	2,500,000	4.88%	03/15/2030	02/15/2030 100.00	121,875.00 4.76%	4.31% 4.30%	4.04	2,499,625.00 59,850.00	102.379	2,559,475.00 41,979.17	3.34%
ECOLAB INC B/E 04.800% 032430 DTD032420 CALL@MW+50BP	A3/A-/A- NR/NR/NR	1,000,000	4.80%	03/24/2030	12/24/2029 100.00	48,000.00 4.69%	4.22% 4.20%	4.00	994,510.00 29,880.00	102.439	1,024,390.00 12,800.00	1.33%
APPLE INC NTS B/E 04.200% 051230 DTD051225 FC111225 CALL@MW+5BP	Aaa/NR/AA+ NR/NR/NR	1,400,000	4.20%	05/12/2030	04/12/2030 100.00	58,800.00 4.18%	4.10% 4.10%	4.25	1,391,012.00 14,896.00	100.422	1,405,908.00 7,840.00	1.83%
NUCOR CORP NTS B/E 04.650% 060130 DTD030525 FC120125 CALL@MW+15BP	Baa1/A-/A- NR/NR/NR	1,500,000	4.65%	06/01/2030	05/01/2030 100.00	69,750.00 4.61%	4.47% 4.46%	4.26	1,508,716.67 2,953.33	100.778	1,511,670.00 22,281.25	1.97%
Total 2030		14,600,000	4.88%	02/25/2030		\$712,870.00 4.79%	4.34% 4.31%	3.95	\$14,597,951.59 \$292,387.41		\$14,890,339.00 \$217,934.56	19.40%
	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Total Bond Portfolio		76,275,000	4.25%	08/29/2028	N/A	\$3,235,388.50 4.22%	4.18% 4.16%	2.68	\$75,297,075.71 \$1,438,856.29	N/A	\$76,735,932.00 \$930,783.40 \$77,666,715.40	100%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
Accrued interest, if any, has been included in the total market value.

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Additional Information About Your Portfolio

as of June 30, 2025

Benchmark Composition

Account EX XX120

Blended Index

Start - 05/15/2017: 50% BBG US Gvt 1-3 Y; 50% BBG USAgg GvtCr 1-5Y

05/15/2017 - 05/31/2018: 100% BBG Agg Bond

05/31/2018 - 11/04/2019: 100% BBG Agg Bond

11/04/2019 - 06/30/2023: 45% BBG US Corp 1-3Y Incp76; 55% BBG US Agg Gvt & CR 1-3 Y

06/30/2023 - Current: 45% BBG US Corp 1-3Y Incp76; 55% BBG US Agg Gvt & CR 1-3 Y

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for Kern Health Systems

Risk profile: Conservative

Return Objective: Current Income



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 weighs each contribution/withdrawal based upon the day the cash flow occurred. Periods greater than one month are calculated by linking the monthly returns. The TWR gives equal weighting to every return regardless of amount of money invested, so it is an effective measure for returns on a fee based account. All periods shown which are greater than 12 months are annualized. This applies to all performance for all assets before 09/30/2010, Advisory assets before 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 "ITD") and all cash flows were posted at end of day. As a result of the change, the overall rate of return (TWR) and beginning market value displayed can vary from prior generated reports. This applies to all performance for all assets on or after 09/30/2010, Advisory assets on or after 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 maybe subject to review and revision.

Benchmark/Major Indices: The past performance of an index is not a guarantee of future results. Any benchmark is shown for informational purposes only and relates to historical performance of market indices and not the performance of actual investments. Although most portfolios use indices as benchmarks, portfolios are actively managed and generally are not restricted to investing only in securities in the index. As a result, your



Disclosures Applicable to Accounts at UBS Financial Services Inc. *(continued)*

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. The benchmark index is selected from among the indices for which UBSFS has licensing agreements with the index provider. UBSFS does not have licensing agreements for all available indices. The benchmarks may vary from those used by the Money Manager or those listed in the prospectus. Further, there is no guarantee that an investor's account will meet or exceed the stated benchmark. Index performance information has been obtained from third parties deemed to be reliable. We have not independently verified this information, nor do we make any representations or warranties to the accuracy or completeness of this information.

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

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

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

For alternative investments and 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 including assets transferred to or from other UBS accounts. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS FS price on the day securities are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate accounts billing arrangement. When shown on Client summary and/or Portfolio review report, program fees (including wrap fees) may not be included in net deposits/withdrawals. PACE Program fees paid from sources other than your PACE account are treated as a contribution. A PACE Program Fee rebate that is not reinvested is treated as a withdrawal.

Net Deposits/Withdrawals (external): 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, excluding assets transferred to or from other UBS accounts after 12/31/2010. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS FS price on the day securities are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate accounts billing arrangement. When shown on Client summary and/or Portfolio review report, program fees (including wrap fees) may not be included in net deposits/withdrawals. PACE Program fees paid from sources other than your PACE account are treated as a contribution. A PACE 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, including assets transferred from other UBS accounts. 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.

Deposits (external): 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, excluding assets transferred from other UBS accounts after 12/31/2010. 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, including asset transferred to other UBS accounts. 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.

Withdrawals (external): 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, excluding assets transferred to other UBS accounts after 12/31/2010. 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.

Net Transfers (Internal): When shown on a report, this information represents the net value of all cash and securities transferred between your UBS accounts from the first day to the last day of the period.

Transfers In (Internal): When shown on a report, this information represents the net value of all cash and securities transferred to your UBS accounts from the first day to the last day of the period.

Transfers Out (Internal): When shown on a report, this information represents the net value of all cash and securities transferred from your UBS accounts from the first day to the last day of the period.

Dividends/Interest: Dividend and interest earned, when shown on a report, does not include income on securities that have been lent out & 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



Disclosures Applicable to Accounts at UBS Financial Services Inc. *(continued)*

investment distributions can only be determined by referring to the official year-end tax-reporting document provided by the issuer.

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

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

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

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

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

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/character-risks.

Concentrated Equity Solutions (CES) managers are not involved in the selection of the underlying stock positions. 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.



Disclosures Applicable to Accounts at UBS Financial Services Inc. *(continued)*

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

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

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

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

Ineligible Assets: We require that you hold and purchase only eligible managed assets in your advisory accounts. Please contact your Financial Advisor for a list of the eligible assets in your program. These reports may provide performance information for eligible and ineligible assets in a fee-based program. Since ineligible assets are not considered fee-based program assets, the inclusion of such securities will distort the actual performance of your advisory assets. As a result, the performance reflected in this report can vary substantially from the individual account performance reflected in the performance reports provided to you as part of those programs. For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, prorated according to the number of calendar days in the billing period. Neither UBS nor your Financial Advisor will act as your investment adviser with respect to Ineligible Assets.

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

This information is supplied by Morningstar, Inc. on a 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 for informational purposes only and is calculated by the annualized per share dividends/interest paid, multiplied by the quantity of the shares held in the selected account(s). For Expected Cash Flow and Portfolio Holdings reports prior to June 23, 2023, savings products & sweep funds do not display such calculations and instead, values are displayed as N/A. For all other reports, Estimated Annual Income for savings products & sweep funds is not calculated or factored into aggregate calculations and will be displayed as 0.

Current Yield: Current Yield is estimated for informational purposes only and may not reflect changes in price. It's calculated by dividing the total estimated annual income by the current market value displayed. Current yield calculations display the current yield of the investment solely as of the date of this report. For Portfolio Holdings report generated prior to June 23, 2023, savings products & sweep funds do not include such information and instead, values are displayed as N/A. For all other reports, Current Yield for savings products & sweep funds is not calculated or factored into aggregate calculations and will be displayed as 0.

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.



Disclosures Applicable to Accounts at UBS Financial Services Inc. *(continued)*

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

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

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

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

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

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

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

Expected Cash Flow reporting for Puerto Rico Income Tax Purposes: Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or

your advisers. Neither UBS FS nor its employees or associated persons provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

Bond sensitivity analysis: This analysis uses Modified Duration which approximates the percentage price change of a security for a given change in yield. The higher the modified duration of a security, the higher its risk. For callable securities, modified duration does not address the impact of changing interest rates on a bond's expected cash flow as a result of a call or prepayment.

Gain/Loss: The gain/loss information may include 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, for Schedule K-1 reported investments, such as alternative investment funds, please refer to your annual K-1 and 1099 tax forms. If this report contains positions with unavailable cost basis, the gain/loss for these positions are excluded in the calculation for the Gain/Loss. As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

Gain/Loss reporting for Puerto Rico Income Tax Purposes: Gain/(Loss) reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received gain/(loss) reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Pursuant to the Puerto Rico Internal Revenue Code (PRIRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers for purposes other than determining realized 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 the account is a donor advised fund account, the assets in those accounts are owned by the Sponsoring Charitable Organization, and not the donor. You and your financial advisor have procured the appropriate authorization to view the assets in the donor advised fund account. If an account number begins with "@" this denotes assets or liabilities held at other financial institutions. Information about these assets, including valuation, account type and cost basis, is based on the information you provided to us, or provided to us by third party data aggregators or custodians at your direction. We have not verified, and are not responsible for, the accuracy or completeness of this information.

Account name(s) displayed in this report and labels used for groupings of accounts can be customizable "nicknames" chosen by you to assist you with your recordkeeping or may have been included by your financial



Disclosures Applicable to Accounts at UBS Financial Services Inc. *(continued)*

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/relationshipsummary.

UBS Financial Services account protection

The Firm is a member of the Securities Investor Protection Corporation (SIPC), which protects securities customers of its members up to \$500,000 (including \$250,000 for claims for cash). Explanatory brochure available upon request or at www.sipc.org. The SIPC asset protection limits apply to all accounts that you hold in a particular capacity.

The Firm, together with certain affiliates, has also purchased supplemental insurance. The maximum amount payable to all eligible clients, collectively under this protection is \$500 million as of December 10, 2019. Subject to the policy conditions and limitations, cash at the Firm is further protected for up to \$1.9 million in the aggregate for all your accounts held in a particular capacity. A full copy of the policy wording is available upon request.

Neither the SIPC protection nor the supplemental protection apply to:

- Certain financial assets controlled by (and included in your account value) but held away from UBS Financial Services. For example certain (i) insurance products, including variable annuities, and (ii) shares of mutual funds registered in the name of the account holder on the books of the issuer or transfer agent;
- Investment contracts or investment interests (e.g., limited partnerships and private placements) that are not registered under the Securities Act of 1933;
- Commodities contracts (e.g., foreign exchange and precious metal contracts), including futures contracts and commodity option contracts;
- Securities on loan to UBS Financial Services; and
- Deposit accounts (except certificates of deposit) at UBS Bank USA, UBS AG U.S. branches and banks in the FDIC Insured Deposit Program.

The SIPC protection and the supplemental protection do not apply to these assets even if they otherwise appear on your statements. The SIPC protection and the supplemental protection do not protect against changes in the market value of your investments (whether as a result of market movement, issuer bankruptcy or otherwise).

Filtered by: Entry Date 04/01/2025-06/30/2025, Call/Redemption,Sold

Entry Date	Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
06/25/2025	06/26/2025	SOLD	LOCKHEED MARTIN CORP B/E 03.550% 011526 DTD112315 Trade#:25133 Blot:97	753FN3	-1,500,000.00	\$99.59	1,517,634.58
04/11/2025	04/14/2025	SOLD	PROLOGIS NTS B/E 03.250% 063026 DTD063022 Trade#:46808 Blot:97	795KD1	-1,250,000.00	\$98.34	1,241,036.11
04/04/2025	04/07/2025	SOLD	ABBVIE INC B/E 04.250% 111428 DTD091818 Trade#:47447 Blot:97	682NL5	-2,300,000.00	\$100.61	2,352,881.47
04/04/2025	04/07/2025	SOLD	UNITED HEALTH GROUP INC 04.000% 051529 DTD052022 Trade#:43654 Blot:97	8849U4	-2,000,000.00	\$99.12	2,013,875.58

Filtered by: Entry Date 04/01/2025-06/30/2025, Bought

Entry Date	Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
06/25/2025	06/26/2025	BOUGHT	NUCOR CORP NTS B/E 04.850% 060130 DTD030525 Trade#:25142 Blot:97	621F76	1,500,000.00	\$100.58	-1,530,236.25
05/11/2025	05/13/2025	BOUGHT	APPLE INC NTS B/E 04.200% 051230 DTD051225 Trade#:02664 Blot:97	8559R5	1,400,000.00	\$99.36	-1,391,175.33
04/11/2025	04/14/2025	BOUGHT	UNITEDHEALTH GROUP INC 04.800% 011530 DTD072524 Trade#:46253 Blot:97	8845Q8	1,200,000.00	\$99.97	-1,213,832.00
04/11/2025	04/14/2025	BOUGHT	WELLS FARGO & CO NTS B/E 05.198% 012330 DTD012324 Trade#:45681 Blot:97	910U7	1,500,000.00	\$99.88	-1,515,803.25
04/09/2025	04/10/2025	BOUGHT	ABBVIE INC NTS B/E 04.875% 031530 DTD022625 Trade#:25703 Blot:97	6448N4	2,500,000.00	\$99.59	-2,514,520.83
04/09/2025	04/10/2025	BOUGHT	ECOLAB INC B/E 04.800% 032430 DTD092420 Trade#:30941 Blot:97	689ZK1	1,000,000.00	\$96.45	-996,643.33

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.

Important information about UBS 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 advisor 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 you understand the ways in which we conduct business and that you carefully read the agreements and disclosures that we provide about the products or services we offer. For more information, please review client relationship summary provided at ubs.com/relationshipsummary.

The information is based upon the market value of your account(s) as of the close of business on 06/30/2025 and is subject to daily market fluctuation and in some cases may be rounded for convenience."

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

You have discussed the receipt of this individually customized report with your Financial Advisor and understand that it is being provided for information 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.



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JONATHAN CHUANG
1-213-253-6202

Wells Fargo Bank, N.A.

Account Statement

Statement Period

06/01/2025 - 06/30/2025

KERN HEALTH SYSTEMS

2900 BUCK OWENS BOULEVARD

Account Number

Account Value Summary *USD*

	Amount Last Statement Period	Amount This Statement Period	% Portfolio
Cash	\$ 0.00	\$ 0.00	0%
Money Market Mutual Funds	93,824,592.14	131,016,176.86	47%
Bonds	203,945,972.54	148,834,238.18	53%
Stocks	0.00	0.00	0%
Total Account Value	\$ 297,770,564.68	\$ 279,850,415.04	100%

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

Value Change Since Last Statement Period	\$ (17,920,149.64)
Percent Decrease Since Last Statement Period	6%
Value Last Year-End	\$ 519,073,102.39
Percent Decrease Since Last Year-End	46%

Income Summary *USD*

	This Period	Year-To-Date
Interest	\$ 267,572.00	\$ 4,027,004.98
Dividends/Capital Gains	0.00	0.00
Money Market Mutual Funds Dividends	408,012.72	2,854,689.67
Other	0.00	0.00
Income Total	\$ 675,584.72	\$ 6,881,694.65

Interest Charged *USD*

Description	This Period
Debit Interest For June 2025	0.00
Total Interest Charged	\$ 0.00

Money Market Mutual Funds Summary *USD*

Description	Amount
Opening Balance	\$ 93,824,592.14
Deposits and Other Additions	205,783,572.00
Distributions and Other Subtractions	(169,000,000.00)
Dividends Reinvested	408,012.72
Change in Value	0.00
Closing Balance	\$ 131,016,176.86

Important Information

This statement is provided to customers of Wells Fargo Bank, N.A. (the "Bank"). Statements are provided monthly for accounts with transactions and/or security positions.

Pricing: Security and other asset 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. The prices indicated herein are as of the stated valuation date, which may not be the date of this statement, and are subject to change without notice. For exchange-listed securities, the price provided is the closing price of the relevant security at month end. For unlisted securities, it is the "bid" price of the relevant security at month end. The prices of 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.

Cash Balances: Cash held at the Bank is not covered by SIPC, but is instead eligible for FDIC insurance of up to \$250,000 per depositor, per institution, in accordance with FDIC rules.

Mutual Funds: An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time. You have the right, in the course of normal business operations, to withdraw balances in the Bank Deposit Sweep or redeem shares of the money market mutual fund used in the sweep, subject to any open commitments in any of your accounts and have the proceeds returned to your accounts or remitted to you. Note, however, that as required by federal banking regulations, the banks in the Bank Deposit Sweep reserve the right to require seven days prior notice before permitting a transfer out of the Bank Deposit Sweep. In addition, the money market mutual funds in the sweep reserve the right to require one or more day's prior notice before permitting withdrawals. The Bank makes certain money market mutual funds available through the Bank Deposit Sweep and has entered into agreements with the mutual fund companies with respect to the available funds. Mutual funds are sold by prospectus only. Please read the prospectus for further information including

sales charges, deferred sales charges, withdrawal charges and management or other fees.

Institutional Prime Funds: You could lose money by investing in the fund. Because the share price of the fund will fluctuate, when you sell your shares they may be worth more or less than what you originally paid for them. During times of market stress, the fund may impose a discretionary liquidity fee upon sale of your shares, if the fund's board determines the fee is in the fund's best interest. The Prime fund will impose a mandatory liquidity fee when you redeem fund shares, if daily net redemptions exceed 5% of net assets and no exception applies.

Muni Substitute Interest: With respect to transactions involving your purchase of a municipal security having interest that is exempt from federal and/or state income taxes, if you do not receive good delivery of such securities on settlement date (i.e., all requirements for transferring title from the seller to the buyer have occurred), the interest that you accrue from the settlement date of the transaction until you receive good delivery may be considered by the Internal Revenue Service ("IRS") to be taxable ("substitute") interest. If you sell such securities before receiving good delivery, the IRS may consider all of the interest that you accrue to be taxable. You should consult with your tax advisors regarding the tax implication of any such fail to receive scenario.

Muni MSRB Disclosure: WFS is registered with the U.S. Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The website for the SEC is www.sec.gov and the website for the MSRB is www.msrb.org. There is a brochure available on the MSRB website that describes the protections provided by MSRB rules and how to file a complaint with the appropriate regulatory authority.

Non-deposit investment products offered or sold by the Bank, including investments in mutual funds available through the Bank, are not federally insured or guaranteed by or obligations of the U.S. government, the Federal Deposit Insurance Corporation ("FDIC"), the Federal Reserve System or any other government agency; are not bank deposits; are

not obligations of, or endorsed or guaranteed in any way by any bank or the Bank; and are subject to risk, including the possible loss of principal, that may cause the value of the investment and the investment return to fluctuate. When the investment is sold, the amount may be higher or lower than the amount originally invested.

Customer Complaints and Reporting Discrepancies: All inquiries, statement reporting inaccuracies or discrepancies, or complaints regarding your account or the activity therein should be directed to:

Customer Service
550 S Tryon St
Floor: 06, MAC: D1086-063
Charlotte, NC 28202-4200
1-800-645-3751, option 5,
WFSCustomerService@Wellsfargo.com.

To further protect their rights, customers should also re-confirm in writing to the above address any oral communications with the Bank relating to inaccuracies or discrepancies.

The Bank's financial statements are available upon request.

KERN HEALTH SYSTEMSAccount Number: **██████████**

Statement Ending:

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								
912797QC4	UNITED STATES TREASURY BILL	07/29/25	0.000%	50,000,000.000	99.6767	49,838,358.50		
3134HBBG5	FREDDIE MAC	08/27/27	4.500%	7,500,000.000	99.8007	7,485,055.73		Y
95004HAC2	WELLS FARGO BANK NA	05/16/28	4.620%	3,000,000.000	100.1555	3,004,666.44		Y
3133ER3W9	FEDERAL FARM CREDIT BANK	08/14/28	4.840%	5,000,000.000	99.9823	4,999,116.35		Y
3136GA2J7	FANNIE MAE	09/05/28	4.750%	5,000,000.000	99.9984	4,999,918.60		Y
3133ERC41	FEDERAL FARM CREDIT BANK	11/20/28	4.740%	5,000,000.000	100.0654	5,003,271.80		Y
3133ERN49	FEDERAL FARM CREDIT BANK	12/26/28	4.910%	5,000,000.000	99.9915	4,999,577.00		Y
3130B0N47	FEDERAL HOME LOAN BANK	03/26/29	5.000%	5,000,000.000	100.0883	5,004,414.50		Y
3130B2UD5	FEDERAL HOME LOAN BANK	09/10/29	5.010%	5,000,000.000	99.7871	4,989,352.65		Y
3130B2KZ7	FEDERAL HOME LOAN BANK	09/11/29	5.000%	1,976,744.200 5,000,000.000	100.0075	1,976,892.12		Y
3133ERVL2	FEDERAL FARM CREDIT BANK	10/01/29	4.620%	10,000,000.000	99.9280	9,992,803.70		Y
3133ERXP1	FEDERAL FARM CREDIT BANK	10/15/29	4.600%	10,000,000.000	99.5644	9,956,442.00		Y
3135GAWL1	FANNIE MAE	10/15/29	5.050%	10,000,000.000	99.9638	9,996,377.40		Y
3133ERC58	FEDERAL FARM CREDIT BANK	11/20/29	4.600%	5,000,000.000	100.1148	5,005,739.10		Y
3130B5ES3	FEDERAL HOME LOAN BANK	03/12/30	5.000%	7,200,000.000	99.6984	7,178,282.14		Y
3130B5V47	FEDERAL HOME LOAN BANK	04/17/30	5.000%	5,000,000.000	99.6162	4,980,810.65		Y
3130B6AH9	FEDERAL HOME LOAN BANK	05/08/30	4.875%	4,450,000.000	99.5003	4,427,762.10		Y
3130B6NB8	FEDERAL HOME LOAN BANK	06/10/30	5.000%	5,000,000.000	99.9079	4,995,397.40		Y
				149,126,744.200		148,834,238.18	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									
06/04/25	06/24/25	Security Receipt	3130B6NB8	FEDERAL HOME LOAN BANK	5,000,000.00	100.0000000	(5,000,000.00)	0.00	(5,000,000.00)

KERN HEALTH SYSTEMS

Account Number: ██████████

Statement Ending:

Daily Account Activity (Continued)

Your investment transactions during this statement period.

Transaction / Trade Date	Settlement / Effective Date	Activity	Security ID	Description	Par / Quantity	Price	Principal Amount	Income Amount	Debit / Credit Amount
Income / Payment Activity USD									
06/02/25	06/02/25	Matured	427866BF4	HERSHEY CO			5,516,000.00		5,516,000.00
06/02/25	06/02/25	Matured	427866BF4	HERSHEY CO	(5,516,000.00)				
06/02/25	06/02/25	Interest	427866BF4	HERSHEY CO				24,822.00	24,822.00
06/05/25	06/05/25	Matured	3136GA2K4	FANNIE MAE			5,000,000.00		5,000,000.00
06/05/25	06/05/25	Matured	3136GA2K4	FANNIE MAE	(5,000,000.00)				
06/05/25	06/05/25	Interest	3136GA2K4	FANNIE MAE				120,000.00	120,000.00
06/23/25	06/23/25	Matured	313313HF8	FED FARM CRD DISCOUNT NT			50,000,000.00		50,000,000.00
06/23/25	06/23/25	Matured	313313HF8	FED FARM CRD DISCOUNT NT	(50,000,000.00)				
06/26/25	06/26/25	Interest	3133ERN49	FEDERAL FARM CREDIT BANK				122,750.00	122,750.00

Cash Activity USD

Transaction / Trade Date	Settlement / Eff. Date	Activity	Description	Debit Amount / Disbursements	Credit Amount / Receipts
06/03/25	06/03/25	ACH/DDA Transaction	DESIGNATED DDA	29,000,000.00	
06/10/25	06/10/25	ACH/DDA Transaction	DESIGNATED DDA	35,000,000.00	
06/12/25	06/12/25	ACH/DDA Transaction	DESIGNATED DDA		65,000,000.00
06/12/25	06/12/25	ACH/DDA Transaction	DESIGNATED DDA		65,000,000.00
06/17/25	06/17/25	ACH/DDA Transaction	DESIGNATED DDA	30,000,000.00	
06/18/25	06/18/25	ACH/DDA Transaction	DESIGNATED DDA	15,000,000.00	
06/24/25	06/24/25	ACH/DDA Transaction	DESIGNATED DDA	40,000,000.00	

Money Market Fund Activity

Morgan Stan TreasSvc 8314

*As of June 30, 2025

USD	Dividend paid this period	7 day* simple yield	30 day* simple yield
	231.15	4.110%	4.090%

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	66,376.32		66,376.32000
06/02/25	Reinvest	231.15000			231.15	66,607.47000
	Ending Balance		1.0000	66,607.47		66,607.47000

Goldman FS Tr Ob Ins 468

*As of June 30, 2025

USD	Dividend paid this period	7 day* simple yield	30 day* simple yield
	203,887.29	4.170%	4.150%

Statement Ending:

June 30, 2025

KERN HEALTH SYSTEMSAccount Number: **██████████****Money Market Fund Activity (Continued)**

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	43,491,012.47		43,491,012.47000
06/02/25	Purchase	5,540,822.00000		5,540,822.00		49,031,834.47000
06/02/25	Reinvest	203,887.29000			203,887.29	49,235,721.76000
06/03/25	Redemption	(29,000,000.00000)		(29,000,000.00)		20,235,721.76000
06/05/25	Purchase	5,120,000.00000		5,120,000.00		25,355,721.76000
06/12/25	Purchase	65,000,000.00000		65,000,000.00		90,355,721.76000
06/17/25	Redemption	(30,000,000.00000)		(30,000,000.00)		60,355,721.76000
06/18/25	Purchase	15,000,000.00000		15,000,000.00		75,355,721.76000
06/18/25	Redemption	(15,000,000.00000)		(15,000,000.00)		60,355,721.76000
06/18/25	Redemption	(15,000,000.00000)		(15,000,000.00)		45,355,721.76000
06/23/25	Purchase	50,000,000.00000		50,000,000.00		95,355,721.76000
06/24/25	Redemption	(5,000,000.00000)		(5,000,000.00)		90,355,721.76000
06/24/25	Redemption	(40,000,000.00000)		(40,000,000.00)		50,355,721.76000
06/26/25	Purchase	122,750.00000		122,750.00		50,478,471.76000
	Ending Balance		1.0000	50,478,471.76		50,478,471.76000

JPMorgan UST Plus Inst 3918

*As of June 30, 2025

USD

Dividend paid
this period

203,894.28

7 day*
simple yield

4.160%

30 day*
simple yield

4.130%

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	50,267,203.35		50,267,203.35000
06/02/25	Reinvest	203,894.28000			203,894.28	50,471,097.63000
06/10/25	Redemption	(35,000,000.00000)		(35,000,000.00)		15,471,097.63000
06/12/25	Purchase	65,000,000.00000		65,000,000.00		80,471,097.63000
	Ending Balance		1.0000	80,471,097.63		80,471,097.63000



PMIA/LAIF Performance Report as of 07/23/25



Quarterly Performance Quarter Ended 6/30/25

LAIF Apportionment Rate ⁽²⁾ :	4.40
LAIF Earnings Ratio ⁽²⁾ :	0.00012059828906715
LAIF Administrative Cost ^{(1)*} :	0.18
LAIF Fair Value Factor ⁽¹⁾ :	1.001198310
PMIA Daily ⁽¹⁾ :	4.26
PMIA Quarter to Date ⁽¹⁾ :	4.27
PMIA Average Life ⁽¹⁾ :	248

PMIA Average Monthly Effective Yields⁽¹⁾

June	4.269
May	4.272
April	4.281
March	4.313
February	4.333
January	4.366

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 6/30/25 \$178.1 billion

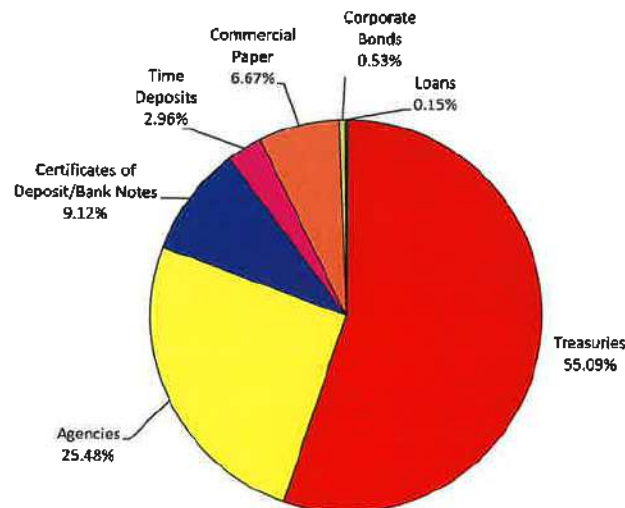


Chart does not include \$1,063,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

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).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



MEMORANDUM

TO: Kern Health Systems Board of Directors

FROM: Robert Landis, Chief Financial Officer

SUBJECT: Primary and Excess General Liability Insurance/ Employed Lawyers Professional Liability Insurance/Earthquake Insurance Renewals

DATE: August 14, 2025

Background

Primary liability coverage insures against third party losses for general liability, public officials errors and omissions, employment practices liability (“EPL”) and auto liability.

Excess liability coverage provides additional limits above \$5,000,000 primary liability coverage.

Employed lawyers professional liability provides coverage for wrongful acts including breach of duty, negligent act, error or omission in the course of providing legal services for Kern Health Systems.

Earthquake insures against the peril of earthquake for KHS owned property.

KHS utilizes Alliant Insurance Services (“Alliant”) as its insurance agent to access the insurance carrier market and perform the day-to-day servicing of the account. Alliant has provided early indications for the expiring coverage listed below.

Discussion

- **Primary General Liability Coverage**

Management is recommending renewing coverage with Great American E&S Insurance Company and Starstone Specialty Insurance Company (Core Specialty) under **Option 2** below with the \$100,000 deductible for primary and excess liability coverage except for \$500,000 per occurrence for EPL and Public Officials (prior year was \$100,000 for all coverages).

- Special Liability Insurance Program (SLIP) – Great American E&S Insurance Company 88% Quota Share and Starstone Specialty Insurance Company (Core Specialty) 12% Quota Share (**Current Carriers**)
- Rating: Great American has a rating of A+ Superior XV and Starstone has a A Excellent XIII rating from AM Best
- Term: September 29, 2025 through September 29, 2026. The program’s common anniversary date is September 29th and coverage renews for annual term in September.

- General Liability - \$5,000,000
- Auto Liability - \$5,000,000
- Uninsured Motorist - \$1,000,000
- Employee Benefits Liability-\$5,000,000
- Public Officials' and Employees' Errors and Omissions - \$5,000,000 each wrongful act/\$5,000,000 Aggregate
- Employment Practices Liability - \$5,000,000 each wrongful act/\$5,000,000 Aggregate

Deductibles Options:

Option 1: \$100,000 deductible for all coverages **except \$250,000 deductible for EPL and Public Officials per occurrence.** Renewal cost of \$765,000. (Prior year deductible was \$100,000 for all coverages)

Option 2: \$100,000 deductible for all coverages **except \$500,000 deductible for EPL and Public Officials per occurrence.** Renewal cost of \$477,000. (Prior year deductible was \$100,000 for all coverages).

Management is recommending Option 2:

- Annual Not-to-Exceed Premium Estimate of \$477,000 with a \$500,000 deductible.
- The prior year's annual premium was \$331,679 with a \$100,000 deductible.

- **Excess General Liability Insurance**

Management is recommending renewing coverage with Starstone Specialty Insurance Company (Core Specialty).

- Starstone Specialty Insurance Company (Core Specialty)
- Rating: Carrier has an A XIII rating from AM Best
- Per Occurrence or Wrongful Act Limit: \$5,000,000 excess of \$5,000,000 (SLIP)
- Term: September 29, 2025 through September 29, 2026

Deductibles Options:

Option 1: \$100,000 deductible for all coverage **except \$250,000 deductible for EPL and Public Officials per occurrence.** Renewal cost of \$575,000. (Prior year deductible was \$100,000 for all coverages).

Option 2: \$100,000 deductible for all coverage **except \$500,000 deductible for EPL and Public Officials per occurrence.** Renewal cost of \$345,000. (prior year was \$100K for all coverages)

Management is recommending Option 2:

- Annual Not-to-Exceed Premium Estimate of \$345,000 with a \$500,000 deductible.
- The prior year's premium was \$239,378 with a \$100,000 deductible.

This year's total Liability Coverage is \$10 million; Last year's total Liability Coverage was \$10 million.

- **Employed Lawyers Professional Liability Insurance**

Management is recommending renewing coverage with Houston Specialty Insurance Company (Incumbent).

- Houston Specialty Insurance Company
- Rating: Carrier has an A Excellent X rating from AM Best
- Per Claim and Annual Aggregate: \$2,000,000
- Retention: \$5,000
- Term: September 29, 2025 through September 29, 2026
- Annual Premium: \$12,867.
- The prior year's annual premium was \$12,867.

No claims were filed last year.

- **Earthquake Insurance**

Management is recommending renewing coverage with Everest Insurance Company, General Security Indemnity Company of Arizona and QBE Specialty Insurance Company (Incumbents).

- Everest Indemnity Insurance Company 40%, General Security Indemnity Company Of Arizona 25% and QBE Specialty Insurance Company 35%
- Rating: Carriers have a range of A+ XV to A XV rating from AM Best
- Term: October 15, 2025 through October 15, 2026
- Earthquake Limit per occurrence: \$25,000,000
- Earthquake Aggregate: \$25,000,000
- Earthquake Deductible 3% Per unit (unit is defined as replacement cost of the covered Property – Building, Contents and Business Income separately), subject to a minimum of \$50,000.
- Annual Premium Not-to-Exceed Premium Estimate: \$91,000.
- The prior year's premium was \$77,302.

No claims were filed last year.

Representatives from Alliant will be available to answer questions relating to the insurance renewals.

Requested Action

Approve; Authorizing the CEO to sign, enter into and/or amend contracts relating to insurance coverage for Primary and Excess General Liability Coverage, Employed Lawyers Professional Liability Insurance and Earthquake Insurance in an amount not to exceed \$950,000 in estimated expenses.



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Christine Pence, Senior Director of Health Services
SUBJECT: Contract Extension and Retroactive Approval for The Periscope Group
DATE: August 14, 2025

Background

Kern Health Systems (KHS) has partnered with The Periscope Group since June 2013 to perform in-home mobility assessments for members. These assessments assist Utilization Management (UM) Physician Reviewers in making clinically appropriate decisions regarding high-cost Durable Medical Equipment (DME) and prosthetic/orthotic requests.

In May 2025, KHS issued a Request for Information (RFI) to identify other qualified providers, but no responses were received. As a result, The Periscope Group remains the sole available vendor for these services at this time.

Discussion

KHS has experienced a significant increase in in-home assessment requests due to rising membership and increased demand for DME. To meet this need, KHS has relied on The Periscope Group to conduct mobility evaluations that support clinically appropriate, cost-effective decision-making.

The existing contract for a one-year term, which is from 9/5/2024 through 9/4/2025, estimated 360 assessments. As of July 2025, 520 assessments have been completed, exceeding the estimate by 160, with an additional 60 projected over the next two months. This results in a total overage of 220 assessments and a retroactive cost impact of \$99,000.

To support continued service delivery, KHS is requesting approval to extend the agreement with The Periscope Group for an additional two years. The proposed extension includes an estimated 1,320 assessments with a two-year term for a total of \$470,910.

By continuing with The Periscope Group, KHS expects to reduce unnecessary DME net expenditures by approximately \$1.8 million under the existing contract and an additional \$3.2 million under the proposed new contract. These net savings are achieved by improving clinical appropriateness and enhancing member safety. Estimated net annual savings are based on industry benchmarks and reflect avoided costs resulting from timely and accurate in-home evaluations.

Financial Impact

The cost of the existing and extended contract will increase the not-to-exceed amount by \$569,910 which includes \$99,000 for the retroactive approval under the existing contract and \$470,910 for the two-year contract extension in budgeted expenses.

Requested Action

Approve; Authorizing the CEO to amend the contract with The Periscope Group to extend the term for an additional two (2) years and increase the current not-to-exceed amount by \$569,910. This includes a retroactive amount of \$99,000 and \$470,910 for the two-year extension, increasing the total not-to-exceed amount from \$304,650 to \$874,560.



AGREEMENT AT A GLANCE

Department Name: UM

Department Head:

Christine Pence

Vendor Name: The Periscope Group

Contact Name & Email Address:

Lauren Fontes,
Lauren.Fontes@periscope365.com

Description of Contract

Type of Agreement: Continuation

- ☐ New agreement
- ☒ Amendment No. 2
- ☐ Memorandum of Understanding ("MOU")

Background:

KHS first contracted with DME Consulting (now Periscope365) in June 2013 to evaluate member's mobility needs in relation to DME requests. This new agreement will extend their services to allow for a tiered billing approach and not to exceed a total of 1320 visits during the period of two years. This agreement will also include retroactive payments since the previous estimated amount of assessments were exceeded.

Brief Explanation of Services to be Provided:

The Periscope Group will perform visits at residential locations, including the member's home, nursing home or hospital location to determine personal and environmental constraints/capabilities in using durable medical equipment (DME) and prosthetics/orthotics. Periscope will provide written reports of findings and recommendations, and review of appropriateness of recommended DME. KHS anticipates additional DME requests due to growth in membership. Annual aggregated reporting of performance metrics and cost savings of services provided as part of ongoing KHS oversight.

☒ Summary of Quotes and/or Bids attached. Pursuant to KHS Policy #8.11-J, 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 One Hundred Thousand Dollars or more if not budgeted (\$100,000.00) and Two Hundred Thousand Dollars or more if budgeted (\$200,000.00) 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 One Hundred Thousand Dollars or more if not budgeted (\$100,000.00) and Two Hundred Thousand Dollars or more if budgeted (\$200,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Two Hundred Thousand Dollars (\$200,000). 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 (Please include information relevant to whether an RFI, RFQ, RFP, or vendor award was made and dates of same):

In May 2025, KHS conducted a Request for Information (RFI) to see if any other vendors would be interested in providing in-home assessments. After a month, KHS received no responses from any vendors and decided to continue with The Periscope Group who has been willing to negotiate with KHS in the past.

☐ Sole source – no competitive process can be performed. Brief reason for sole source:

☐ Board of Directors Approval Required

☐ Regulatory Approval Required

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☒ Retroactive Agreement

Exhibits Required:

☐ HIPAA Business Associate Agreement ("BAA")

☐ Vendor Data Transfer Checklist

☐ Medi-Cal Requirements

☐ DMHC Administrative Services Requirements

Other Exhibits required:

Fiscal Impact	
KHS Governing Board previously approved this expense in KHS' FY 2025 Administrative Budget	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Will this require additional funds?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
Capital project	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
Project Type:	
Budget Cost Center: 310	GL# 5645
Maximum Cost of Agreement not to exceed: \$569,910 for two years (\$235,455 annually)	
Note: KHS incurred a 3% increase in rates for two years, making the average \$356.75	
Retroactive payment: \$99,000	
Cost since inception: \$874,560	
Cost Savings: \$33,000	
Contract Terms and Conditions	
Effective date: 9/5/25	Termination date: 9/4/27
Explain extension provisions, termination conditions and required notice:	

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Approvals

Contract Owner:

Signed by:



2F3D6B24757043F...

Department Head

Date: 7/28/2025

Approved as to Form:

Signed by:



E32554208E45473...

KHS Legal Counsel

Date: 7/28/2025

Compliance DMHC/DHCS Review:

DocuSigned by:



BD08CF3F87CF404...

Chief Compliance and Fraud Prevention Officer or
 Director of Compliance and Regulatory Affairs
 Date: 7/28/2025

Purchasing:

Signed by:



D093254183014E7...

Director of Procurement and Facilities

Date: 7/28/2025

Reviewed as to Budget:

DocuSigned by:



01ED02AC48904F7...

Chief Financial Officer or Controller

Date: 7/29/2025

IT Approval:

DocuSigned by:



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Chief Information Officer or IT Director

Date: 7/28/2025

 Chief Executive Officer

 Date

Board of Directors approval is required on all contracts over \$100,000 if not budgeted and \$200,000 if budgeted.

 KHS Board Chairman

 Date



MEMORANDUM

TO: Kern Health Systems Board of Directors

FROM: Cesar Delgado, Chief Information Officer

SUBJECT: Request to Renew the HPA Robot License and Increase the Not-to-Exceed Amount for Cognizant Services

DATE: August 14, 2025

Background

In August 2024, Kern Health Systems (KHS) obtained approval from the Board of Directors (Board) to renew the core software solution with Cognizant for processing eligibility, provider contracts, authorizations, claims, and payments. In addition to these services, KHS utilizes a Health Process Automation (HPA) tool, which is a software robot that mimics human actions within our core system. The HPA tool currently assists with integrating prior authorization records into the claims payment system and processes a small subset of medical claims. This automation supports both claims and clinical workflows by optimizing processing and ensuring operational efficiency. To support ongoing operational needs, KHS is requesting a one-year extension of the HPA tool and an increase in the contract's not-to-exceed amount.

Discussion

KHS has been strategically working to phase out its use of the HPA tool. However, due to ongoing operational dependencies and the need to preserve continuity across critical workflows, additional time is required to complete this transition.

This item was previously presented to the Board in October 2024 with a request of \$555,940 to continue access to the tool for one year. At this time, KHS is requesting \$250,000 to extend access for one additional year. The reduced amount reflects lower utilization of the HPA tool by increasing internal efficiencies. Additionally, KHS has also begun evaluating alternative solutions that do not rely on a per-transaction fee structure, which is expected to further reduce overall reliance on the tool. Full decommissioning is anticipated by August 2026.

Financial Impact

Cost for a one (1)-year extension, not to exceed \$250,000 in budgeted expenses.

Requested Action

Approve; Authorizing the CEO to amend the contract with Cognizant to extend HPA Robot services for one (1) year and to increase the not-to-exceed amount by \$250,000 from \$6,607,387 to \$6,857,387.



KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

Department Name: MIS

Department Head: Cesar Delgado

Vendor Name: Cognizant

Contact Name & Email Address: Christopher Donahue,
christopher.donahue@cognizant.com

Description of Contract

Type of Agreement:

- ☐ New agreement
- ☒ Amendment No.
- ☐ Memorandum of Understanding ("MOU")

Background:

In August 2024, Kern Health Systems (KHS) received Board approval to renew its core software contract with Cognizant for processing eligibility, provider contracts, authorizations, claims, and payments. KHS also uses a Health Process Automation (HPA) tool—a software robot that automates tasks within the core system. The HPA tool currently helps integrate prior authorization data into the claims system and processes some medical claims, enhancing both claims and clinical workflows. KHS now seeks a one-year extension and a contract increase to support ongoing operational needs.

Brief Explanation of Services to be Provided:

KHS has been working to phase out the HPA tool but requires additional time due to operational dependencies and the need to maintain continuity in critical workflows. KHS is now requesting \$250,000 for another year, reflecting reduced utilization. Internal efficiencies have lowered reliance on the tool, and alternative solutions without per-transaction fees are being evaluated. Full decommissioning is expected by August 2026.

☐ Summary of Quotes and/or Bids attached. Pursuant to KHS Policy 18.11-1, 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 One Hundred Thousand Dollars or more if not budgeted (\$100,000.00) and Two Hundred Thousand Dollars or more if budgeted (\$200,000.00) 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 One Hundred Thousand Dollars or more if not budgeted (\$100,000.00) and Two Hundred Thousand Dollars or more if budgeted (\$200,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Two Hundred Thousand Dollars (\$200,000). 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 (Please include information relevant to whether an RFI, RFQ, RFP, or vendor award was made and dates of same):

- ☒ Sole source – no competitive process can be performed. Brief reason for sole source:

Cognizant is a KHS core system.

- ☒ Board of Directors Approval Required
- ☐ Regulatory Approval Required
- ☐ Retroactive Agreement

Exhibits Required:

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- ☐ HIPAA Business Associate Agreement ("BAA")
- ☐ Vendor Data Transfer Checklist
- ☐ Medi-Cal Requirements

- ☐ HIPAA Business Associate Agreement ("BAA")
- ☐ DMHC Administrative Services Requirements

Other Exhibits
required:

Fiscal Impact

KHS Governing Board previously approved this expense in KHS' FY 2025 Administrative Budget ☐ No ☒ Yes

Will this require additional funds? ☒ No ☐ Yes

Capital project ☒ No ☐ Yes

Project Type:

Budget Cost Center: 225 GL# 5400-QNXT

Maximum Cost of Agreement not to exceed: \$250,000

Note:

Contract Terms and Conditions

Effective date: 9/11/2025 Termination date: 9/10/2026

Explain extension provisions, termination conditions and required notice:

KHS Board of Directors Meeting, August 14, 2025

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Approvals

Contract Owner:

DocuSigned by:


CB5457C662F24EE

Department Head

Date: 7/30/2025

Approved as to Form:

Signed by:


E325842D8024547E

KHS Legal Counsel

Date: 7/31/2025

Compliance DMHC/DHCS Review:

DocuSigned by:


BDC8CF3F97CF4D4

Chief Compliance and Fraud Prevention Officer or
Director of Compliance and Regulatory Affairs

Date: 7/30/2025

Purchasing:

Signed by:


7E4824297C4648C

Director of Procurement and Business Optimization

Date: 7/30/2025

Reviewed as to Budget:

DocuSigned by:


0180B2AC4564FF

Chief Financial Officer or Controller

Date: 7/31/2025

IT Approval:

DocuSigned by:


CB5457C662F24EE

Chief Information Officer or IT Director

Date: 7/30/2025

Chief Executive Officer

Date

Board of Directors approval is required on all contracts over \$100,000 if not budgeted and \$200,000 if budgeted.

KHS Board Chairman

Date



MEMORANDUM

TO: Kern Health Systems Board of Directors

FROM: Isabel Silva, Senior Director of Wellness and Prevention

SUBJECT: Request to Increase the Not-to-Exceed Amount with CommGap

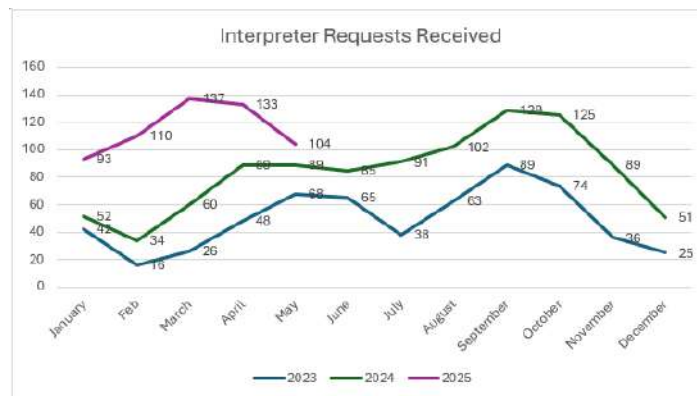
DATE: August 14, 2025

Background

Kern Health Systems (“KHS”) has a contract with CommGap to provide limited English Proficient (LEP) Members with equal access to health services by arranging interpreter services in accordance with statutory, regulatory, and contractual requirements. CommGap is an industry standard that KHS has utilized for over 9 years to provide high quality onsite interpreter services.

Discussion

CommGap has experienced a significant increase in interpreter requests. This is attributed to greater member utilization across all medical points of contact, expanded engagement in the various Health Education classes, Regional Advisory Committees (RACs), the Kern Health Equity Partnership (KHEP), and other KHS-sponsored community events.



Key highlights include:

- Year-over-year growth: Interpreter requests have consistently increased each year, with especially sharp rises observed in early 2025. For example, March requests increased over 420% from 2023 to 2025.
- Early 2025 trends: From January to May 2025, request volumes averaged 188% higher than in 2023 and 78% higher than in 2024, indicating a continuing upward trajectory.

This trend underscores the critical role of interpreter services in supporting equitable access to care through effective communication.

KHS projects the CommGap contract to increase from an original requested amount of \$190,000 for the entire term of the contract to a new projected amount of \$388,558. This \$198,558 increase is due to higher-than-expected usage between 07/06/2024 to date.

Category	Amount
Existing Contract Approved Amount 7/6/2024-7/5/2026	\$ 190,000
Actual YTD Spend 7/6/2024-4/30/2025	\$ 155,558
Projected Spend for Remainder of Contract 05/01/2025-7/5/2026	\$ 233,000
<i>Requested Increase Amount</i>	<i>\$ 198,558</i>
Total Contract Amount	\$ 388,558

Financial Impact

Based on increased service utilization, the existing contract value will increase by \$198,558 for a new not-to-exceed amount of \$388,558 in budgeted expenses.

Requested Action

Approve; Authorizing the CEO to amend the contract and increase the not-to-exceed amount by \$198,558, from \$190,000 to \$388,558, for the remaining term of the contract through July 5, 2026.

**AGREEMENT AT A GLANCE**Department Name: Health Education

Department Head:

Isabel SilvaVendor Name: CommGap

Contact Name & Email Address:

Lelani Craig
lelani@commgap.com**Description of Contract**

Type of Agreement: Professional Services

- ☐ New agreement
- ☒ Amendment No. 1
- ☐ Memorandum of Understanding ("MOU")

Background:

Appropriate linguistic services will be available for medical and non-medical points of contact including membership services, appointment services and member orientation sessions. During regular business hours, members and providers who require the assistance of an in-person interpreter can contact KHS to set up an appointment with a qualified interpreter.

Brief Explanation of Services to be Provided:

KHS is needing to amend the current PSA with CommGap to increase funding due a substantial increase in member medical appointment requests and KEHC community meetings, which are involving more members who require interpreters at these events.

☐ Summary of Quotes and/or Bids attached. Pursuant to KHS Policy #8.11-1, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic (e-mail/fax) solicitation may be used for purchases of up to One Hundred Thousand Dollars or more if not budgeted (\$100,000.00) and Two Hundred Thousand Dollars or more if budgeted (\$200,000.00) 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 One Hundred Thousand Dollars or more if not budgeted (\$100,000.00) and Two Hundred Thousand Dollars or more if budgeted (\$200,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Two Hundred Thousand Dollars (\$200,000). 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 (Please include information relevant to whether an RFI, RFQ, RFP, or vendor award was made and dates of same):

☒ Sole source – no competitive process can be performed. Brief reason for sole source:
KHS holds on ongoing agreement with CommGap.

- ☒ Board of Directors Approval Required
- ☒ Regulatory Approval Required
- ☐ Retroactive Agreement



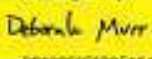
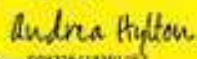
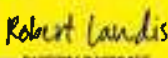

Exhibits Required:

- ☒ HIPAA Business Associate Agreement ("BAA")
- ☐ Vendor Data Transfer Checklist
- ☒ Medi-Cal Requirements
- ☒ D-SNP Requirements
- ☒ DMHC Administrative Services Requirements

Other Exhibits required:

Fiscal Impact	
KHS Governing Board previously approved this expense in KHS' FY 2025 Administrative Budget	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Will this require additional funds?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
Capital project	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
Project Type:	
Budget Cost Center: 312	GL# 5645
Maximum Cost of Agreement not to exceed: \$198,558 for the remaining term of the contract	
Note: Cost was increased from \$190,000 to \$388,557	
Contract Terms and Conditions	
Effective date:	Termination date: 7/6/26
Explain extension provisions, termination conditions and required notice:	

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Approvals	
Contract Owner: DocuSigned by:  7E3F79E57ADE4DA Department Head Date: 7/16/2025	Approved as to Form: Signed by:  E329942D8E45475 KHS Legal Counsel Date: 7/18/2025
Compliance DMHC/DHCS Review: DocuSigned by:  BD08CF3F87CF4C4 Chief Compliance and Fraud Prevention Officer or Director of Compliance and Regulatory Affairs Date: 7/18/2025	Purchasing: Signed by:  D083254183914E7 Director of Procurement and Facilities Date: 7/16/2025
Reviewed as to Budget: DocuSigned by:  D180823ACA2904FF Chief Financial Officer or Controller Date: 7/18/2025	IT Approval: DocuSigned by:  CB0457C562F24EE Chief Information Officer or IT Director Date: 7/18/2025
<div style="text-align: center;"> _____ Chief Executive Officer </div> <div style="text-align: center;"> _____ Date </div>	
Board of Directors approval is required on all contracts over \$100,000 if not budgeted and \$200,000 if budgeted.	
<div style="text-align: center;"> _____ KHS Board Chairman </div> <div style="text-align: center;"> _____ Date </div>	



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Robert Landis, Chief Financial Officer
SUBJECT: May 2025 Financial Results
DATE: August 14, 2025

The May results reflect a \$3.2 million Net Decrease in Net Position which is a \$5.5 million unfavorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$31.1 million favorable variance primarily due to:
 - A) \$2.6 million unfavorable variance in SPD Premium Revenues primarily due to California becoming a Medicare Part A Buy-In State effective January 1, 2025. Qualifying Medi-Cal members, who are enrolled in Medicare Part B only, were automatically enrolled into Medicare Part A Buy-In by the Department of Health Care Services ("DHCS"). The rate received for members who have Part A **and** Part B is less than the rate for members who have Part B **only**, however, Medicare will now become primary for medical expenses associated with the members having both Part A and Part B. The reduction in revenue has been partially offset against a reduction in medical expenses included in 2D (2) below.
 - B) \$1.1 million favorable variance in Enhanced Care Management Premiums primarily due to receiving updated rate information from DHCS after the approval of the 2025 Budget partially offset against amounts included in 2D (3) below.
 - C) \$34.5 million favorable variance in Premium-Hospital Directed Payments primarily due to receiving updated rate information from DHCS on February 28, 2025 for Calendar Year 2025 offset against amounts included in 2E below.
- 2) Total Medical Costs reflect a \$38.0 million unfavorable variance primarily due to
 - A) \$2.6 million unfavorable variance in Physician Services primarily due to higher-than-expected utilization of Referral Specialty Services by SPD and Expansion members over the last several months.
 - B) \$5.3 million unfavorable variance in Inpatient primarily due to higher-than- expected utilization by SPD and Expansion members over the last several months.
 - C) \$1.1 million favorable variance in Outpatient Hospital primarily due to lower-than-expected utilization over the last several months.
 - D) \$5.8 million unfavorable variance in Other Medical primarily from:

- 1) \$1.3 million unfavorable variance in Ambulance and Non-emergency Medical Transportation (NEMT) due to higher-than-expected utilization of NEMT services over the last several months by our members. **Tighter restrictions have been implemented to reduce inappropriate transportation usage.**
- 2) \$1.4 million favorable variance in Long Term/SNF/Hospice primarily due to lower-than-expected SPD membership and benefit changes described in 1A above.
- 3) \$1.0 million unfavorable variance in Enhance Care Management expenses to receiving updated rate information from DHCS after the approval of the 2025 Budget offset against amounts included in 1B above.
- 4) \$5.3 million unfavorable variance in Community Support Services expenses due to higher-than-expected usage of program services over the last several months. **Medical necessity criteria have been refined to meet the State current requirements. The criteria and use of a risk stratification tool have helped to identify the most appropriate members for the services. This will reduce inappropriate utilization and unnecessary costs for these services.**

(A key feature of CalAIM was the introduction of Community Support Services, formerly referred to as In Lieu of Services (ILOS). Community Support Services are designed to help improve the overall health and well-being of Medi-Cal managed care plan (MCP) members by addressing the members' health-related social needs, helping the members live healthier lives, and avoiding higher, costlier levels of care. Services include support to secure and maintain housing, access to medically tailored meals to support short-term recovery, personal care, and a variety of other community-based services. The range of services and resources are designed to address the unique needs of Medi-Cal members in the community, with a focus on promoting health, stability, and independence. Members may receive a Community Supports Service if they meet the eligibility criteria and if the MCP determines it is a medically appropriate and cost-effective alternative to services covered under Medi-Cal) **The funding for these services is inadequate with minimal savings in reducing medical expenses.**

- E) \$34.5 million unfavorable variance in Hospital Directed Payments primarily due to receiving updated rate information from DHCS for Calendar Year 2024 offset against amounts included in 1C above.
- F) \$1.1 million unfavorable variance in Hospital Directed Payment Adjustment primarily due to receiving revised CY 2023 final rates for the Skilled Nursing Facility Workforce and Quality Incentive Program (SNF WQIP) from DHCS on January 31, 2025.
- G) \$10.3 million favorable variance in Non-Claims Adjustment primarily due to KHS receiving updated rate information from DHCS on June 18, 2025 adjusting the CY 2023 and CY 2024 Major Organ Transplant rates.

The May Medical Loss Ratio is 95.2%, which is unfavorable to the 91.8% budgeted amount. The May Administrative Expense Ratio is 5.7% which is favorable to the 5.8% budgeted amount.

The results for the 5 months ending May 31, 2025 reflect a Net Increase in Net Position of \$.9 million. This is a \$10.3 million unfavorable variance to the budget and includes approximately \$27.1 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 94.1%, which is unfavorable to the 91.8% budgeted amount. The year-to-date Administrative Expense Ratio is 5.3 % which is favorable to the 5.8% budgeted amount.



**Financial Packet
May 2025**

KHS – Medi-Cal Line of Business

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KHS Group Health Plan – Healthy Families Line of Business

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KHS Administrative Analysis and Other Reporting

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**MEDI-CAL
STATEMENT OF NET POSITION
AS OF MAY 31, 2025**



ASSETS	May	April	Increase/ (Decrease)
Cash and Cash Equivalents	167,047,500	189,735,524	(22,688,024)
Short-Term Investments	240,822,219	255,736,108	(14,913,889)
Premiums Receivable	141,720,235	125,171,977	16,548,258
Premiums Receivable - MCO Tax	125,772,136	62,960,999	62,811,137
Premiums Receivable - Hospital Directed Payments	801,144,600	742,176,728	58,967,872
Interest Receivable	174,280	87,015	87,264
Provider Advance Payment	141,804	145,798	(3,994)
Other Receivables	605,310	1,397,718	(792,408)
Prepaid Expenses & Other Current Assets	6,829,341	7,748,205	(918,864)
Total Current Assets	1,484,257,425	1,385,160,072	99,097,352
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,127,641	1,087,139	40,501
Computer Equipment - Net	17,867,697	17,962,453	(94,755)
Building and Improvements - Net	32,673,871	32,752,815	(78,944)
Capital Projects In Process	2,072,071	2,290,413	(218,342)
Total Capital Assets	57,831,986	58,183,526	(351,540)
Restricted Assets	300,000	300,000	-
Officer Life Insurance Receivables	3,762,263	3,762,263	-
SBITA Asset	8,875,096	8,875,096	-
Total Long-Term Assets	12,937,359	12,937,359	-
Deferred Outflow of Resources	6,846,742	6,846,742	-
Total Assets and Deferred Outflows of Resources	1,561,873,512	1,463,127,700	98,745,812
CURRENT LIABILITIES			
Accrued Salaries and Benefits	8,678,005	8,593,363	84,642
Accrued Other Operating Expenses	5,935,974	6,348,920	(412,946)
MCO Tax Payable	163,673,417	83,811,866	79,861,551
Claims Payable (Reported)	36,866,492	21,093,376	15,773,116
IBNR - Inpatient Claims	54,962,629	57,448,847	(2,486,219)
IBNR - Physician Claims	24,895,207	23,152,636	1,742,571
IBNR - Accrued Other Medical	27,553,415	33,063,604	(5,510,189)
Risk Pool and Withholds Payable	8,895,974	8,290,139	605,835
Allowance for Claims Processing Expense	4,779,517	4,779,517	-
Other Liabilities	64,987,662	112,663,399	(47,675,736)
SBITA Liability – Current portion	2,217,189	2,217,189	-
Accrued Hospital Directed Payments	805,399,969	745,411,526	59,988,443
Total Current Liabilities	1,208,845,449	1,106,874,382	101,971,067
NONCURRENT LIABILITIES			
Net Pension Liability	13,001,788	13,001,788	-
SBITA Liability, net of current portion	5,491,541	5,491,541	-
Total NonCurrent Liabilities	18,493,329	18,493,329	-
Deferred Inflow of Resources	70,705	70,705	-
NET POSITION:			
Net Position at Beginning of Year	333,567,639	333,567,639	-
Increase (Decrease) in Net Position - Current Year	896,390	4,121,645	(3,225,255)
Total Net Position	334,464,029	337,689,283	(3,225,255)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	1,561,873,512	1,463,127,700	98,745,812



MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION
FOR THE MONTH ENDED MAY 31, 2025

	May	Budget	Variance	Year to Date	Budget	Variance
Family Members	240,905	245,000	(4,095)	1,211,140	1,220,000	(8,860)
Expansion Members	115,600	113,000	2,600	576,617	565,000	11,617
SPD Members	47,385	47,000	385	236,218	235,000	1,218
Total Members - MCAL	403,890	405,000	(1,110)	2,023,975	2,020,000	3,975
REVENUES						
Medicaid - Family Members	55,024,952	55,292,342	(267,391)	273,896,113	275,333,297	(1,437,185)
Medicaid - Expansion Members	48,723,433	47,912,766	810,667	243,541,720	239,563,830	3,977,889
Medicaid - SPD Members	37,785,856	40,402,462	(2,616,605)	187,565,703	202,012,309	(14,446,606)
Premium - MCO Tax	59,124,814	59,935,950	(811,136)	295,670,019	298,939,800	(3,269,781)
Premium - Hospital Directed Payments	58,890,354	24,386,803	34,503,552	294,608,934	121,736,782	172,872,152
Investment Earnings And Other Income	1,505,898	1,997,741	(491,843)	11,324,694	9,973,647	1,351,047
Reinsurance Recoveries	-	274,467	(274,467)	-	1,368,783	(1,368,783)
Rate Adjustments - Hospital Directed Payments	78,980	-	78,980	105,397,573	-	105,397,573
Rate/Income Adjustments	136,042	-	136,042	9,218,570	-	9,218,570
Total Revenues	261,270,330	230,202,531	31,067,798	1,421,223,325	1,148,928,448	272,294,877
EXPENSES						
MEDICAL COSTS						
Physician Services	39,419,683	36,857,262	(2,562,421)	191,976,674	183,906,165	(8,070,509)
Other Professional Services	10,693,341	10,870,614	177,273	52,963,357	54,253,910	1,290,553
Emergency Room	7,074,183	6,809,497	(264,686)	33,429,333	33,970,195	540,862
Inpatient	39,326,548	34,023,432	(5,303,117)	171,518,416	169,889,313	(1,629,103)
Reinsurance Expense	271,713	274,467	2,754	1,321,398	1,368,783	47,385
Outpatient Hospital	14,357,942	15,444,684	1,086,742	77,325,272	77,127,754	(197,519)
Other Medical	34,883,873	29,047,136	(5,836,737)	169,724,222	145,105,941	(24,618,281)
Pay for Performance Quality Incentive	605,835	607,502	1,667	3,035,963	3,030,027	(5,936)
Hospital Directed Payments	58,890,354	24,386,803	(34,503,552)	294,608,934	121,736,782	(172,872,152)
Hospital Directed Payment Adjustment	1,098,088	-	(1,098,088)	106,313,327	-	(106,313,327)
Non-Claims Expense Adjustment	(10,262,733)	-	10,262,733	(16,751,425)	-	16,751,425
IBNR, Incentive, Paid Claims Adjustment	(37,610)	-	37,610	(2,046,550)	-	2,046,550
Total Medical Costs	196,321,218	158,321,398	(37,999,820)	1,083,418,921	790,388,869	(293,030,053)
GROSS MARGIN	64,949,112	71,881,133	(6,932,021)	337,804,404	358,539,580	(20,735,176)
ADMINISTRATIVE COSTS						
Compensation	3,873,266	4,223,117	349,851	19,533,026	21,115,587	1,582,561
Purchased Services	2,687,401	2,343,143	(344,258)	10,602,992	11,715,714	1,112,722
Supplies	121,882	244,079	122,196	683,697	1,220,394	536,697
Depreciation	605,113	766,752	161,639	2,997,259	3,833,760	836,501
Other Administrative Expenses	836,014	672,406	(163,608)	3,413,698	3,362,028	(51,670)
Administrative Expense Adjustment	69,345	200,000	130,655	1,006,379	1,000,000	(6,379)
Total Administrative Expenses	8,193,021	8,449,496	256,475	38,237,051	42,247,483	4,010,432
TOTAL EXPENSES	204,514,239	166,770,894	(37,743,345)	1,121,655,973	832,636,352	(289,019,621)
OPERATING INCOME (LOSS) BEFORE TAX	56,756,091	63,431,637	(6,675,546)	299,567,353	316,292,097	(16,724,744)
MCO TAX	59,136,301	59,935,950	799,649	295,681,506	298,939,800	3,258,294
OPERATING INCOME (LOSS) NET OF TAX	(2,380,210)	3,495,687	(5,875,898)	3,885,847	17,352,297	(13,466,450)
NON-OPERATING REVENUE (EXPENSE)						
Provider Grants/CalAIM/Home Health	(609,854)	(832,352)	222,499	(2,036,854)	(4,155,221)	2,118,367
D-SNP Expenses	(235,191)	(399,967)	164,777	(952,603)	(1,996,694)	1,044,091
Total Non-Operating Revenue (Expense)	(845,044)	(1,232,320)	387,275	(2,989,457)	(6,151,915)	3,162,459
NET INCREASE (DECREASE) IN NET POSITION	(3,225,255)	2,263,368	(5,488,622)	896,390	11,200,381	(10,303,991)
MEDICAL LOSS RATIO	95.2%	91.8%	-3.4%	94.1%	91.8%	-2.3%
ADMINISTRATIVE EXPENSE RATIO	5.7%	5.8%	0.1%	5.3%	5.8%	0.5%



MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION
FOR THE MONTH ENDED MAY 31, 2025

	May	Budget	Variance	Year to Date	Budget	Variance
Family Members	240,905	245,000	(4,095)	1,211,140	1,220,000	(8,860)
Expansion Members	115,600	113,000	2,600	576,617	565,000	11,617
SPD Members	47,385	47,000	385	236,218	235,000	1,218
Total Members - MCAL	403,890	405,000	(1,110)	2,023,975	2,020,000	3,975
REVENUES						
Medicaid - Family Members	228.41	225.68	2.73	226.15	225.68	0.46
Medicaid - Expansion Members	421.48	424.01	(2.52)	422.36	424.01	(1.64)
Medicaid - SPD Members	797.42	859.63	(62.20)	794.04	859.63	(65.59)
Premium - MCO Tax	146.39	147.99	(1.60)	146.08	147.99	(1.91)
Premium - Hospital Directed Payments	145.81	60.21	85.59	145.56	60.27	85.29
Investment Earnings And Other Income	3.73	4.93	(1.20)	5.60	4.94	0.66
Reinsurance Recoveries	-	0.68	(0.68)	-	0.68	(0.68)
Rate Adjustments - Hospital Directed Payments	0.20	-	0.20	52.07	-	52.07
Rate/Income Adjustments	0.34	-	0.34	4.55	-	4.55
Total Revenues	646.88	568.40	78.48	702.19	568.78	133.42
EXPENSES						
MEDICAL COSTS						
Physician Services	97.60	91.01	(6.59)	94.85	91.04	(3.81)
Other Professional Services	26.48	26.84	0.37	26.17	26.86	0.69
Emergency Room	17.52	16.81	(0.70)	16.52	16.82	0.30
Inpatient	97.37	84.01	(13.36)	84.74	84.10	(0.64)
Reinsurance Expense	0.67	0.68	0.00	0.65	0.68	0.02
Outpatient Hospital	35.55	38.14	2.59	38.20	38.18	(0.02)
Other Medical	86.37	71.72	(14.65)	83.86	71.83	(12.02)
Pay for Performance Quality Incentive	1.50	1.50	0.00	1.50	1.50	0.00
Hospital Directed Payments	145.81	60.21	(85.59)	145.56	60.27	(85.29)
Hospital Directed Payment Adjustment	2.72	-	(2.72)	52.53	-	(52.53)
Non-Claims Expense Adjustment	(25.41)	-	25.41	(8.28)	-	8.28
IBNR, Incentive, Paid Claims Adjustment	(0.09)	-	0.09	(1.01)	-	1.01
Total Medical Costs	486.08	390.92	(95.16)	535.29	391.28	(144.01)
GROSS MARGIN	160.81	177.48	(16.68)	166.90	177.49	(10.59)
ADMINISTRATIVE COSTS						
Compensation	9.59	10.43	0.84	9.65	10.45	0.80
Purchased Services	6.65	5.79	(0.87)	5.24	5.80	0.56
Supplies	0.30	0.60	0.30	0.34	0.60	0.27
Depreciation	1.50	1.89	0.40	1.48	1.90	0.42
Other Administrative Expenses	2.07	1.66	(0.41)	1.69	1.66	(0.02)
Administrative Expense Adjustment	0.17	0.49	0.32	0.50	0.50	(0.00)
Total Administrative Expenses	20.29	20.86	0.58	18.89	20.91	2.02
TOTAL EXPENSES	506.36	411.78	(94.58)	554.18	412.20	(141.99)
OPERATING INCOME (LOSS) BEFORE TAX	140.52	156.62	(16.10)	148.01	156.58	(8.57)
MCO TAX	146.42	147.99	1.57	146.09	147.99	1.90
OPERATING INCOME (LOSS) NET OF TAX	(5.89)	8.63	(14.52)	1.92	8.59	(6.67)
NON-OPERATING REVENUE (EXPENSE)						
Provider Grants/CalAIM/Home Health	(0.58)	(2.06)	1.47	(0.47)	(2.06)	1.59
D-SNP Expenses	(1.51)	(0.99)	(0.52)	(1.01)	(0.99)	(0.02)
Total Non-Operating Revenue (Expense)	(2.09)	(3.04)	0.95	(1.48)	(3.05)	1.57
NET INCREASE (DECREASE) IN NET POSITION	(7.99)	5.59	(13.57)	0.44	5.54	(5.10)
MEDICAL LOSS RATIO	95.2%	91.8%	-3.4%	94.1%	91.8%	-2.3%
ADMINISTRATIVE EXPENSE RATIO	5.7%	5.8%	0.1%	5.3%	5.8%	0.5%

**MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION BY QUARTER
ROLLING 4 QUARTERS
FOR THE MONTH ENDED MAY 31, 2025**

	2024 - Q2	2024 - Q3	2024 - Q4	2025 - Q1	Rolling 4-Quarter Totals	CURRENT QUARTER 2025 - Q2
Total Members - MCAL	1,217,132	1,204,552	1,209,901	1,215,186	4,846,771	808,789
REVENUES						
Medicaid - Family Members	168,098,248	157,352,051	181,853,744	164,182,925	671,486,969	109,713,188
Medicaid - Expansion Members	141,387,639	115,764,407	146,690,508	146,129,580	549,972,133	97,412,140
Medicaid - SPD Members	72,382,078	63,945,176	72,615,432	112,116,656	321,059,342	75,449,047
Medicaid - LTC Members	12,644,500	12,158,979	12,679,447	-	37,482,926	-
Premium - MCO Tax	118,164,689	304,000,610	169,305,625	177,408,904	768,879,828	118,261,115
Premium - Hospital Directed Payments	73,085,162	73,636,849	74,054,842	176,821,231	397,598,085	117,787,703
Investment Earnings And Other Income	7,627,603	10,624,397	6,363,381	6,614,108	31,229,489	4,710,586
Rate Adjustments - Hospital Directed Payments	(467,208)	(8,849,506)	(45,264)	105,206,644	95,844,666	190,930
Rate/Income Adjustments	(5,047,999)	2,310,217	29,220	2,557,018	(151,544)	6,661,552
Total Revenues	587,874,713	730,943,182	663,546,935	891,037,065	2,873,401,894	530,186,261
EXPENSES						
MEDICAL COSTS						
Physician Services	102,259,757	100,828,569	117,920,414	113,538,825	434,547,565	78,437,850
Other Professional Services	28,897,182	27,259,189	17,579,841	31,017,823	104,754,034	21,945,535
Emergency Room	19,274,640	19,085,229	20,264,346	20,024,420	78,648,635	13,404,913
Inpatient	97,071,689	98,069,526	109,860,804	98,477,222	403,479,241	73,041,194
Reinsurance Expense	347,257	337,661	337,245	808,856	1,831,019	512,542
Outpatient Hospital	41,034,136	46,542,079	45,089,064	46,204,757	178,870,036	31,120,515
Other Medical	88,283,888	93,132,007	95,537,563	99,350,041	376,303,501	70,374,181
Pay for Performance Quality Incentive	1,825,698	1,809,795	1,814,852	1,822,779	7,273,124	1,213,184
Risk Corridor Expense	-	2,133,095	(960,173)	-	1,172,922	-
Hospital Directed Payments	73,085,162	73,636,849	74,054,842	176,821,231	397,598,085	117,787,703
Hospital Directed Payment Adjustment	18,927	(6,489,175)	(45,264)	105,103,291	98,587,778	1,210,037
Non-Claims Expense Adjustment	(22,398)	(4,294,448)	(1,489,159)	(6,486,815)	(12,292,820)	(10,264,610)
IBNR, Incentive, Paid Claims Adjustment	(7,444,944)	(6,331,814)	(3,892,128)	658,346	(17,010,540)	(2,704,896)
Total Medical Costs	444,630,994	445,718,563	476,072,247	687,340,775	2,053,762,579	396,078,146
GROSS MARGIN	143,243,720	285,224,619	187,474,687	203,696,289	819,639,315	134,108,115
ADMINISTRATIVE COSTS						
Compensation	10,907,085.38	11,047,726.06	12,349,628.75	11,773,691.11	46,078,131	7,759,335
Purchased Services	5,076,648.88	6,652,420.88	6,570,350.58	5,241,892.90	23,541,313	5,361,099
Supplies	722,573.26	707,109.10	693,364.50	438,865.78	2,561,913	244,831
Depreciation	2,164,108.52	2,283,774.25	2,071,811.61	1,794,880.26	8,314,575	1,202,378
Other Administrative Expenses	1,714,820.40	1,588,771.91	1,848,717.24	2,016,474.97	7,168,785	1,397,223
Administrative Expense Adjustment	22,381.02	(2,308.92)	1,230,808.23	776,919.07	2,027,799	229,460
Total Administrative Expenses	20,607,617	22,277,493	24,764,681	22,042,724	89,692,516	16,194,327
TOTAL EXPENSES	465,238,611	467,996,056	500,836,928	709,383,500	2,143,455,095	412,272,473
OPERATING INCOME (LOSS) BEFORE TAX	122,636,102	262,947,125	162,710,007	181,653,565	729,946,799	117,913,787
MCO TAX	118,164,689	304,000,610	169,305,625	177,408,904	768,879,828	118,272,602
OPERATING INCOME (LOSS) NET OF TAX	4,471,413	(41,053,485)	(6,595,619)	4,244,662	(38,933,029)	(358,815)
NON-OPERATING REVENUE (EXPENSE)						
Total Non-Operating Revenue (Expense)	(3,489,571)	(1,249,113)	(4,205,257)	(1,632,695)	(10,576,636)	(1,356,762)
NET INCREASE (DECREASE) IN NET POSITION	981,842	(42,302,598)	(10,800,875)	2,611,967	(49,509,664)	(1,715,577)
MEDICAL LOSS RATIO	93.6%	104.5%	95.7%	93.9%	96.7%	94.3%
ADMINISTRATIVE EXPENSE RATIO	5.2%	6.2%	5.9%	5.1%	5.6%	5.5%

MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION BY QUARTER
ROLLING 4 QUARTERS PMPM
FOR THE MONTH ENDED MAY 31, 2025



	2024 - Q2	2024 - Q3	2024 - Q4	2025 - Q1	Rolling Quarter Totals	CURRENT QUARTER 2025 - Q2
Total Members - MCAL	1,217,132	1,204,552	1,209,901	1,215,186	4,846,771	808,789
REVENUES						
Medicaid - Family Members	209.43	197.65	228.42	225.55	215.03	227.05
Medicaid - Expansion Members	409.54	343.25	428.47	422.74	401.28	421.80
Medicaid - SPD Members	1,068.92	918.71	1,039.89	791.89	920.66	797.25
Medicaid - LTC Members	8,200.06	7,764.35	8,050.44	-	8,004.04	-
Premium - MCO Tax	97.08	252.38	139.93	145.99	158.64	146.22
Premium - Hospital Directed Payments	60.05	61.13	61.21	145.51	82.03	145.63
Investment Earnings And Other Income	6.27	8.82	5.26	5.44	6.44	5.82
Rate Adjustments - Hospital Directed Payments	(0.38)	(7.35)	(0.04)	86.58	19.77	0.24
Rate/Income Adjustments	(4.15)	1.92	0.02	2.10	(0.03)	8.24
Total Revenues	483.00	606.82	548.43	733.25	592.85	655.53
EXPENSES						
MEDICAL COSTS						
Physician Services	84.02	83.71	97.46	93.43	89.66	96.98
Other Professional Services	23.74	22.63	14.53	25.53	21.61	27.13
Emergency Room	15.84	15.84	16.75	16.48	16.23	16.57
Inpatient	79.75	81.42	90.80	81.04	83.25	90.31
Reinsurance Expense	0.29	0.28	0.28	0.67	0.38	0.63
Outpatient Hospital	33.71	38.64	37.27	38.02	36.90	38.48
Other Medical	72.53	77.32	78.96	81.76	77.64	87.01
Pay for Performance Quality Incentive	1.50	1.50	1.50	1.50	1.50	1.50
Risk Corridor Expense	-	1.77	(0.79)	-	0.24	-
Hospital Directed Payments	60.05	61.13	61.21	145.51	82.03	145.63
Hospital Directed Payment Adjustment	0.02	(5.39)	(0.04)	86.49	20.34	1.50
Non-Claims Expense Adjustment	(0.02)	(3.57)	(1.23)	(5.34)	(2.54)	(12.69)
IBNR, Incentive, Paid Claims Adjustment	(6.12)	(5.26)	(3.22)	0.54	(3.51)	(3.34)
Total Medical Costs	365.31	370.03	393.48	565.63	423.74	489.72
GROSS MARGIN	117.69	236.79	154.95	167.63	169.11	165.81
ADMINISTRATIVE COSTS						
Compensation	8.96	9.17	10.21	9.69	9.51	9.59
Purchased Services	4.17	5.52	5.43	4.31	4.86	6.63
Supplies	0.59	0.59	0.57	0.36	0.53	0.30
Depreciation	1.78	1.90	1.71	1.48	1.72	1.49
Other Administrative Expenses	1.41	1.32	1.53	1.66	1.48	1.73
Administrative Expense Adjustment	0.02	(0.00)	1.02	0.64	0.42	0.28
Total Administrative Expenses	16.93	18.49	20.47	18.14	18.51	20.02
TOTAL EXPENSES	382.24	388.52	413.95	583.77	442.24	509.74
OPERATING INCOME (LOSS) BEFORE TAX	100.76	218.29	134.48	149.49	150.60	145.79
MCO TAX	97.08	252.38	139.93	145.99	158.64	146.23
OPERATING INCOME (LOSS) NET OF TAX	3.67	(34.08)	(5.45)	3.49	(8.03)	(0.44)
NON-OPERATING REVENUE (EXPENSE)						
Total Non-Operating Revenue (Expense)	(2.87)	(1.04)	(3.48)	(1.34)	(2.18)	(1.68)
NET INCREASE (DECREASE) IN NET POSITION	0.81	(35.12)	(8.93)	2.15	(10.21)	(2.12)
MEDICAL LOSS RATIO	93.6%	104.5%	95.7%	93.9%	96.7%	94.3%
ADMINISTRATIVE EXPENSE RATIO	5.2%	6.2%	5.9%	5.1%	5.6%	5.5%

**MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION BY MONTH
ROLLING 6 MONTHS
FOR THE MONTH ENDED MAY 31, 2025**

	NOVEMBER 2024	DECEMBER 2024	JANUARY 2025	FEBRUARY 2025	MARCH 2025	APRIL 2025	Prior 6 Month YTD	MAY 2025
Total Members - MCAL	403,549	404,440	404,441	405,545	405,200	404,899	2,428,074	403,890
REVENUES								
Medicaid - Family Members	62,628,897	63,457,995	54,779,472	55,023,433	54,380,020	54,688,236	344,958,053	55,024,952
Medicaid - Expansion Members	47,452,486	54,963,125	48,572,760	48,902,196	48,654,624	48,688,708	297,233,899	48,723,433
Medicaid - SPD Members	24,507,942	24,524,681	38,799,459	35,786,816	37,530,381	37,663,190	198,812,469	37,785,856
Medicaid - LTC Members	4,337,441	4,180,989	-	-	-	-	8,518,429	-
Premium - MCO Tax	59,673,120	50,161,540	59,136,301	59,136,301	59,136,301	59,136,301	346,379,864	59,124,814
Premium - Hospital Directed Payments	24,699,036	24,742,689	59,831,392	58,045,936	58,943,903	58,897,348	285,160,305	58,890,354
Investment Earnings And Other Income	2,147,703	2,179,759	1,729,314	2,419,799	2,464,994	3,204,688	14,146,258	1,505,898
Rate Adjustments - Hospital Directed Payments	17,404	(7,417)	103,134,648	1,953,159	118,837	111,950	105,328,581	78,980
Rate/Income Adjustments	239,543	(312,962)	520,492	1,370,485	666,041	6,525,510	9,009,109	136,042
Total Revenues	225,703,571	223,890,400	366,503,837	262,638,127	261,895,101	268,915,931	1,609,546,967	261,270,330
EXPENSES								
MEDICAL COSTS								
Physician Services	37,671,697	37,607,514	36,132,491	38,711,809	38,694,525	39,018,167	227,836,203	39,419,683
Other Professional Services	9,971,766	10,811,656	11,445,798	10,004,694	9,567,330	11,252,193	63,053,438	10,693,341
Emergency Room	6,638,555	6,048,961	7,289,728	6,508,981	6,225,711	6,330,730	39,042,666	7,074,183
Inpatient	37,175,106	38,706,469	33,857,875	31,406,220	33,213,126	33,714,646	208,073,442	39,326,548
Reinsurance Expense	112,931	112,548	269,619	269,619	269,619	240,829	1,275,163	271,713
Outpatient Hospital	14,401,513	15,505,363	16,019,765	15,697,949	14,487,044	16,762,573	92,874,206	14,357,942
Other Medical	31,812,311	28,832,240	30,295,617	34,766,397	34,288,028	35,490,308	195,484,900	34,883,873
Pay for Performance Quality Incentive	604,830	606,660	606,662	608,318	607,800	607,349	3,641,618	605,835
Risk Corridor Expense	-	430,817	-	-	-	-	430,817	-
Hospital Directed Payments	24,699,036	24,742,689	59,831,392	58,045,936	58,943,903	58,897,348	285,160,305	58,890,354
Hospital Directed Payment Adjustment	17,404	(7,417)	103,134,648	1,953,159	15,484	111,948	105,225,226	1,098,088
Non-Claims Expense Adjustment	(1,490,761)	1,931	(350,170)	(2,753,743)	(3,382,901)	(1,877)	(7,977,522)	(10,262,733)
IBNR, Incentive, Paid Claims Adjustment	277,697	(5,075,723)	388,615	248,637	21,094	(2,667,286)	(6,806,966)	(37,610)
Total Medical Costs	161,892,084	158,323,708	298,922,038	195,467,975	192,950,763	199,756,928	1,207,313,496	196,321,218
GROSS MARGIN	63,811,487	65,566,692	67,581,799	67,170,152	68,944,338	69,159,003	402,233,471	64,949,112
ADMINISTRATIVE COSTS								
Compensation	4,154,887	4,393,765	4,200,484	3,708,197	3,865,011	3,886,069	24,208,412	3,873,266
Purchased Services	1,661,091	2,949,925	1,498,800	1,740,859	2,002,235	2,673,698	12,526,607	2,687,401
Supplies	133,675	309,304	95,074	163,332	180,460	122,949	1,004,794	121,882
Depreciation	691,764	661,433	812,433	385,016	597,431	597,265	3,745,343	605,113
Other Administrative Expenses	608,620	533,629	883,740	468,446	664,289	561,209	3,719,934	836,014
Administrative Expense Adjustment	(2,230)	1,233,038	202,969	198,773	375,177	160,116	2,167,843	69,345
Total Administrative Expenses	7,247,808	10,081,094	7,693,499	6,664,623	7,684,602	8,001,306	47,372,932	8,193,021
TOTAL EXPENSES	169,139,892	168,404,802	306,615,536	202,132,598	200,635,365	207,758,234	1,254,686,428	204,514,239
OPERATING INCOME (LOSS) BEFORE TAX	56,563,679	55,485,598	59,888,301	60,505,529	61,259,736	61,157,697	354,860,539	56,756,091
MCO TAX	59,673,120	50,161,540	59,136,301	59,136,301	59,136,301	59,136,301	346,379,864	59,136,301
OPERATING INCOME (LOSS) NET OF TAX	(3,109,441)	5,324,058	751,999	1,369,228	2,123,435	2,021,395	8,480,674	(2,380,210)
NON-OPERATING REVENUE (EXPENSE)								
Provider Grants/CalAIM/Home Health	(16,224)	(8,112)	(387,871)	(458,704)	(233,882)	(346,543)	(1,451,336)	(609,854)
D-SNP Expenses	(228,888.43)	(159,177.34)	(236,064.70)	(142,265.35)	(173,907.04)	(165,175.14)	(1,105,478)	(235,191)
Total Non-Operating Revenue (Expense)	(245,112)	(167,289)	(623,936)	(600,969)	(407,789)	(511,718)	(2,556,814)	(845,044)
NET INCREASE (DECREASE) IN NET POSITION	(3,354,553)	5,156,768	128,064	768,258	1,715,645	1,509,677	5,923,860	(3,225,255)
MEDICAL LOSS RATIO	97.1%	89.7%	94.2%	94.4%	93.2%	93.4%	93.6%	95.2%
ADMINISTRATIVE EXPENSE RATIO	5.1%	6.8%	5.3%	4.6%	5.3%	5.3%	5.4%	5.7%

MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION BY MONTH
PMPM ROLLING 6 MONTHS
FOR THE MONTH ENDED MAY 31, 2025



	NOVEMBER 2024	DECEMBER 2024	JANUARY 2025	FEBRUARY 2025	MARCH 2025	APRIL 2025	6 Month Prior YTD	MAY 2025
Total Members - MCAL	403,549	404,440	404,441	405,545	405,200	404,899	2,428,074	403,890
REVENUES								
Medicaid - Family Members	236.28	238.59	225.97	226.62	224.06	225.70	229.78	228.41
Medicaid - Expansion Members	414.85	479.73	423.70	422.28	422.24	422.12	430.79	421.48
Medicaid - SPD Members	1,054.01	1,049.14	818.92	762.41	794.08	797.07	844.35	797.42
Medicaid - LTC Members	8,309.27	7,994.24	-	-	-	1.00	8,151.61	-
Premium - MCO Tax	147.87	124.03	146.22	145.82	145.94	146.05	142.66	146.39
Premium - Hospital Directed Payments	61.20	61.18	147.94	143.13	145.47	145.46	117.44	145.81
Investment Earnings And Other Income	5.32	5.39	4.28	5.97	6.08	7.91	5.83	3.73
Rate Adjustments - Hospital Directed Payments	0.04	(0.02)	255.01	4.82	0.29	0.28	43.38	0.20
Rate/Income Adjustments	0.59	(0.77)	1.29	3.38	1.64	16.12	3.71	0.34
Total Revenues	559.30	553.58	906.20	647.62	646.34	664.16	662.89	646.88
EXPENSES								
MEDICAL COSTS								
Physician Services	93.35	92.99	89.34	95.46	95.49	96.37	93.83	97.60
Other Professional Services	24.71	26.73	28.30	24.67	23.61	27.79	25.97	26.48
Emergency Room	16.45	14.96	18.02	16.05	15.36	15.64	16.08	17.52
Inpatient	92.12	95.70	83.72	77.44	81.97	83.27	85.69	97.37
Reinsurance Expense	0.28	0.28	0.67	0.66	0.67	0.59	0.53	0.67
Outpatient Hospital	35.69	38.34	39.61	38.71	35.75	41.40	38.25	35.55
Other Medical	78.83	71.29	74.91	85.73	84.62	87.65	80.51	86.37
Pay for Performance Quality Incentive	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Risk Corridor Expense	-	1.07	-	-	-	-	0.18	-
Hospital Directed Payments	61.20	61.18	147.94	143.13	145.47	145.46	117.44	145.81
Hospital Directed Payment Adjustment	0.04	(0.02)	255.01	4.82	0.04	0.28	43.34	2.72
Non-Claims Expense Adjustment	(3.69)	0.00	(0.87)	(6.79)	(8.35)	(0.00)	(3.29)	(25.41)
IBNR, Incentive, Paid Claims Adjustment	0.69	(12.55)	0.96	0.61	0.05	(6.59)	(2.80)	(0.09)
Total Medical Costs	401.17	391.46	739.10	481.99	476.19	493.35	497.23	486.08
GROSS MARGIN	158.13	162.12	167.10	165.63	170.15	170.81	165.66	160.81
ADMINISTRATIVE COSTS								
Compensation	10.30	10.86	10.39	9.14	9.54	9.60	9.97	9.59
Purchased Services	4.12	7.29	3.71	4.29	4.94	6.60	5.16	6.65
Supplies	0.33	0.76	0.24	0.40	0.45	0.30	0.41	0.30
Depreciation	1.71	1.64	2.01	0.95	1.47	1.48	1.54	1.50
Other Administrative Expenses	1.51	1.32	2.19	1.16	1.64	1.39	1.53	2.07
Administrative Expense Adjustment	(0.01)	3.05	0.50	0.49	0.93	0.40	0.89	0.17
Total Administrative Expenses	17.96	24.93	19.02	16.43	18.96	19.76	19.51	20.29
TOTAL EXPENSES	419.13	416.39	758.12	498.42	495.15	513.11	516.74	506.36
OPERATING INCOME (LOSS) BEFORE TAX	140.17	137.19	148.08	149.20	151.18	151.04	146.15	140.52
MCO TAX	147.87	124.03	146.22	145.82	145.94	146.05	142.66	146.42
OPERATING INCOME (LOSS) NET OF TAX	(7.71)	13.16	1.86	3.38	5.24	4.99	3.49	(5.89)
NON-OPERATING REVENUE (EXPENSE)								
Provider Grants/CalAIM/Home Health	(0.04)	(0.02)	(0.96)	(1.13)	(0.58)	(0.86)	(0.60)	(1.51)
D-SNP Expenses	(0.57)	(0.39)	(0.58)	(0.35)	(0.43)	(0.41)	(0.46)	(0.58)
Total Non-Operating Revenue (Expense)	(0.61)	(0.41)	(1.54)	(1.48)	(1.01)	(1.26)	(1.05)	(2.09)
NET INCREASE (DECREASE) IN NET POSITION	(8.31)	12.75	0.32	1.89	4.23	3.73	2.44	(7.99)
MEDICAL LOSS RATIO	97.1%	89.7%	94.2%	94.4%	93.2%	93.4%	93.6%	95.2%
ADMINISTRATIVE EXPENSE RATIO	5.1%	6.8%	5.3%	4.6%	5.3%	5.3%	5.4%	5.7%

**MEDI-CAL
SCHEDULE OF REVENUES - ALL COA
FOR THE MONTH ENDED MAY 31, 2025**

	May	Budget	Variance
REVENUES			
Premium - Medi-Cal	47,672,367	48,465,166	(792,799)
Premium - Maternity Kick	3,351,633	3,368,372	(16,739)
Premium - Enhanced Care Management	2,132,628	1,757,914	374,715
Premium - Major Organ Transplant	164,567	238,124	(73,557)
Premium - Provider Enhancement	1,445,331	1,172,374	272,957
Premium - GEMT	161,307	182,594	(21,286)
Other	97,118	107,800	(10,682)
TOTAL MEDICAID - FAMILY MEMBERS	55,024,952	55,292,342	(267,391)
Premium - Medi-Cal	45,365,301	44,592,454	772,847
Premium - Maternity Kick	206,137	442,636	(236,499)
Premium - Enhanced Care Management	2,149,171	1,778,641	370,531
Premium - Major Organ Transplant	289,211	422,945	(133,734)
Premium - Provider Enhancement	430,991	364,845	66,146
Premium - GEMT	236,220	261,525	(25,305)
Other	46,403	49,720	(3,317)
TOTAL MEDICAID - EXPANSION MEMBERS	48,723,433	47,912,766	810,667
Premium - Medi-Cal	36,169,992	38,844,040	(2,674,048)
Premium - Enhanced Care Management	1,329,835	1,014,864	314,971
Premium - Major Organ Transplant	115,746	341,085	(225,339)
Premium - Provider Enhancement	31,837	28,525	3,312
Premium - GEMT	137,134	173,842	(36,708)
Premium - Distinct Part Nursing Facility	1,206	-	1,206
Other	106	106	-
TOTAL MEDICAID - SPD MEMBERS	37,785,856	40,402,462	(2,616,605)

Year to Date	Budget	Variance
237,771,274	241,336,744	(3,565,470)
16,177,929	16,773,120	(595,191)
10,652,668	8,753,692	1,898,976
811,253	1,185,758	(374,505)
7,191,167	5,837,942	1,353,225
806,535	909,241	(102,707)
485,285	536,800	(51,515)
273,896,113	275,333,297	(1,437,185)
225,584,848	222,962,271	2,622,577
2,175,890	2,213,181	(37,292)
10,772,433	8,893,203	1,879,230
1,435,944	2,114,725	(678,781)
2,156,059	1,824,225	331,834
1,184,949	1,307,625	(122,676)
231,597	248,600	(17,003)
243,541,720	239,563,830	3,977,889
179,519,057	194,220,171	(14,701,114)
6,626,192	5,074,320	1,551,872
573,134	1,705,425	(1,132,291)
158,620	142,625	15,995
681,906	869,210	(187,304)
6,236	-	6,236
558	558	-
187,565,703	202,012,309	(14,446,606)

**MEDI-CAL
SCHEDULE OF REVENUES - ALL COA
FOR THE MONTH ENDED MAY 31, 2025**

REVENUES	January	February	March	April	May	Year to Date
Premium - Medi-Cal	47,363,308	47,545,964	47,551,546	47,638,089	47,672,367	237,771,274
Premium - Maternity Kick	3,443,250	3,489,058	2,840,108	3,053,880	3,351,633	16,177,929
Premium - Enhanced Care Management	2,125,064	2,131,060	2,130,863	2,133,053	2,132,628	10,652,668
Premium - Major Organ Transplant	160,356	161,697	161,742	162,891	164,567	811,253
Premium - Provider Enhancement	1,429,771	1,437,183	1,437,262	1,441,621	1,445,331	7,191,167
Premium - GEMT	160,977	161,437	161,348	161,465	161,307	806,535
Other	96,746	97,035	97,150	97,236	97,118	485,285
TOTAL MEDICAID - FAMILY MEMBERS	54,779,472	55,023,433	54,380,020	54,688,236	55,024,952	273,896,113
Premium - Medi-Cal	44,855,744	45,219,120	45,018,916	45,125,766	45,365,301	225,584,848
Premium - Maternity Kick	564,968	511,525	480,986	412,274	206,137	2,175,890
Premium - Enhanced Care Management	2,153,257	2,165,899	2,154,091	2,150,015	2,149,171	10,772,433
Premium - Major Organ Transplant	285,237	287,671	286,455	287,370	289,211	1,435,944
Premium - Provider Enhancement	430,414	433,175	430,922	430,557	430,991	2,156,059
Premium - GEMT	236,976	238,316	236,993	236,445	236,220	1,184,949
Other	46,164	46,490	46,262	46,280	46,403	231,597
TOTAL MEDICAID - EXPANSION MEMBERS	48,572,760	48,902,196	48,654,624	48,688,708	48,723,433	243,541,720
Premium - Medi-Cal	37,081,984	34,297,701	35,919,054	36,050,326	36,169,992	179,519,057
Premium - Enhanced Care Management	1,403,572	1,238,016	1,326,920	1,327,850	1,329,835	6,626,192
Premium - Major Organ Transplant	125,409	102,004	114,724	115,251	115,746	573,134
Premium - Provider Enhancement	35,647	27,621	31,770	31,745	31,837	158,620
Premium - GEMT	151,476	120,067	136,547	136,681	137,134	681,906
Premium - Distinct Part Nursing Facility	1,259	1,293	1,251	1,227	1,206	6,236
Other	112	114	115	110	106	558
TOTAL MEDICAID - SPD MEMBERS	38,799,459	35,786,816	37,530,381	37,663,190	37,785,856	187,565,703

MEDI-CAL
SCHEDULE OF MEDICAL COSTS - ALL COA
FOR THE MONTH ENDED MAY 31, 2025



	May	Budget	Variance	Year to Date	Budget	Variance
Physician Services						
Primary Care Physician Services	8,209,102	8,148,914	(60,188)	41,610,696	40,634,055	(976,641)
Referral Specialty Services	29,514,962	24,880,302	(4,634,660)	132,664,360	124,184,792	(8,479,568)
Urgent Care & After Hours Advice	1,686,319	3,818,746	2,132,426	17,656,318	19,042,018	1,385,700
Hospital Admitting Team	9,300	9,300	-	45,300	45,300	-
Total Physician Services	39,419,683	36,857,262	(2,562,421)	191,976,674	183,906,165	(8,070,509)
Other Professional Services						
Vision Service Capitation	344,127	364,500	20,373	1,721,934	1,818,000	96,066
221 - Business Intelligence	193,999	193,350	(649)	973,095	965,291	(7,804)
310 - Health Services - Utilization Management	748,550	776,745	28,195	3,828,897	3,877,868	48,971
311 - Health Services - Quality Improvement	248,061	286,658	38,597	1,233,778	1,431,129	197,351
312 - Health Services Education	315,011	357,101	42,090	1,572,564	1,782,814	210,251
313 - Pharmacy	123,215	128,136	4,921	604,099	639,716	35,617
314 - Enhanced Care Management	390,150	396,308	6,158	1,916,943	1,978,551	61,608
316 - Population Health Management	507,502	611,793	104,290	2,621,205	3,054,352	433,147
317 - In Lieu of Services	133,141	130,470	(2,671)	640,888	651,366	10,478
321 - Homeless Management Information Services	21,840	42,653	20,812	130,504	212,941	82,437
330 - Member Services	1,067,629	1,089,292	21,664	5,205,560	5,438,250	232,690
331 - Member Outreach	86,498	252,701	166,203	447,736	1,261,600	813,864
410 - Member Engagement	58,977	105,781	46,804	287,878	528,107	240,229
601 - Behavioral Health	160,019	177,290	17,271	764,990	885,115	120,124
602 - Quality & Health Equity	78,183	82,277	4,094	397,901	410,764	12,863
604 - Clinical Operations, Strategy, and Analytics	138,241	135,100	(3,141)	657,061	674,483	17,422
605 - Quality Performance	148,645	187,229	38,584	762,018	934,732	172,714
Behavior Health Treatment	2,901,828	2,831,393	(70,436)	15,719,962	14,122,974	(1,596,988)
Mental Health Services	609,128	679,237	70,109	2,940,822	3,391,962	451,140
Other Professional Services	2,418,598	2,042,602	(375,996)	10,535,523	10,193,895	(341,628)
Total Other Professional Services	10,693,341	10,870,614	177,273	52,963,357	54,253,910	1,290,553
Emergency Room	7,074,183	6,809,497	(264,686)	33,429,333	33,970,195	540,862
Inpatient Hospital	39,326,548	34,023,432	(5,303,117)	171,518,416	169,889,313	(1,629,103)
Reinsurance Expense Premium	271,713	274,467	2,754	1,321,398	1,368,783	47,385
Outpatient Hospital	14,357,942	15,444,684	1,086,742	77,325,272	77,127,754	(197,519)
Other Medical						
Ambulance and NEMT	6,396,406	5,052,706	(1,343,700)	32,004,026	25,239,336	(6,764,690)
Home Health Services & CBAS	1,130,422	1,319,425	189,003	6,878,764	6,594,378	(284,387)
Utilization and Quality Review Expenses	1,444,299	1,817,271	372,972	5,749,393	9,072,657	3,323,264
Long Term/SNf/Hospice	10,165,912	11,519,825	1,353,913	51,656,425	57,587,387	5,930,962
Provider Enhancement Expense - Prop. 56	1,813,309	1,487,456	(325,853)	9,032,760	7,414,552	(1,618,208)
Provider Enhancement Expense - GEMT	534,661	587,063	52,401	2,673,389	2,931,772	258,383
Enhanced Care Management	5,331,053	4,323,847	(1,007,206)	26,648,729	21,585,155	(5,063,574)
Community Support Services	5,298,573	-	(5,298,573)	20,517,296	-	(20,517,296)
Major Organ Transplant	541,047	952,046	410,999	2,730,104	4,755,613	2,025,509
Cal AIM Incentive Programs	90,000	-	(90,000)	1,068,665	-	(1,068,665)
Distinct Part Nursing Facility Expense	1,206	-	(1,206)	6,236	-	(6,236)
DME/Rebates	2,136,985	1,987,498	(149,487)	10,758,435	9,925,092	(833,344)
Total Other Medical	34,883,873	29,047,136	(5,836,737)	169,724,222	145,105,941	(24,618,281)
Pay for Performance Quality Incentive	605,835	607,502	1,667	3,035,963	3,030,027	(5,936)
Hospital Directed Payments	58,890,354	24,386,803	(34,503,552)	294,608,934	121,736,782	(172,872,152)
Hospital Directed Payment Adjustment	1,098,088	-	(1,098,088)	106,313,327	-	(106,313,327)
Non-Claims Expense Adjustment	(10,262,733)	-	10,262,733	(16,751,425)	-	16,751,425
IBNR, Incentive, Paid Claims Adjustment	(37,610)	-	37,610	(2,046,550)	-	2,046,550
Total Medical Costs	196,321,218	158,321,398	(37,999,820)	1,083,418,921	790,388,869	(293,030,053)

* MEDICAL COSTS PER DMHC REGULATIONS

MEDI-CAL
SCHEDULE OF MEDICAL COSTS - ALL COA
FOR THE MONTH ENDED MAY 31, 2025



	May	Budget	Variance	Year to Date	Budget	Variance
TOTAL MEMBERS - MCAL	403,890	405,000	(1,110)	2,023,975	2,020,000	3,975
Physician Services						
Primary Care Physician Services	20.33	20.12	(0.20)	20.56	20.12	(0.44)
Referral Specialty Services	73.08	61.43	(11.64)	65.55	61.48	(4.07)
Urgent Care & After Hours Advice	4.18	9.43	5.25	8.72	9.43	0.70
Hospital Admitting Team	0.02	0.02	(0.00)	0.02	0.02	0.00
Total Physician Services	97.60	91.01	(6.59)	94.85	91.04	(3.81)
Other Professional Services						
Vision Service Capitation	0.85	0.90	0.05	0.85	0.90	0.05
221 - Business Intelligence	0.48	0.48	(0.00)	0.48	0.48	(0.00)
310 - Health Services - Utilization Management	1.85	1.92	0.06	1.89	1.92	0.03
311 - Health Services - Quality Improvement	0.61	0.71	0.09	0.61	0.71	0.10
312 - Health Services Education	0.78	0.88	0.10	0.78	0.88	0.11
313 - Pharmacy	0.31	0.32	0.01	0.30	0.32	0.02
314 - Enhanced Care Management	0.97	0.98	0.01	0.95	0.98	0.03
316 - Population Health Management	1.26	1.51	0.25	1.30	1.51	0.22
317 - In Lieu of Services	0.33	0.32	(0.01)	0.32	0.32	0.01
321 - Homeless Management Information Services	0.05	0.11	0.05	0.06	0.11	0.04
330 - Member Services	2.64	2.69	0.05	2.57	2.69	0.12
331 - Member Outreach	0.21	0.62	0.41	0.22	0.62	0.40
410 - Member Engagement	0.15	0.26	0.12	0.14	0.26	0.12
601 - Behavioral Health	0.40	0.44	0.04	0.38	0.44	0.06
602 - Quality & Health Equity	0.19	0.20	0.01	0.20	0.20	0.01
604 - Clinical Operations, Strategy, and Analytics	0.34	0.33	(0.01)	0.32	0.33	0.01
605 - Quality Performance	0.37	0.46	0.09	0.38	0.46	0.09
Behavior Health Treatment	7.18	6.99	(0.19)	7.77	6.99	(0.78)
Mental Health Services	1.51	1.68	0.17	1.45	1.68	0.23
Other Professional Services	5.99	5.04	(0.94)	5.21	5.05	(0.16)
Total Other Professional Services	26.48	26.84	0.37	26.17	26.86	0.69
Emergency Room	17.52	16.81	(0.70)	16.52	16.82	0.30
Inpatient Hospital	97.37	84.01	(13.36)	84.74	84.10	(0.64)
Reinsurance Expense Premium	0.67	0.68	0.00	0.65	0.68	0.02
Outpatient Hospital	35.55	38.14	2.59	38.20	38.18	(0.02)
Other Medical						
Ambulance and NEMT	15.84	12.48	(3.36)	15.81	12.49	(3.32)
Home Health Services & CBAS	2.80	3.26	0.46	3.40	3.26	(0.13)
Utilization and Quality Review Expenses	3.58	4.49	0.91	2.84	4.49	1.65
Long Term/SNF/Hospice	25.17	28.44	3.27	25.52	28.51	2.99
Provider Enhancement Expense - Prop. 56	4.49	3.67	(0.82)	4.46	3.67	(0.79)
Provider Enhancement Expense - GEMT	1.32	1.45	0.13	1.32	1.45	0.13
Enhanced Care Management	13.20	10.68	(2.52)	13.17	10.69	(2.48)
Community Support Services	13.12	-	(13.12)	10.14	-	(10.14)
Major Organ Transplant	1.34	2.35	1.01	1.35	2.35	1.01
Cal AIM Incentive Programs	0.22	-	(0.22)	0.53	-	(0.53)
Distinct Part Nursing Facility Expense	0.00	-	(0.00)	0.00	-	(0.00)
DME/Rebates	5.29	4.91	(0.38)	5.32	4.91	(0.40)
Total Other Medical	86.37	71.72	(14.65)	83.86	71.83	(12.02)
Pay for Performance Quality Incentive	1.50	1.50	0.00	1.50	1.50	0.00
Hospital Directed Payments	145.81	60.21	(85.59)	145.56	60.27	(85.29)
Hospital Directed Payment Adjustment	2.72	-	(2.72)	52.53	-	(52.53)
Non-Claims Expense Adjustment	(25.41)	-	25.41	(8.28)	-	8.28
IBNR, Incentive, Paid Claims Adjustment	(0.09)	-	0.09	(1.01)	-	1.01
Total Medical Costs	486.08	390.92	(95.16)	535.29	391.28	(144.01)



MEDI-CAL
SCHEDULE OF MEDICAL COSTS - ALL COA
FOR THE MONTH ENDED MAY 31, 2025

	January	February	March	April	May	Year to Date
Physician Services						
Primary Care Physician Services	6,633,777	10,235,649	8,511,088	8,021,079	8,209,102	41,610,696
Referral Specialty Services	25,541,006	24,175,932	26,067,518	27,364,943	29,514,962	132,664,360
Urgent Care & After Hours Advice	3,948,407	4,291,828	4,106,619	3,623,145	1,686,319	17,656,318
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	45,300
Total Physician Services	36,132,491	38,711,809	38,694,525	39,018,167	39,419,683	191,976,674
Other Professional Services						
Vision Service Capitation	344,606	343,774	343,775	345,653	344,127	1,721,934
221 - Business Intelligence	211,963	188,504	191,787	186,842	193,999	973,095
310 - Health Services - Utilization Management	826,640	762,266	757,294	734,148	748,550	3,828,897
311 - Health Services - Quality Improvement	306,121	220,471	220,433	238,693	248,061	1,233,778
312 - Health Services Education	321,705	307,110	316,293	312,444	315,011	1,572,564
313 - Pharmacy	140,301	111,951	115,447	113,186	123,215	604,099
314 - Enhanced Care Management	411,824	347,498	371,602	395,870	390,150	1,916,943
316 - Population Health Management	593,720	502,067	520,999	496,916	507,502	2,621,205
317 - In Lieu of Services	134,223	120,595	127,368	125,560	133,141	640,888
321 - Homeless Management Information Services	44,251	23,122	20,283	21,008	21,840	130,504
330 - Member Services	1,080,746	1,029,669	1,011,284	1,016,232	1,067,629	5,205,560
331 - Member Outreach	83,414	78,217	82,465	117,142	86,498	447,736
410 - Member Engagement	59,841	54,424	57,455	57,181	58,977	287,878
601 - Behavioral Health	170,807	146,523	140,152	147,490	160,019	764,990
602 - Quality & Health Equity	82,237	78,819	78,678	79,984	78,183	397,901
604 - Clinical Operations, Strategy, and Analytics	142,213	117,289	130,628	128,689	138,241	657,061
605 - Quality Performance	154,331	142,203	160,748	156,090	148,645	762,018
Behavior Health Treatment	3,181,908	3,355,677	2,493,778	3,786,771	2,901,828	15,719,962
Mental Health Services	974,251	506,210	300,821	550,412	609,128	2,940,822
Other Professional Services	2,180,697	1,568,304	2,126,040	2,241,884	2,418,598	10,535,523
Total Other Professional Services	11,445,798	10,004,694	9,567,330	11,252,193	10,693,341	52,963,357
Emergency Room	7,289,728	6,508,981	6,225,711	6,330,730	7,074,183	33,429,333
Inpatient Hospital	33,857,875	31,406,220	33,213,126	33,714,646	39,326,548	171,518,416
Reinsurance Expense Premium	269,619	269,619	269,619	240,829	271,713	1,321,398
Outpatient Hospital	16,019,765	15,697,949	14,487,044	16,762,573	14,357,942	77,325,272
Other Medical						
Ambulance and NEMT	5,965,805	7,090,416	6,724,343	5,827,057	6,396,406	32,004,026
Home Health Services & CBAS	1,636,266	1,531,236	1,185,227	1,395,613	1,130,422	6,878,764
Utilization and Quality Review Expenses	936,126	930,163	1,665,464	773,340	1,444,299	5,749,393
Long Term/SNF/Hospice	10,523,545	10,822,106	9,460,426	10,684,436	10,165,912	51,656,425
Provider Enhancement Expense - Prop. 56	1,801,039	1,803,328	1,805,739	1,809,345	1,813,309	9,032,760
Provider Enhancement Expense - GEMT	549,430	519,819	534,888	534,592	534,661	2,673,389
Enhanced Care Management	5,134,027	5,521,997	5,331,279	5,330,372	5,331,053	26,648,729
Community Support Services	590,845	3,824,743	4,662,690	6,140,445	5,298,573	20,517,296
Major Organ Transplant	542,452	574,592	534,775	537,237	541,047	2,730,104
Cal AIM Incentive Programs	275,000	188,015	390,633	125,018	90,000	1,068,665
Distinct Part Nursing Facility Expense	1,259	1,293	1,251	1,227	1,206	6,236
DME/Rebates	2,339,823	1,958,689	1,991,312	2,331,626	2,136,985	10,758,435
Total Other Medical	30,295,617	34,766,397	34,288,028	35,490,308	34,883,873	169,724,222
Pay for Performance Quality Incentive	606,662	608,318	607,800	607,349	605,835	3,035,963
Hospital Directed Payments	59,831,392	58,045,936	58,943,903	58,897,348	58,890,354	294,608,934
Hospital Directed Payment Adjustment	103,134,648	1,953,159	15,484	111,948	1,098,088	106,313,327
Non-Claims Expense Adjustment	(350,170)	(2,753,743)	(3,382,901)	(1,877)	(10,262,733)	(16,751,425)
IBNR, Incentive, Paid Claims Adjustment	388,615	248,637	21,094	(2,667,286)	(37,610)	(2,046,550)
Total Medical Costs	298,922,038	195,467,975	192,950,763	199,756,928	196,321,218	1,083,418,921

* MEDICAL COSTS PER DMHC REGULATIONS



MEDI-CAL
SCHEDULE OF MEDICAL COSTS - ALL COA
FOR THE MONTH ENDED MAY 31, 2025

	January	February	March	April	May	Year to Date
Physician Services						
Primary Care Physician Services	16.40	25.24	21.00	19.81	20.33	20.56
Referral Specialty Services	63.15	59.61	64.33	67.58	73.08	65.55
Urgent Care & After Hours Advice	9.76	10.58	10.13	8.95	4.18	8.72
Hospital Admitting Team	0.02	0.02	0.02	0.02	0.02	0.02
Total Physician Services	89.34	95.46	95.49	96.37	97.60	94.85
Other Professional Services						
Vision Service Capitation	0.85	0.85	0.85	0.85	0.85	0.85
221 - Business Intelligence	0.52	0.46	0.47	0.46	0.48	0.48
310 - Health Services - Utilization Management	2.04	1.88	1.87	1.81	1.85	1.89
311 - Health Services - Quality Improvement	0.76	0.54	0.54	0.59	0.61	0.61
312 - Health Services Education	0.80	0.76	0.78	0.77	0.78	0.78
313 - Pharmacy	0.35	0.28	0.28	0.28	0.31	0.30
314 - Enhanced Care Management	1.02	0.86	0.92	0.98	0.97	0.95
316 - Population Health Management	1.47	1.24	1.29	1.23	1.26	1.30
317 - In Lieu of Services	0.33	0.30	0.31	0.31	0.33	0.32
321 - Homeless Management Information Services	0.11	0.06	0.05	0.05	0.05	0.06
330 - Member Services	2.67	2.54	2.50	2.51	2.64	2.57
331 - Member Outreach	0.21	0.19	0.20	0.29	0.21	0.22
410 - Member Engagement	0.15	0.13	0.14	0.14	0.15	0.14
601 - Behavioral Health	0.42	0.36	0.35	0.36	0.40	0.38
602 - Quality & Health Equity	0.20	0.19	0.19	0.20	0.19	0.20
604 - Clinical Operations, Strategy, and Analytics	0.35	0.29	0.32	0.32	0.34	0.32
605 - Quality Performance	0.38	0.35	0.40	0.39	0.37	0.38
Behavior Health Treatment	7.87	8.27	6.15	9.35	7.18	7.77
Mental Health Services	2.41	1.25	0.74	1.36	1.51	1.45
Other Professional Services	5.39	3.87	5.25	5.54	5.99	5.21
Total Other Professional Services	28.30	24.67	23.61	27.79	26.48	26.17
Emergency Room	18.02	16.05	15.36	15.64	17.52	16.52
Inpatient Hospital	83.72	77.44	81.97	83.27	97.37	84.74
Reinsurance Expense Premium	0.67	0.66	0.67	0.59	0.67	0.65
Outpatient Hospital	39.61	38.71	35.75	41.40	35.55	38.20
Other Medical						
Ambulance and NEMT	14.75	17.48	16.60	14.39	15.84	15.81
Home Health Services & CBAS	4.05	3.78	2.93	3.45	2.80	3.40
Utilization and Quality Review Expenses	2.31	2.29	4.11	1.91	3.58	2.84
Long Term/SNF/Hospice	26.02	26.69	23.35	26.39	25.17	25.52
Provider Enhancement Expense - Prop. 56	4.45	4.45	4.46	4.47	4.49	4.46
Provider Enhancement Expense - GEMT	1.36	1.28	1.32	1.32	1.32	1.32
Enhanced Care Management	12.69	13.62	13.16	13.16	13.20	13.17
Community Support Services	1.46	9.43	11.51	15.17	13.12	10.14
Major Organ Transplant	1.34	1.42	1.32	1.33	1.34	1.35
Cal AIM Incentive Programs	0.68	0.46	0.96	0.31	0.22	0.53
Distinct Part Nursing Facility Expense	0.00	0.00	0.00	0.00	0.00	0.00
DME/Rebates	5.79	4.83	4.91	5.76	5.29	5.32
Total Other Medical	74.91	85.73	84.62	87.65	86.37	83.86
Pay for Performance Quality Incentive	1.50	1.50	1.50	1.50	1.50	1.50
Hospital Directed Payments	147.94	143.13	145.47	145.46	145.81	145.56
Hospital Directed Payment Adjustment	255.01	4.82	0.04	0.28	2.72	52.53
Non-Claims Expense Adjustment	(0.87)	(6.79)	(8.35)	(0.00)	(25.41)	(8.28)
IBNR, Incentive, Paid Claims Adjustment	0.96	0.61	0.05	(6.59)	(0.09)	(1.01)
Total Medical Costs	739.10	481.99	476.19	493.35	486.08	535.29

MEDI-CAL
SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT
FOR THE MONTH ENDED MAY 31, 2025



	May	Budget	Variance	Year to Date	Budget	Variance
110 - Executive	706,155	650,390	(55,764)	2,996,210	3,251,951	255,742
112 - Government Relations	52,122	62,942	10,820	277,237	314,709	37,473
210 - Accounting	328,977	370,068	41,090	1,769,505	1,850,338	80,832
220 - Management Information Systems (MIS)	63,642	508,775	445,132	1,515,273	2,543,873	1,028,600
221 - Business Intelligence	790,607	246,484	(544,123)	2,279,061	1,232,421	(1,046,640)
222 - MIS Development	674,896	515,722	(159,174)	2,378,955	2,578,612	199,658
223 - Enterprise Configuration	172,496	321,789	149,294	1,093,395	1,608,945	515,550
224 - Cyber Security	59,425	43,744	(15,681)	246,856	218,718	(28,137)
225 - Infrastructure	828,314	1,140,153	311,839	4,247,923	5,700,764	1,452,841
226 - Technical Administrative Services	79,438	94,102	14,664	329,623	470,512	140,889
230 - Claims	964,739	823,337	(141,402)	4,685,235	4,116,686	(568,550)
240 - Project Development	421,861	216,007	(205,854)	1,243,948	1,080,034	(163,914)
310 - Health Services - Utilization Management	64,953	50,148	(14,806)	240,106	250,738	10,633
311 - Health Services - Quality Improvement	8,591	11,596	3,005	40,798	57,978	17,180
312 - Health Services - Education	-	648	648	-	3,242	3,242
313 - Pharmacy	-	11,450	11,450	32,152	57,250	25,098
314 - Enhanced Care Management	22,006	22,583	576	129,860	112,913	(16,947)
316 - Population Health Management	49	2,454	2,406	1,181	12,271	11,090
317 - Community Support Services	-	3,150	3,150	883	15,752	14,869
320 - Provider Network Management	327,952	326,776	(1,175)	1,474,301	1,633,882	159,580
321 - Homeless Management Information Services	-	1,854	1,854	2,091	9,271	7,180
322 - Delegation & Oversight	45,974	30,422	(15,552)	169,628	152,108	(17,519)
330 - Member Services	190,289	229,310	39,021	871,112	1,146,550	275,438
340 - Corporate Services	885,564	1,128,044	242,480	4,379,826	5,640,222	1,260,396
360 - Audit & Investigative Services	324,297	306,189	(18,108)	1,502,575	1,530,945	28,370
410 - Member Engagement	67,561	62,873	(4,687)	328,709	314,367	(14,342)
420 - Sales/Marketing/Public Relations	308,542	329,532	20,990	1,021,141	1,647,658	626,517
510 - Human Resources	477,233	460,498	(16,735)	2,429,440	2,302,488	(126,952)
520 - Legal	47,741	122,824	75,082	445,230	614,118	168,888
601 - Behavioral Health	15,950	3,350	(12,600)	16,533	16,750	217
602 - Quality & Health Equity	10,603	35,573	24,970	113,912	177,865	63,953
604 - Clinical Operations, Strategy & Analytics	185	662	477	217	3,312	3,095
605 - Quality Performance	183,516	116,048	(67,468)	967,758	580,241	(387,517)
Administrative Expense Adjustment	69,345	200,000	130,655	1,006,379	1,000,000	(6,379)
Total Administrative Expenses	8,193,021	8,449,496	256,475	38,237,051	42,247,483	4,010,432

MEDI-CAL
SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT
FOR THE MONTH ENDED MAY 31, 2025

	January	February	March	April	May	YTD TOTALS
110 - Executive	682,639	453,118	564,215	590,083	706,155	2,996,210
112 - Government Relations	64,745	54,023	53,593	52,753	52,122	277,237
210 - Accounting	373,730	270,170	370,641	425,988	328,977	1,769,505
220 - Management Information Systems (MIS)	354,906	282,955	322,843	490,927	63,642	1,515,273
221 - Business Intelligence	288,258	333,566	445,959	420,670	790,607	2,279,061
222 - MIS Development	390,138	339,566	481,800	492,554	674,896	2,378,955
223 - Enterprise Configuration	233,790	188,775	205,373	292,961	172,496	1,093,395
224 - Cyber Security	31,621	51,523	39,996	64,290	59,425	246,856
225 - Infrastructure	767,910	644,388	845,020	1,162,292	828,314	4,247,923
226 - Technical Administrative Services	70,628	64,258	67,549	47,750	79,438	329,623
230 - Claims	885,033	986,246	941,807	907,411	964,739	4,685,235
240 - Project Development	214,035	237,465	220,963	149,624	421,861	1,243,948
310 - Health Services - Utilization Management	30,019	52,541	40,446	52,147	64,953	240,106
311 - Health Services - Quality Improvement	(15,100)	31,947	7,052	8,308	8,591	40,798
313 - Pharmacy	10,795	10,500	10,500	357	-	32,152
314 - Enhanced Care Management	18,954	44,579	20,337	23,983	22,006	129,860
316 - Population Health Management	103	-	-	1,030	49	1,181
317 - Community Support Services	-	-	883	-	-	883
320 - Provider Network Management	297,212	274,630	285,138	289,369	327,952	1,474,301
321 - Homeless Management Information Services	73	-	54	1,964	-	2,091
322 - Delegation & Oversight	50,538	1,369	26,376	45,370	45,974	169,628
330 - Member Services	174,446	228,649	118,453	159,275	190,289	871,112
340 - Corporate Services	1,085,693	680,455	851,850	876,263	885,564	4,379,826
360 - Audit & Investigative Services	286,424	338,436	269,614	283,804	324,297	1,502,575
410 - Member Engagement	67,809	62,520	64,681	66,137	67,561	328,709
420 - Sales/Marketing/Public Relations	139,774	226,357	228,233	118,236	308,542	1,021,141
510 - Human Resources	727,474	317,319	475,133	432,281	477,233	2,429,440
520 - Legal	35,231	100,899	142,724	118,635	47,741	445,230
601 - Behavioral Health	307	200	-	76	15,950	16,533
602 - Quality & Health Equity	10,624	9,938	10,083	72,665	10,603	113,912
604 - Clinical Operations, Strategy & Analytics	-	-	32	-	185	217
605 - Quality Performance	212,721	179,458	198,076	193,987	183,516	967,758
Administrative Expense Adjustment	202,969	198,773	375,177	160,116	69,345	1,006,379
Total Administrative Expenses	7,693,499	6,664,623	7,684,602	8,001,306	8,193,021	38,237,051

**KHS - GROUP HEALTH PLAN
STATEMENT OF NET POSITION
AS OF MAY 31, 2025**



ASSETS	May 2025	April 2025	Increase/ (Decrease)
Cash and Cash Equivalents	1,260,658	1,260,658	-
Interest Receivable	9,200	4,600	4,600
Other Receivable	125	125	-
Total Current Assets	1,269,983	1,265,383	4,600
CURRENT LIABILITIES			
Other Liabilities	-	-	-
Total Current Liabilities	-	-	-
NET POSITION:			
Net Position at Beginning of Year	1,245,606	1,245,606	-
Increase (Decrease) in Net Position - Current Year	24,377	19,777	4,600
Total Net Position	1,269,983	1,265,383	4,600
TOTAL LIABILITIES AND NET POSITION	1,269,983	1,265,383	4,600



KHS - GROUP HEALTH PLAN
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION
FOR THE MONTH ENDED MAY 31, 2025

	May	Budget	Variance	Year to Date	Budget	Variance
REVENUES						
Premium	-	-	-	-	-	-
Interest	4,600	-	4,600	22,872	-	22,872
Other Investment Income	-	-	-	1,505	-	1,505
Total Revenues	4,600	-	4,600	24,377	-	24,377
EXPENSES						
MEDICAL COSTS						
IBNR and Paid Claims Adjustment	-	-	-	-	-	-
Total Medical Costs	-	-	-	-	-	-
GROSS MARGIN	4,600	-	4,600	24,377	-	24,377
ADMINISTRATIVE COSTS						
Management Fee Expense and Other Admin Exp	-	-	-	-	-	-
Total Administrative Expenses	-	-	-	-	-	-
TOTAL EXPENSES	-	-	-	-	-	-
OPERATING INCOME (LOSS) BEFORE TAX	4,600	-	4,600	24,377	-	24,377
NON-OPERATING REVENUE (EXPENSE)						
Total Non-Operating Revenue (Expense)	-	-	-	-	-	-
NET INCREASE (DECREASE) IN NET POSITION	4,600	-	4,600	24,377	-	24,377
MEDICAL LOSS RATIO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ADMINISTRATIVE EXPENSE RATIO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT

MEDI-CAL		2025 MEMBER MONTHS	JAN'25	FEB'25	MAR'25	APR'25	MAY'25	JUN'25	JUL'25	AUG'25	SEP'25	OCT'25	NOV'25	DEC'25
ADULT AND FAMILY														
ADULT (SEE COMMENT)	372,337		74,604	74,605	74,309	74,397	74,422	0	0	0	0	0	0	0
CHILD	836,092		167,252	167,669	167,854	167,367	165,950	0	0	0	0	0	0	0
SUB-TOTAL ADULT & FAMILY	1,208,429		241,856	242,274	242,163	241,764	240,372	0	0	0	0	0	0	0
OTHER MEMBERS														
FULL DUALS - FAMILY	2,711		566	526	545	541	533	0	0	0	0	0	0	0
FULL DUALS - CHILD	0		0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL OTHER MEMBERS	2,711		566	526	545	541	533	0	0	0	0	0	0	0
TOTAL FAMILY	1,211,140		242,422	242,800	242,708	242,305	240,905	0	0	0	0	0	0	0
SPD MEMBERS														
SPD (AGED AND DISABLED)	104,554		23,226	18,391	20,998	21,034	20,905	0	0	0	0	0	0	0
OTHER MEMBERS														
BCCTP - TABACCO SETTLEMENT	21		0	0	0	12	9	0	0	0	0	0	0	0
FULL DUALS - BCCTP	9		2	1	2	2	2	0	0	0	0	0	0	0
SPD FULL DUALS	127,438		23,272	27,695	25,425	25,375	25,671	0	0	0	0	0	0	0
EXPANDION FULL DUALS	1,640		366	333	322	326	293	0	0	0	0	0	0	0
LONG TERM CARE (LTC)														
LTC	258		48	52	54	52	52	0	0	0	0	0	0	0
LTC DUALS	2,298		465	467	462	451	453	0	0	0	0	0	0	0
TOTAL LTC	2,556		513	519	516	503	505	0	0	0	0	0	0	0
TOTAL SPD	236,218		47,379	46,939	47,263	47,252	47,385	0	0	0	0	0	0	0
ACA OE - MEDI-CAL OPTIONAL EXPANSION														
ACA Expansion Adult-Citizen	576,617		114,640	115,806	115,229	115,342	115,600	0	0	0	0	0	0	0
TOTAL EXPANSION	576,617		114,640	115,806	115,229	115,342	115,600	0	0	0	0	0	0	0
TOTAL CLASSIC MEMBERS	2,023,975		404,441	405,545	405,200	404,899	403,890	0	0	0	0	0	0	0
GRAND TOTAL	2,023,975		404,441	405,545	405,200	404,899	403,890	0	0	0	0	0	0	0



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Robert Landis, Chief Financial Officer
SUBJECT: June 2025 Financial Results
DATE: August 14, 2025

The June results reflect a \$6.9 million Net Decrease in Net Position which is a \$9.1 million unfavorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$42.9 million favorable variance primarily due to:
 - A) \$2.4 million unfavorable variance in SPD Premium Revenues primarily due to California becoming a Medicare Part A Buy-In State effective January 1, 2025. Qualifying Medi-Cal members, who are enrolled in Medicare Part B only, were automatically enrolled into Medicare Part A Buy-In by the Department of Health Care Services ("DHCS"). The rate received for members who have Part A and Part B is less than the rate for members who have Part B only, however, Medicare will now become primary for medical expenses associated with the members having both Part A and Part B.
 - B) \$1.1 million favorable variance in Enhanced Care Management Premiums primarily due to receiving updated rate information from DHCS after the approval of the 2025 Budget partially offset against amounts included in 2C (2) below.
 - C) \$34.7 million favorable variance in Premium-Hospital Directed Payments primarily due to receiving updated rate information from DHCS on February 28, 2025 for Calendar Year 2025 offset against amounts included in 2D below.
 - D) \$9.7 million Favorable variance in Rate/Income Adjustments primarily relating to MCO Tax Adjustments from 2024.
- 2) Total Medical Costs reflect a \$53.9 million unfavorable variance primarily due to
 - A) \$5.2 million unfavorable variance in Physician Services primarily due to higher-than-expected utilization of Primary Care and Referral Specialty Services by Family and Expansion members over the last several months.
 - B) \$5.5 million unfavorable variance in Inpatient primarily due to higher-than- expected utilization by SPD and Expansion members over the last several months.

C) \$8.6 million unfavorable variance in Other Medical primarily from:

- 1) \$1.5 million unfavorable variance in Ambulance and Non-emergency Medical Transportation (NEMT) due to higher-than-expected utilization of NEMT services over the last several months by our members. **Tighter restrictions have been implemented to reduce inappropriate transportation usage.**
- 2) \$1.0 million unfavorable variance in Enhance Care Management expenses to receiving updated rate information from DHCS after the approval of the 2025 Budget offset against amounts included in 1B above.
- 3) \$6.5 million unfavorable variance in Community Support Services expenses due to higher-than-expected usage of program services over the last several months. **Medical necessity criteria have been refined to meet the State current requirements. The criteria and use of a risk stratification tool have helped to identify the most appropriate members for the services. This will reduce inappropriate utilization and unnecessary costs for these services.**

(A key feature of CalAIM was the introduction of Community Support Services, formerly referred to as In Lieu of Services (ILOS). Community Support Services are designed to help improve the overall health and well-being of Medi-Cal managed care plan (MCP) members by addressing the members' health-related social needs, helping the members live healthier lives, and avoiding higher, costlier levels of care. Services include support to secure and maintain housing, access to medically tailored meals to support short-term recovery, personal care, and a variety of other community-based services. The range of services and resources are designed to address the unique needs of Medi-Cal members in the community, with a focus on promoting health, stability, and independence. Members may receive a Community Supports Service if they meet the eligibility criteria and if the MCP determines it is a medically appropriate and cost-effective alternative to services covered under Medi-Cal) **The funding for these services is inadequate with minimal savings in reducing medical expenses.**

D) \$34.7 million unfavorable variance in Hospital Directed Payments primarily due to receiving updated rate information from DHCS for Calendar Year 2024 offset against amounts included in 1C above.

The June Medical Loss Ratio is 98.8%, which is unfavorable to the 91.8% budgeted amount. The June Administrative Expense Ratio is 4.8%, which is favorable to the 5.8% budgeted amount.

The results for the 6 months ending June 30, 2025 reflect a Net Decrease in Net Position of \$6.0 million. This is a \$19.4 million unfavorable variance to the budget and includes approximately \$37.6 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 94.9%, which is unfavorable to the 91.8% budgeted amount. The year-to-date Administrative Expense Ratio is 5.2 % which is favorable to the 5.8% budgeted amount.



**Financial Packet
June 2025**

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KHS Group Health Plan – Healthy Families Line of Business

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KHS Administrative Analysis and Other Reporting

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**MEDI-CAL
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025**



ASSETS	June	May	Increase/ (Decrease)
Cash and Cash Equivalents	202,041,096	167,047,500	34,993,596
Short-Term Investments	185,529,847	240,822,219	(55,292,372)
Premiums Receivable	142,497,254	141,720,235	777,018
Premiums Receivable - MCO Tax	188,463,335	125,772,136	62,691,199
Premiums Receivable - Hospital Directed Payments	860,181,451	801,144,600	59,036,851
Interest Receivable	279,994	174,280	105,715
Provider Advance Payment	122,812	141,804	(18,992)
Other Receivables	2,311,828	605,310	1,706,518
Prepaid Expenses & Other Current Assets	6,092,526	6,829,341	(736,815)
Total Current Assets	1,587,520,144	1,484,257,425	103,262,719
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,121,805	1,127,641	(5,836)
Computer Equipment - Net	17,352,781	17,867,697	(514,916)
Building and Improvements - Net	32,594,927	32,673,871	(78,944)
Capital Projects In Process	2,090,720	2,072,071	18,649
Total Capital Assets	57,250,939	57,831,986	(581,047)
Restricted Assets	300,000	300,000	-
Life Insurance Receivables	3,786,511	3,762,263	24,248
SBITA Asset	8,875,096	8,875,096	-
Total Long-Term Assets	12,961,607	12,937,359	24,248
Deferred Outflow of Resources	6,846,742	6,846,742	-
Total Assets and Deferred Outflows of Resources	1,664,579,432	1,561,873,512	102,705,920
CURRENT LIABILITIES			
Accrued Salaries and Benefits	8,917,174	8,678,005	239,169
Accrued Other Operating Expenses	5,819,231	5,935,974	(116,742)
MCO Tax Payable	199,703,288	163,673,417	36,029,871
Claims Payable (Reported)	36,407,049	36,866,492	(459,443)
IBNR - Inpatient Claims	58,963,231	54,962,629	4,000,602
IBNR - Physician Claims	32,033,719	24,895,207	7,138,513
IBNR - Accrued Other Medical	34,123,858	27,553,415	6,570,443
Risk Pool and Withholds Payable	9,503,172	8,895,974	607,199
Allowance for Claims Processing Expense	4,821,903	4,779,517	42,386
Other Liabilities	61,460,270	64,987,662	(3,527,393)
SBITA Liability – Current portion	2,217,189	2,217,189	-
Accrued Hospital Directed Payments	864,438,154	805,399,969	59,038,185
Total Current Liabilities	1,318,408,238	1,208,845,449	109,562,789
NONCURRENT LIABILITIES			
Net Pension Liability	13,001,788	13,001,788	-
SBITA Liability, net of current portion	5,491,541	5,491,541	-
Total NonCurrent Liabilities	18,493,329	18,493,329	-
Deferred Inflow of Resources	70,705	70,705	-
NET POSITION:			
Net Position at Beginning of Year	333,567,639	333,567,639	-
Increase (Decrease) in Net Position - Current Year	(5,960,480)	896,390	(6,856,869)
Total Net Position	327,607,159	334,464,029	(6,856,869)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	1,664,579,432	1,561,873,512	102,705,920

MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION
FOR THE MONTH ENDED JUNE 30, 2025



	June	Budget	Variance	Year to Date	Budget	Variance
Family Members	241,234	245,500	(4,266)	1,452,374	1,465,500	(13,126)
Expansion Members	116,146	113,000	3,146	692,763	678,000	14,763
SPD Members	47,419	47,000	419	283,637	282,000	1,637
Total Members - MCAL	404,799	405,500	(701)	2,428,774	2,425,500	3,274
REVENUES						
Medicaid - Family Members	54,930,744	55,405,184	(474,440)	328,826,856	330,738,481	(1,911,625)
Medicaid - Expansion Members	48,994,633	47,912,766	1,081,867	292,536,353	287,476,596	5,059,756
Medicaid - SPD Members	38,017,497	40,402,462	(2,384,965)	225,583,200	242,414,771	(16,831,571)
Premium - MCO Tax	59,147,788	60,009,945	(862,157)	354,817,807	358,949,745	(4,131,938)
Premium - Hospital Directed Payments	59,075,312	24,406,526	34,668,786	353,684,246	146,143,308	207,540,938
Investment Earnings And Other Income	1,908,507	1,999,247	(90,740)	13,233,201	11,972,894	1,260,307
Reinsurance Recoveries	1,600,000	274,822	1,325,178	1,600,000	1,643,605	(43,605)
Rate Adjustments - Hospital Directed Payments	(36,948)	-	(36,948)	105,360,626	-	105,360,626
Rate/Income Adjustments	9,673,408	-	9,673,408	18,891,979	-	18,891,979
Total Revenues	273,310,941	230,410,952	42,899,989	1,694,534,267	1,379,339,400	315,194,866
EXPENSES						
MEDICAL COSTS						
Physician Services	42,112,109	36,895,276	(5,216,832)	234,088,783	220,801,442	(13,287,342)
Other Professional Services	11,523,165	10,880,530	(642,634)	64,486,522	65,134,440	647,918
Emergency Room	7,003,225	6,817,226	(185,998)	40,432,558	40,787,421	354,863
Inpatient	39,527,275	34,046,217	(5,481,058)	211,045,690	203,935,529	(7,110,161)
Reinsurance Expense	255,781	274,822	19,042	1,577,178	1,643,605	66,427
Outpatient Hospital	15,379,229	15,454,251	75,022	92,704,501	92,582,005	(122,497)
Other Medical	37,645,117	29,060,110	(8,585,007)	207,369,340	174,166,051	(33,203,288)
Pay for Performance Quality Incentive	707,199	608,251	(98,948)	3,743,161	3,638,277	(104,884)
Hospital Directed Payments	59,075,312	24,406,526	(34,668,786)	353,684,246	146,143,308	(207,540,938)
Hospital Directed Payment Adjustment	(37,127)	-	37,127	106,276,200	-	(106,276,200)
Non-Claims Expense Adjustment	(283)	-	283	(16,751,708)	-	16,751,708
IBNR, Incentive, Paid Claims Adjustment	(826,300)	-	826,300	(2,872,849)	-	2,872,849
Total Medical Costs	212,364,700	158,443,210	(53,921,490)	1,295,783,622	948,832,079	(346,951,543)
GROSS MARGIN	60,946,241	71,967,742	(11,021,501)	398,750,645	430,507,322	(31,756,677)
ADMINISTRATIVE COSTS						
Compensation	3,913,252	4,223,118	309,866	23,446,278	25,338,705	1,892,427
Purchased Services	2,181,469	2,343,143	161,674	12,784,460	14,058,856	1,274,396
Supplies	108,227	244,079	135,852	791,924	1,464,473	672,549
Depreciation	604,495	766,752	162,257	3,601,753	4,600,512	998,759
Other Administrative Expenses	656,092	672,406	16,314	4,069,790	4,034,433	(35,356)
Administrative Expense Adjustment	47,536	200,000	152,464	1,053,915	1,200,000	146,085
Total Administrative Expenses	7,511,070	8,449,497	938,427	45,748,121	50,696,980	4,948,859
TOTAL EXPENSES	219,875,770	166,892,707	(52,983,063)	1,341,531,743	999,529,059	(342,002,684)
OPERATING INCOME (LOSS) BEFORE TAX	53,435,171	63,518,245	(10,083,074)	353,002,524	379,810,342	(26,807,818)
MCO TAX	59,136,301	60,009,945	873,644	354,817,807	358,949,745	4,131,938
OPERATING INCOME (LOSS) NET OF TAX	(5,701,130)	3,508,300	(9,209,430)	(1,815,283)	20,860,597	(22,675,880)
NON-OPERATING REVENUE (EXPENSE)						
Provider Grants/CalAIM/Home Health	(912,742)	(833,006)	(79,736)	(2,949,596)	(4,988,227)	2,038,632
D-SNP Expenses	(242,998)	(400,282)	157,284	(1,195,601)	(2,396,976)	1,201,375
Total Non-Operating Revenue (Expense)	(1,155,740)	(1,233,288)	77,548	(4,145,196)	(7,385,203)	3,240,007
NET INCREASE (DECREASE) IN NET POSITION	(6,856,869)	2,275,012	(9,131,881)	(5,960,480)	13,475,393	(19,435,873)
MEDICAL LOSS RATIO	98.8%	91.8%	-7.0%	94.9%	91.8%	-3.1%
ADMINISTRATIVE EXPENSE RATIO	4.8%	5.8%	0.9%	5.2%	5.8%	0.6%



MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION
FOR THE MONTH ENDED JUNE 30, 2025

	June	Budget	Variance	Year to Date	Budget	Variance
Family Members	241,234	245,500	(4,266)	1,452,374	1,465,500	(13,126)
Expansion Members	116,146	113,000	3,146	692,763	678,000	14,763
SPD Members	47,419	47,000	419	283,637	282,000	1,637
Total Members - MCAL	404,799	405,500	(701)	2,428,774	2,425,500	3,274
REVENUES						
Medicaid - Family Members	227.71	225.68	2.02	226.41	225.68	0.72
Medicaid - Expansion Members	421.84	424.01	(2.17)	422.27	424.01	(1.73)
Medicaid - SPD Members	801.74	859.63	(57.89)	795.32	859.63	(64.30)
Premium - MCO Tax	146.12	147.99	(1.87)	146.09	147.99	(1.90)
Premium - Hospital Directed Payments	145.94	60.19	85.75	145.62	60.25	85.37
Investment Earnings And Other Income	4.71	4.93	(0.22)	5.45	4.94	0.51
Reinsurance Recoveries	3.95	0.68	3.27	0.66	0.68	(0.02)
Rate Adjustments - Hospital Directed Payments	(0.09)	-	(0.09)	43.38	-	43.38
Rate/Income Adjustments	23.90	-	23.90	7.78	-	7.78
Total Revenues	675.18	568.21	106.96	697.69	568.68	129.01
EXPENSES						
MEDICAL COSTS						
Physician Services	104.03	90.99	(13.05)	96.38	91.03	(5.35)
Other Professional Services	28.47	26.83	(1.63)	26.55	26.85	0.30
Emergency Room	17.30	16.81	(0.49)	16.65	16.82	0.17
Inpatient	97.65	83.96	(13.69)	86.89	84.08	(2.81)
Reinsurance Expense	0.63	0.68	0.05	0.65	0.68	0.03
Outpatient Hospital	37.99	38.11	0.12	38.17	38.17	0.00
Other Medical	93.00	71.66	(21.33)	85.38	71.81	(13.57)
Pay for Performance Quality Incentive	1.75	1.50	(0.25)	1.54	1.50	(0.04)
Hospital Directed Payments	145.94	60.19	(85.75)	145.62	60.25	(85.37)
Hospital Directed Payment Adjustment	(0.09)	-	0.09	43.76	-	(43.76)
Non-Claims Expense Adjustment	(0.00)	-	0.00	(6.90)	-	6.90
IBNR, Incentive, Paid Claims Adjustment	(2.04)	-	2.04	(1.18)	-	1.18
Total Medical Costs	524.62	390.74	(133.88)	533.51	391.19	(142.32)
GROSS MARGIN	150.56	177.48	(26.92)	164.18	177.49	(13.31)
ADMINISTRATIVE COSTS						
Compensation	9.67	10.41	0.75	9.65	10.45	0.79
Purchased Services	5.39	5.78	0.39	5.26	5.80	0.53
Supplies	0.27	0.60	0.33	0.33	0.60	0.28
Depreciation	1.49	1.89	0.40	1.48	1.90	0.41
Other Administrative Expenses	1.62	1.66	0.04	1.68	1.66	(0.01)
Administrative Expense Adjustment	0.12	0.49	0.38	0.43	0.49	0.06
Total Administrative Expenses	18.56	20.84	2.28	18.84	20.90	2.07
TOTAL EXPENSES	543.17	411.57	(131.60)	552.35	412.09	(140.26)
OPERATING INCOME (LOSS) BEFORE TAX	132.00	156.64	(24.64)	145.34	156.59	(11.25)
MCO TAX	146.09	147.99	1.90	146.09	147.99	1.90
OPERATING INCOME (LOSS) NET OF TAX	(14.08)	8.65	(22.74)	(0.75)	8.60	(9.35)
NON-OPERATING REVENUE (EXPENSE)						
Provider Grants/CalAIM/Home Health	(0.60)	(2.05)	1.45	(0.49)	(2.06)	1.56
D-SNP Expenses	(2.25)	(0.99)	(1.27)	(1.21)	(0.99)	(0.23)
Total Non-Operating Revenue (Expense)	(2.86)	(3.04)	0.19	(1.71)	(3.04)	1.34
NET INCREASE (DECREASE) IN NET POSITION	(16.94)	5.61	(22.55)	(2.45)	5.56	(8.01)
MEDICAL LOSS RATIO	98.8%	91.8%	-7.0%	94.9%	91.8%	-3.1%
ADMINISTRATIVE EXPENSE RATIO	4.8%	5.8%	0.9%	5.2%	5.8%	0.6%

MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION BY QUARTER
ROLLING 4 QUARTERS
FOR THE MONTH ENDED JUNE 30, 2025

	2024 - Q2	2024 - Q3	2024 - Q4	2025 - Q1	Rolling 4-Quarter Totals	CURRENT QUARTER 2025 - Q2
Total Members - MCAL	1,217,132	1,204,552	1,209,901	1,215,186	4,846,771	1,213,588
REVENUES						
Medicaid - Family Members	168,098,248	157,352,051	181,853,744	164,182,925	671,486,969	164,643,931
Medicaid - Expansion Members	141,387,639	115,764,407	146,690,508	146,129,580	549,972,133	146,406,773
Medicaid - SPD Members	72,382,078	63,945,176	72,615,432	112,116,656	321,059,342	113,466,544
Medicaid - LTC Members	12,644,500	12,158,979	12,679,447	-	37,482,926	-
Premium - MCO Tax	118,164,689	304,000,610	169,305,625	177,408,904	768,879,828	177,408,904
Premium - Hospital Directed Payments	73,085,162	73,636,849	74,054,842	176,821,231	397,598,085	176,863,014
Investment Earnings And Other Income	7,627,603	10,624,397	6,363,381	6,614,108	31,229,489	6,619,093
Reinsurance Recoveries	-	-	-	-	-	1,600,000
Rate Adjustments - Hospital Directed Payments	(467,208)	(8,849,506)	(45,264)	105,206,644	95,844,666	153,982
Rate/Income Adjustments	(5,047,999)	2,310,217	29,220	2,557,018	(151,544)	16,334,961
Total Revenues	587,874,713	730,943,182	663,546,935	891,037,065	2,873,401,894	803,497,202
EXPENSES						
MEDICAL COSTS						
Physician Services	102,259,757	100,828,569	117,920,414	113,538,825	434,547,565	120,549,958
Other Professional Services	28,897,182	27,259,189	27,579,841	31,017,823	104,754,034	33,468,699
Emergency Room	19,274,640	19,085,229	20,264,346	20,024,420	78,648,635	20,408,138
Inpatient	97,071,689	98,069,526	109,860,804	98,477,222	403,479,241	112,568,469
Reinsurance Expense	347,257	337,661	337,245	808,856	1,831,019	768,322
Outpatient Hospital	41,034,136	46,542,079	45,089,064	46,204,757	178,870,036	46,499,744
Other Medical	88,283,888	93,132,007	95,537,563	99,350,041	376,303,501	108,019,275
Pay for Performance Quality Incentive	1,825,698	1,809,795	1,814,852	1,822,779	7,273,124	1,920,382
Risk Corridor Expense	-	2,133,095	(960,173)	-	1,172,922	-
Hospital Directed Payments	73,085,162	73,636,849	74,054,842	176,821,231	397,598,085	176,863,014
Hospital Directed Payment Adjustment	18,927	(6,489,175)	(45,264)	105,103,291	98,587,778	1,172,910
Non-Claims Expense Adjustment	(22,398)	(4,294,448)	(1,489,159)	(6,486,815)	(12,292,820)	(10,264,893)
IBNR, Incentive, Paid Claims Adjustment	(7,444,944)	(6,331,814)	(3,892,128)	658,346	(17,010,540)	(3,531,172)
Total Medical Costs	444,630,994	445,718,563	476,072,247	687,340,775	2,053,762,579	608,442,846
GROSS MARGIN	143,243,720	285,224,619	187,474,687	203,696,289	819,639,315	195,054,356
ADMINISTRATIVE COSTS						
Compensation	10,907,085	11,047,726	12,349,629	11,773,691	46,078,131	11,672,587
Purchased Services	5,076,649	6,652,421	6,570,351	5,241,893	23,541,313	7,542,567
Supplies	722,573	707,109	693,365	438,866	2,561,913	353,058
Depreciation	2,164,109	2,283,774	2,071,812	1,794,880	8,314,575	1,806,873
Other Administrative Expenses	1,714,820	1,588,772	1,848,717	2,016,475	7,168,785	2,053,315
Administrative Expense Adjustment	22,381	(2,309)	1,230,808	776,919	2,027,799	276,996
Total Administrative Expenses	20,607,617	22,277,493	24,764,681	22,042,724	89,692,516	23,705,397
TOTAL EXPENSES	465,238,611	467,996,056	500,836,928	709,383,500	2,143,455,095	632,148,243
OPERATING INCOME (LOSS) BEFORE TAX	122,636,102	262,947,125	162,710,007	181,653,565	729,946,799	171,348,959
MCO TAX	118,164,689	304,000,610	169,305,625	177,408,904	768,879,828	177,408,904
OPERATING INCOME (LOSS) NET OF TAX	4,471,413	(41,053,485)	(6,595,619)	4,244,662	(38,933,029)	(6,059,945)
NON-OPERATING REVENUE (EXPENSE)						
Total Non-Operating Revenue (Expense)	(3,489,571)	(1,249,113)	(4,205,257)	(1,632,695)	(10,576,636)	(2,512,502)
NET INCREASE (DECREASE) IN NET POSITION	981,842	(42,302,598)	(10,800,875)	2,611,967	(49,509,664)	(8,572,447)
MEDICAL LOSS RATIO	93.6%	104.5%	95.7%	93.9%	96.7%	95.8%
ADMINISTRATIVE EXPENSE RATIO	5.2%	6.2%	5.9%	5.1%	5.6%	5.3%

**MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION BY QUARTER
ROLLING 4 QUARTERS PMPM
FOR THE MONTH ENDED JUNE 30, 2025**

	2024 - Q2	2024 - Q3	2024 - Q4	2025 - Q1	Rolling Quarter Totals	CURRENT QUARTER 2025 - Q2
Total Members - MCAL	1,217,132	1,204,552	1,209,901	1,215,186	4,846,771	1,213,588
REVENUES						
Medicaid - Family Members	209.43	197.65	228.42	225.55	215.03	227.27
Medicaid - Expansion Members	409.54	343.25	428.47	422.74	401.28	421.81
Medicaid - SPD Members	1,068.92	918.71	1,039.89	791.89	920.66	798.75
Medicaid - LTC Members	8,200.06	7,764.35	8,050.44	-	8,004.04	-
Premium - MCO Tax	97.08	252.38	139.93	145.99	158.64	146.19
Premium - Hospital Directed Payments	60.05	61.13	61.21	145.51	82.03	145.74
Investment Earnings And Other Income	6.27	8.82	5.26	5.44	6.44	5.45
Reinsurance Recoveries	-	-	-	-	-	1.32
Rate Adjustments - Hospital Directed Payments	(0.38)	(7.35)	(0.04)	86.58	19.77	0.13
Rate/Income Adjustments	(4.15)	1.92	0.02	2.10	(0.03)	13.46
Total Revenues	483.00	606.82	548.43	733.25	592.85	662.08
EXPENSES						
MEDICAL COSTS						
Physician Services	84.02	83.71	97.46	93.43	89.66	99.33
Other Professional Services	23.74	22.63	14.53	25.53	21.61	27.58
Emergency Room	15.84	15.84	16.75	16.48	16.23	16.82
Inpatient	79.75	81.42	90.80	81.04	83.25	92.76
Reinsurance Expense	0.29	0.28	0.28	0.67	0.38	0.63
Outpatient Hospital	33.71	38.64	37.27	38.02	36.90	38.32
Other Medical	72.53	77.32	78.96	81.76	77.64	89.01
Pay for Performance Quality Incentive	1.50	1.50	1.50	1.50	1.50	1.58
Risk Corridor Expense	-	1.77	(0.79)	-	0.24	-
Hospital Directed Payments	60.05	61.13	61.21	145.51	82.03	145.74
Hospital Directed Payment Adjustment	0.02	(5.39)	(0.04)	86.49	20.34	0.97
Non-Claims Expense Adjustment	(0.02)	(3.57)	(1.23)	(5.34)	(2.54)	(8.46)
IBNR, Incentive, Paid Claims Adjustment	(6.12)	(5.26)	(3.22)	0.54	(3.51)	(2.91)
Total Medical Costs	365.31	370.03	393.48	565.63	423.74	501.36
GROSS MARGIN	117.69	236.79	154.95	167.63	169.11	160.73
ADMINISTRATIVE COSTS						
Compensation	8.96	9.17	10.21	9.69	9.51	9.62
Purchased Services	4.17	5.52	5.43	4.31	4.86	6.22
Supplies	0.59	0.59	0.57	0.36	0.53	0.29
Depreciation	1.78	1.90	1.71	1.48	1.72	1.49
Other Administrative Expenses	1.41	1.32	1.53	1.66	1.48	1.69
Administrative Expense Adjustment	0.02	(0.00)	1.02	0.64	0.42	0.23
Total Administrative Expenses	16.93	18.49	20.47	18.14	18.51	19.53
TOTAL EXPENSES	382.24	388.52	413.95	583.77	442.24	520.89
OPERATING INCOME (LOSS) BEFORE TAX	100.76	218.29	134.48	149.49	150.60	141.19
MCO TAX	97.08	252.38	139.93	145.99	158.64	146.19
OPERATING INCOME (LOSS) NET OF TAX	3.67	(34.08)	(5.45)	3.49	(8.03)	(4.99)
NON-OPERATING REVENUE (EXPENSE)						
Total Non-Operating Revenue (Expense)	(2.87)	(1.04)	(3.48)	(1.34)	(2.18)	(2.07)
NET INCREASE (DECREASE) IN NET POSITION	0.81	(35.12)	(8.93)	2.15	(10.21)	(7.06)
MEDICAL LOSS RATIO	93.6%	104.5%	95.7%	93.9%	96.7%	95.8%
ADMINISTRATIVE EXPENSE RATIO	5.2%	6.2%	5.9%	5.1%	5.6%	5.3%

MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION BY MONTH
ROLLING 6 MONTHS
FOR THE MONTH ENDED JUNE 30, 2025



	DECEMBER 2024	JANUARY 2025	FEBRUARY 2025	MARCH 2025	APRIL 2025	MAY 2025	Prior 6 Month YTD
Total Members - MCAL	404,440	404,441	405,545	405,200	404,899	403,890	2,428,415
REVENUES							
Medicaid - Family Members	63,457,995	54,779,472	55,023,433	54,380,020	54,688,236	55,024,952	337,354,108
Medicaid - Expansion Members	54,963,125	48,572,760	48,902,196	48,654,624	48,688,708	48,723,433	298,504,845
Medicaid - SPD Members	24,524,681	38,799,459	35,786,816	37,530,381	37,663,190	37,785,856	212,090,384
Medicaid - LTC Members	4,180,989	-	-	-	-	-	4,180,989
Premium - MCO Tax	50,161,540	59,136,301	59,136,301	59,136,301	59,136,301	59,124,814	345,831,559
Premium - Hospital Directed Payments	24,742,689	59,831,392	58,045,936	58,943,903	58,897,348	58,890,354	319,351,623
Investment Earnings And Other Income	2,179,759	1,729,314	2,419,799	2,464,994	3,204,688	1,505,898	13,504,453
Reinsurance Recoveries	-	-	-	-	-	-	-
Rate Adjustments - Hospital Directed Payments	(7,417)	103,134,648	1,953,159	118,837	111,950	78,980	105,390,157
Rate/Income Adjustments	(312,962)	520,492	1,370,485	666,041	6,525,510	136,042	8,905,608
Total Revenues	223,890,400	366,503,837	262,638,127	261,895,101	268,915,931	261,270,330	1,645,113,725
EXPENSES							
MEDICAL COSTS							
Physician Services	37,607,514	36,132,491	38,711,809	38,694,525	39,018,167	39,419,683	229,584,189
Other Professional Services	10,811,656	11,445,798	10,004,694	9,567,330	11,252,193	10,693,341	63,775,013
Emergency Room	6,048,961	7,289,728	6,508,981	6,225,711	6,330,730	7,074,183	39,478,294
Inpatient	38,706,469	33,857,875	31,406,220	33,213,126	33,714,646	39,326,548	210,224,885
Reinsurance Expense	112,548	269,619	269,619	269,619	240,829	271,713	1,433,945
Outpatient Hospital	15,505,363	16,019,765	15,697,949	14,487,044	16,762,573	14,357,942	92,830,635
Other Medical	28,832,240	30,295,617	34,766,397	34,288,028	35,490,285	34,883,873	198,556,439
Pay for Performance Quality Incentive	606,660	606,662	608,318	607,800	607,349	605,835	3,642,623
Risk Corridor Expense	430,817	-	-	-	-	-	430,817
Hospital Directed Payments	24,742,689	59,831,392	58,045,936	58,943,903	58,897,348	58,890,354	319,351,623
Hospital Directed Payment Adjustment	(7,417)	103,134,648	1,953,159	15,484	111,948	1,098,088	106,305,910
Non-Claims Expense Adjustment	1,931	(350,170)	(2,753,743)	(3,382,901)	(1,877)	(10,262,733)	(16,749,494)
IBNR, Incentive, Paid Claims Adjustment	(5,075,723)	388,615	248,637	21,094	(2,667,263)	(37,610)	(7,122,250)
Total Medical Costs	158,323,708	298,922,038	195,467,975	192,950,763	199,756,928	196,321,218	1,241,742,630
GROSS MARGIN	65,566,692	67,581,799	67,170,152	68,944,338	69,159,003	64,949,112	403,371,096
ADMINISTRATIVE COSTS							
Compensation	4,393,765	4,200,484	3,708,197	3,865,011	3,886,069	3,873,266	23,926,791
Purchased Services	2,949,925	1,498,800	1,740,859	2,002,235	2,673,698	2,687,401	13,552,916
Supplies	309,304	95,074	163,332	180,460	122,949	121,882	993,001
Depreciation	661,433	812,433	385,016	597,431	597,265	605,113	3,658,692
Other Administrative Expenses	533,629	883,740	468,446	664,289	561,209	836,014	3,947,327
Administrative Expense Adjustment	1,233,038	202,969	198,773	375,177	160,116	69,345	2,239,417
Total Administrative Expenses	10,081,094	7,693,499	6,664,623	7,684,602	8,001,306	8,193,021	48,318,145
TOTAL EXPENSES	168,404,802	306,615,537	202,132,598	200,635,365	207,758,234	204,514,239	1,290,060,775
OPERATING INCOME (LOSS) BEFORE TAX	55,485,598	59,888,301	60,505,529	61,259,736	61,157,697	56,756,091	355,052,950
MCO TAX	50,161,540	59,136,301	59,136,301	59,136,301	59,136,301	59,136,301	345,843,046
OPERATING INCOME (LOSS) NET OF TAX	5,324,058	751,999	1,369,228	2,123,435	2,021,395	(2,380,210)	9,209,904
NON-OPERATING REVENUE (EXPENSE)							
Total Non-Operating Revenue (Expense)	(1,589,363)	(623,936)	(600,969)	(407,789)	(511,718)	(845,044)	(4,578,820)
NET INCREASE (DECREASE) IN NET POSITION	3,734,694	128,064	768,258	1,715,645	1,509,677	(3,225,255)	4,631,084
MEDICAL LOSS RATIO	89.7%	94.2%	94.4%	93.2%	93.4%	95.2%	93.3%
ADMINISTRATIVE EXPENSE RATIO	6.8%	5.3%	4.6%	5.3%	5.3%	5.7%	5.5%

JUNE 2025	Year to Date Total
404,799	2,428,774
54,930,744	328,826,856
48,994,633	292,536,353
38,017,497	225,583,200
-	-
59,147,788	354,817,807
59,075,312	353,684,246
1,908,507	13,233,201
1,600,000	1,600,000
(36,948)	105,360,626
9,673,408	18,891,979
273,310,941	1,694,534,267
42,112,109	234,088,783
11,523,165	64,486,522
7,003,225	40,432,558
39,527,275	211,045,690
255,781	1,577,178
15,379,229	92,704,501
37,645,117	207,369,340
707,199	3,743,161
-	-
59,075,312	353,684,246
(37,127)	106,276,200
(283)	(16,751,708)
(826,300)	(2,872,849)
212,364,700	1,295,783,622
60,946,241	398,750,645
3,913,252	23,446,278
2,181,469	12,784,460
108,227	791,924
604,495	3,601,753
656,092	4,069,790
47,536	1,053,915
7,511,070	45,748,121
219,875,770	1,341,531,743
53,435,171	353,002,524
59,136,301	354,817,807
(5,701,130)	(1,815,283)
(1,155,740)	(4,145,196)
(6,856,869)	(5,960,480)
98.8%	94.9%
4.8%	5.2%

MEDI-CAL - ALL COA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION BY MONTH
PMPM ROLLING 6 MONTHS
FOR THE MONTH ENDED JUNE 30, 2025



	DECEMBER 2024	JANUARY 2025	FEBRUARY 2025	MARCH 2025	APRIL 2025	MAY 2025	6 Month Prior YTD	JUNE 2025
Total Members - MCAL	404,440	404,441	405,545	405,200	404,899	403,890	2,428,415	404,799
REVENUES								
Medicaid - Family Members	238.59	225.97	226.62	224.06	225.70	228.41	228.39	227.71
Medicaid - Expansion Members	479.73	423.70	422.28	422.24	422.12	421.48	431.87	421.84
Medicaid - SPD Members	1,049.14	818.92	762.41	794.08	797.07	797.42	817.01	801.74
Medicaid - LTC Members	7,994.24	-	-	-	1.00	2.00	7,994.24	-
Premium - MCO Tax	124.03	146.22	145.82	145.94	146.05	146.39	142.41	146.12
Premium - Hospital Directed Payments	61.18	147.94	143.13	145.47	145.46	145.81	131.51	145.94
Investment Earnings And Other Income	5.39	4.28	5.97	6.08	7.91	3.73	5.56	4.71
Reinsurance Recoveries	-	-	-	-	-	-	-	3.95
Rate Adjustments - Hospital Directed Payments	(0.02)	255.01	4.82	0.29	0.28	0.20	43.40	(0.09)
Rate/Income Adjustments	(0.77)	1.29	3.38	1.64	16.12	0.34	3.67	23.90
Total Revenues	553.58	906.20	647.62	646.34	664.16	646.88	677.44	675.18
EXPENSES								
MEDICAL COSTS								
Physician Services	92.99	89.34	95.46	95.49	96.37	97.60	94.54	104.03
Other Professional Services	26.73	28.30	24.67	23.61	27.79	26.48	26.26	28.47
Emergency Room	14.96	18.02	16.05	15.36	15.64	17.52	16.26	17.30
Inpatient	95.70	83.72	77.44	81.97	83.27	97.37	86.57	97.65
Reinsurance Expense	0.28	0.67	0.66	0.67	0.59	0.67	0.59	0.63
Outpatient Hospital	38.34	39.61	38.71	35.75	41.40	35.55	38.23	37.99
Other Medical	71.29	74.91	85.73	84.62	87.65	86.37	81.76	93.00
Pay for Performance Quality Incentive	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.75
Risk Corridor Expense	1.07	-	-	-	-	-	0.18	-
Hospital Directed Payments	61.18	147.94	143.13	145.47	145.46	145.81	131.51	145.94
Hospital Directed Payment Adjustment	(0.02)	255.01	4.82	0.04	0.28	2.72	43.78	(0.09)
Non-Claims Expense Adjustment	0.00	(0.87)	(6.79)	(8.35)	(0.00)	(25.41)	(6.90)	(0.00)
IBNR, Incentive, Paid Claims Adjustment	(12.55)	0.96	0.61	0.05	(6.59)	(0.09)	(2.93)	(2.04)
Total Medical Costs	391.46	739.10	481.99	476.19	493.35	486.08	511.34	524.62
GROSS MARGIN	162.12	167.10	165.63	170.15	170.81	160.81	166.10	150.56
ADMINISTRATIVE COSTS								
Compensation	10.86	10.39	9.14	9.54	9.60	9.59	9.85	9.67
Purchased Services	7.29	3.71	4.29	4.94	6.60	6.65	5.58	5.39
Supplies	0.76	0.24	0.40	0.45	0.30	0.30	0.41	0.27
Depreciation	1.64	2.01	0.95	1.47	1.48	1.50	1.51	1.49
Other Administrative Expenses	1.32	2.19	1.16	1.64	1.39	2.07	1.63	1.62
Administrative Expense Adjustment	3.05	0.50	0.49	0.93	0.40	0.17	0.92	0.12
Total Administrative Expenses	24.93	19.02	16.43	18.96	19.76	20.29	19.90	18.56
TOTAL EXPENSES	416.39	758.12	498.42	495.15	513.11	506.36	531.24	543.17
OPERATING INCOME (LOSS) BEFORE TAX	137.19	148.08	149.20	151.18	151.04	140.52	146.21	132.00
MCO TAX	124.03	146.22	145.82	145.94	146.05	146.42	142.42	146.09
OPERATING INCOME (LOSS) NET OF TAX	13.16	1.86	3.38	5.24	4.99	(5.89)	3.79	(14.08)
NON-OPERATING REVENUE (EXPENSE)								
Total Non-Operating Revenue (Expense)	(3.93)	(1.54)	(1.48)	(1.01)	(1.26)	(2.09)	(1.89)	(2.86)
NET INCREASE (DECREASE) IN NET POSITION	9.23	0.32	1.89	4.23	3.73	(7.99)	1.91	(16.94)
MEDICAL LOSS RATIO	89.7%	94.2%	94.4%	93.2%	93.4%	95.2%	93.3%	98.8%
ADMINISTRATIVE EXPENSE RATIO	6.8%	5.3%	4.6%	5.3%	5.3%	5.7%	5.5%	4.8%

MEDI-CAL
SCHEDULE OF REVENUES - ALL COA
FOR THE MONTH ENDED JUNE 30, 2025



REVENUES	June	Budget	Variance
Premium - Medi-Cal	47,373,580	48,564,074	(1,190,495)
Premium - Maternity Kick	3,580,674	3,375,247	205,428
Premium - Enhanced Care Management	2,122,809	1,761,501	361,308
Premium - Major Organ Transplant	162,543	238,610	(76,067)
Premium - Provider Enhancement	1,434,006	1,174,766	259,240
Premium - GEMT	160,694	182,966	(22,272)
Other	96,437	108,020	(11,583)
TOTAL MEDICAID - FAMILY MEMBERS	54,930,744	55,405,184	(474,440)
Premium - Medi-Cal	45,433,984	44,592,454	841,530
Premium - Maternity Kick	381,735	442,636	(60,901)
Premium - Enhanced Care Management	2,170,055	1,778,641	391,414
Premium - Major Organ Transplant	289,196	422,945	(133,749)
Premium - Provider Enhancement	434,307	364,845	69,462
Premium - GEMT	238,707	261,525	(22,818)
Other	46,649	49,720	(3,071)
TOTAL MEDICAID - EXPANSION MEMBERS	48,994,633	47,912,766	1,081,867
Premium - Medi-Cal	36,388,660	38,844,034	(2,455,374)
Premium - Enhanced Care Management	1,341,543	1,014,864	326,679
Premium - Major Organ Transplant	116,094	341,085	(224,991)
Premium - Provider Enhancement	32,025	28,525	3,500
Premium - GEMT	137,832	173,842	(36,010)
Premium - Distinct Part Nursing Facility	1,232	-	1,232
Other	112	112	-
TOTAL MEDICAID - SPD MEMBERS	38,017,497	40,402,462	(2,384,965)

Year to Date	Budget	Variance
285,144,854	289,900,818	(4,755,964)
19,758,604	20,148,366	(389,763)
12,775,478	10,515,193	2,260,285
973,796	1,424,368	(450,572)
8,625,174	7,012,708	1,612,465
967,229	1,092,207	(124,979)
581,722	644,820	(63,098)
328,826,856	330,738,481	(1,911,625)
271,018,833	267,554,726	3,464,107
2,557,625	2,655,817	(98,193)
12,942,488	10,671,844	2,270,644
1,725,140	2,537,670	(812,530)
2,590,365	2,189,070	401,295
1,423,656	1,569,150	(145,494)
278,246	298,320	(20,074)
292,536,353	287,476,596	5,059,756
215,907,716	233,064,204	(17,156,488)
7,967,735	6,089,185	1,878,551
689,228	2,046,510	(1,357,282)
190,644	171,150	19,494
819,737	1,043,052	(223,315)
7,468	-	7,468
670	670	-
225,583,200	242,414,771	(16,831,571)



MEDI-CAL
SCHEDULE OF REVENUES - ALL COA
FOR THE MONTH ENDED JUNE 30, 2025

REVENUES	January	February	March	April	May	June	Year to Date
Premium - Medi-Cal	47,363,308	47,545,964	47,551,546	47,638,089	47,672,367	47,373,580	285,144,854
Premium - Maternity Kick	3,443,250	3,489,058	2,840,108	3,053,880	3,351,633	3,580,674	19,758,604
Premium - Enhanced Care Management	2,125,064	2,131,060	2,130,863	2,133,053	2,132,628	2,122,809	12,775,478
Premium - Major Organ Transplant	160,356	161,697	161,742	162,891	164,567	162,543	973,796
Premium - Provider Enhancement	1,429,771	1,437,183	1,437,262	1,441,621	1,445,331	1,434,006	8,625,174
Premium - GEMT	160,977	161,437	161,348	161,465	161,307	160,694	967,229
Other	96,746	97,035	97,150	97,236	97,118	96,437	581,722
TOTAL MEDICAID - FAMILY MEMBERS	54,779,472	55,023,433	54,380,020	54,688,236	55,024,952	54,930,744	328,826,856
Premium - Medi-Cal	44,855,744	45,219,120	45,018,916	45,125,766	45,365,301	45,433,984	271,018,833
Premium - Maternity Kick	564,968	511,525	480,986	412,274	206,137	381,735	2,557,625
Premium - Enhanced Care Management	2,153,257	2,165,899	2,154,091	2,150,015	2,149,171	2,170,055	12,942,488
Premium - Major Organ Transplant	285,237	287,671	286,455	287,370	289,211	289,196	1,725,140
Premium - Provider Enhancement	430,414	433,175	430,922	430,557	430,991	434,307	2,590,365
Premium - GEMT	236,976	238,316	236,993	236,445	236,220	238,707	1,423,656
Other	46,164	46,490	46,262	46,280	46,403	46,649	278,246
TOTAL MEDICAID - EXPANSION MEMBERS	48,572,760	48,902,196	48,654,624	48,688,708	48,723,433	48,994,633	292,536,353
Premium - Medi-Cal	37,081,984	34,297,701	35,919,054	36,050,326	36,169,992	36,388,660	215,907,716
Premium - Enhanced Care Management	1,403,572	1,238,016	1,326,920	1,327,850	1,329,835	1,341,543	7,967,735
Premium - Major Organ Transplant	125,409	102,004	114,724	115,251	115,746	116,094	689,228
Premium - Provider Enhancement	35,647	27,621	31,770	31,745	31,837	32,025	190,644
Premium - GEMT	151,476	120,067	136,547	136,681	137,134	137,832	819,737
Premium - Distinct Part Nursing Facility	1,259	1,293	1,251	1,227	1,206	1,232	7,468
Other	112	114	115	110	106	112	670
TOTAL MEDICAID - SPD MEMBERS	38,799,459	35,786,816	37,530,381	37,663,190	37,785,856	38,017,497	225,583,200

MEDI-CAL
SCHEDULE OF MEDICAL COSTS - ALL COA
FOR THE MONTH ENDED JUNE 30, 2025



	June	Budget	Variance	Year to Date	Budget	Variance
Physician Services						
Primary Care Physician Services	10,026,387	8,159,966	(1,866,421)	51,637,083	48,794,021	(2,843,062)
Referral Specialty Services	29,048,662	24,901,973	(4,146,688)	161,713,022	149,086,766	(12,626,256)
Urgent Care & After Hours Advice	3,028,060	3,824,337	796,276	20,684,379	22,866,355	2,181,976
Hospital Admitting Team	9,000	9,000	-	54,300	54,300	-
Total Physician Services	42,112,109	36,895,276	(5,216,832)	234,088,783	220,801,442	(13,287,342)
Other Professional Services						
Vision Service Capitation	343,908	364,950	21,042	2,065,843	2,182,950	117,107
221 - Business Intelligence	194,435	193,495	(940)	1,167,530	1,158,786	(8,744)
310 - Health Services - Utilization Management	710,325	777,330	67,005	4,539,222	4,655,198	115,976
311 - Health Services - Quality Improvement	241,982	286,874	44,892	1,475,760	1,718,003	242,244
312 - Health Services Education	323,825	357,370	33,545	1,896,389	2,140,185	243,796
313 - Pharmacy	119,553	128,233	8,680	723,652	767,949	44,297
314 - Enhanced Care Management	390,990	396,606	5,616	2,307,933	2,375,157	67,224
316 - Population Health Management	519,902	612,254	92,352	3,141,107	3,666,606	525,498
317 - In Lieu of Services	134,784	130,568	(4,216)	775,672	781,935	6,262
321 - Homeless Management Information Services	22,122	42,685	20,563	152,626	255,626	103,000
330 - Member Services	1,025,969	1,090,113	64,144	6,231,529	6,528,363	296,834
331 - Member Outreach	86,260	252,892	166,631	533,997	1,514,492	980,496
410 - Member Engagement	57,105	105,861	48,755	344,983	633,967	288,985
601 - Behavioral Health	150,152	177,424	27,272	915,143	1,062,538	147,396
602 - Quality & Health Equity	73,359	82,339	8,979	471,260	493,102	21,842
604 - Clinical Operations, Strategy, and Analytics	135,954	135,202	(752)	793,014	809,685	16,671
605 - Quality Performance	139,390	187,370	47,980	901,408	1,122,102	220,694
Behavior Health Treatment	3,914,355	2,834,792	(1,079,564)	19,634,318	16,957,766	(2,676,552)
Mental Health Services	555,723	679,659	123,937	3,496,545	4,071,621	575,077
Other Professional Services	2,383,070	2,044,513	(338,557)	12,918,592	12,238,408	(680,185)
Total Other Professional Services	11,523,165	10,880,530	(642,634)	64,486,522	65,134,440	647,918
Emergency Room	7,003,225	6,817,226	(185,998)	40,432,558	40,787,421	354,863
Inpatient Hospital	39,527,275	34,046,217	(5,481,058)	211,045,690	203,935,529	(7,110,161)
Reinsurance Expense Premium	255,781	274,822	19,042	1,577,178	1,643,605	66,427
Outpatient Hospital	15,379,229	15,454,251	75,022	92,704,501	92,582,005	(122,497)
Other Medical						
Ambulance and NEMT	6,536,276	5,055,125	(1,481,151)	38,540,302	30,294,461	(8,245,841)
Home Health Services & CBAS	1,646,789	1,319,700	(327,089)	8,525,553	7,914,077	(611,476)
Utilization and Quality Review Expenses	972,636	1,818,641	846,004	6,722,030	10,891,298	4,169,268
Long Term/SNF/Hospice	11,159,610	11,520,998	361,389	62,816,035	69,108,385	6,292,351
Provider Enhancement Expense - Prop. 56	1,805,939	1,654,879	(151,059)	10,838,699	8,904,282	(1,934,417)
Provider Enhancement Expense - GEMT	536,894	422,267	(114,627)	3,210,283	3,519,189	308,906
Enhanced Care Management	5,352,687	4,327,256	(1,025,432)	32,001,416	25,912,410	(6,089,006)
Community Support Services	6,510,178	-	(6,510,178)	27,027,473	-	(27,027,473)
Major Organ Transplant	533,290	952,508	419,218	3,263,393	5,708,120	2,444,727
Cal AIM Incentive Programs	-	-	-	1,068,665	-	(1,068,665)
Housing and Homelessness Incentive	200,000	-	(200,000)	200,000	-	(200,000)
Distinct Part Nursing Facility Expense	1,232	-	(1,232)	7,468	-	(7,468)
DME/Rebates	2,389,588	1,988,737	(400,850)	13,148,023	11,913,829	(1,234,194)
Total Other Medical	37,645,117	29,060,110	(8,585,007)	207,369,340	174,166,051	(33,203,288)
Pay for Performance Quality Incentive	707,199	608,251	(98,948)	3,743,161	3,638,277	(104,884)
Risk Corridor Expense	-	-	-	-	-	-
Hospital Directed Payments	59,075,312	24,406,526	(34,668,786)	353,684,246	146,143,308	(207,540,938)
Hospital Directed Payment Adjustment	(37,127)	-	37,127	106,276,200	-	(106,276,200)
Non-Claims Expense Adjustment	(283)	-	283	(16,751,708)	-	16,751,708
IBNR, Incentive, Paid Claims Adjustment	(826,300)	-	826,300	(2,872,849)	-	2,872,849
Total Medical Costs	212,364,700	158,443,210	(53,921,490)	1,295,783,622	948,832,079	(346,951,543)

MEDI-CAL
SCHEDULE OF MEDICAL COSTS - ALL COA
FOR THE MONTH ENDED JUNE 30, 2025



	June	Budget	Variance
TOTAL MEMBERS - MCAL	404,799	405,500	(701)
Physician Services			
Primary Care Physician Services	24.77	20.12	(4.65)
Referral Specialty Services	71.76	61.41	(10.35)
Urgent Care & After Hours Advice	7.48	9.43	1.95
Hospital Admitting Team	0.02	0.02	(0.00)
Total Physician Services	104.03	90.99	(13.05)
Other Professional Services			
Vision Service Capitation	0.85	0.90	0.05
221 - Business Intelligence	0.48	0.48	(0.00)
310 - Health Services - Utilization Management	1.75	1.92	0.16
311 - Health Services - Quality Improvement	0.60	0.71	0.11
312 - Health Services Education	0.80	0.88	0.08
313 - Pharmacy	0.30	0.32	0.02
314 - Enhanced Care Management	0.97	0.98	0.01
316 - Population Health Management	1.28	1.51	0.23
317 - In Lieu of Services	0.33	0.32	(0.01)
321 - Homeless Management Information Services	0.05	0.11	0.05
330 - Member Services	2.53	2.69	0.15
331 - Member Outreach	0.21	0.62	0.41
410 - Member Engagement	0.14	0.26	0.12
601 - Behavioral Health	0.37	0.44	0.07
602 - Quality & Health Equity	0.18	0.20	0.02
604 - Clinical Operations, Strategy, and Analytics	0.34	0.33	(0.00)
605 - Quality Performance	0.34	0.46	0.12
Behavior Health Treatment	9.67	6.99	(2.68)
Mental Health Services	1.37	1.68	0.30
Other Professional Services	5.89	5.04	(0.85)
Total Other Professional Services	28.47	26.83	(1.63)
Emergency Room	17.30	16.81	(0.49)
Inpatient Hospital	97.65	83.96	(13.69)
Reinsurance Expense Premium	0.63	0.68	0.05
Outpatient Hospital	37.99	38.11	0.12
Other Medical			
Ambulance and NEMT	16.15	12.47	(3.68)
Home Health Services & CBAS	4.07	3.25	(0.81)
Utilization and Quality Review Expenses	2.40	4.48	2.08
Long Term/SNF/Hospice	27.57	28.41	0.84
Provider Enhancement Expense - Prop. 56	4.46	4.08	(0.38)
Provider Enhancement Expense - GEMT	1.33	1.04	(0.28)
Enhanced Care Management	13.22	10.67	(2.55)
Community Support Services	16.08	-	(16.08)
Major Organ Transplant	1.32	2.35	1.03
Cal AIM Incentive Programs	-	-	-
Distinct Part Nursing Facility Expense	0.00	-	(0.00)
DME/Rebates	5.90	4.90	(1.00)
Total Other Medical	93.00	71.66	(21.33)
Pay for Performance Quality Incentive	1.75	1.50	(0.25)
Hospital Directed Payments	145.94	60.19	(85.75)
Hospital Directed Payment Adjustment	(0.09)	-	0.09
Non-Claims Expense Adjustment	(0.00)	-	0.00
IBNR, Incentive, Paid Claims Adjustment	(2.04)	-	2.04
Total Medical Costs	524.62	390.74	(133.88)

Year to Date	Budget	Variance
2,428,774	2,425,500	3,274
Physician Services		
21.26	20.12	(1.14)
66.58	61.47	(5.12)
8.52	9.43	0.91
0.02	0.02	0.00
96.38	91.03	(5.35)
Other Professional Services		
0.85	0.90	0.05
0.48	0.48	(0.00)
1.87	1.92	0.05
0.61	0.71	0.10
0.78	0.88	0.10
0.30	0.32	0.02
0.95	0.98	0.03
1.29	1.51	0.22
0.32	0.32	0.00
0.06	0.11	0.04
2.57	2.69	0.13
0.22	0.62	0.40
0.14	0.26	0.12
0.38	0.44	0.06
0.19	0.20	0.01
0.33	0.33	0.01
0.37	0.46	0.09
8.08	6.99	(1.09)
1.44	1.68	0.24
5.32	5.05	(0.27)
26.55	26.85	0.30
16.65	16.82	0.17
86.89	84.08	(2.81)
0.65	0.68	0.03
38.17	38.17	0.00
Other Medical		
15.87	12.49	(3.38)
3.51	3.26	(0.25)
2.77	4.49	1.72
25.86	28.49	2.63
4.46	3.67	(0.79)
1.32	1.45	0.13
13.18	10.68	(2.49)
11.13	-	(11.13)
1.34	2.35	1.01
0.44	-	(0.44)
0.00	-	(0.00)
5.41	4.91	(0.50)
85.38	71.81	(13.57)
1.54	1.50	(0.04)
145.62	60.25	(85.37)
43.76	-	(43.76)
(6.90)	-	6.90
(1.18)	-	1.18
533.51	391.19	(142.32)

MEDI-CAL
SCHEDULE OF MEDICAL COSTS - ALL COA
FOR THE MONTH ENDED JUNE 30, 2025



	January	February	March	April	May	June	Year to Date
Physician Services							
Primary Care Physician Services	6,633,777	10,235,649	8,511,088	8,021,079	8,209,102	10,026,387	51,637,083
Referral Specialty Services	25,541,006	24,175,932	26,067,518	27,364,943	29,514,962	29,048,662	161,713,022
Urgent Care & After Hours Advice	3,948,407	4,291,828	4,106,619	3,623,145	1,686,319	3,028,060	20,684,379
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	9,000	54,300
Total Physician Services	36,132,491	38,711,809	38,694,525	39,018,167	39,419,683	42,112,109	234,088,783
Other Professional Services							
Vision Service Capitation	344,606	343,774	343,775	345,653	344,127	343,908	2,065,843
221 - Business Intelligence	211,963	188,504	191,787	186,842	193,999	194,435	1,167,530
310 - Health Services - Utilization Management	826,640	762,266	757,294	734,148	748,550	710,325	4,539,222
311 - Health Services - Quality Improvement	306,121	220,471	220,433	238,693	248,061	241,982	1,475,760
312 - Health Services Education	321,705	307,110	316,293	312,444	315,011	323,825	1,896,389
313 - Pharmacy	140,301	111,951	115,447	113,186	123,215	119,553	723,652
314 - Enhanced Care Management	411,824	347,498	371,602	395,870	390,150	390,990	2,307,933
316 - Population Health Management	593,720	502,067	520,999	496,916	507,502	519,902	3,141,107
317 - In Lieu of Services	134,223	120,595	127,368	125,560	133,141	134,784	775,672
321 - Homeless Management Information Services	44,251	23,122	20,283	21,008	21,840	22,122	152,626
330 - Member Services	1,080,746	1,029,669	1,011,284	1,016,232	1,067,629	1,025,969	6,231,529
331 - Member Outreach	83,414	78,217	82,465	117,142	86,498	86,260	533,997
410 - Member Engagement	59,841	54,424	57,455	57,181	58,977	57,105	344,983
601 - Behavioral Health	170,807	146,523	140,152	147,490	160,019	150,152	915,143
602 - Quality & Health Equity	82,237	78,819	78,678	79,984	78,183	73,359	471,260
604 - Clinical Operations, Strategy, and Analytics	142,213	117,289	130,628	128,689	138,241	135,954	793,014
605 - Quality Performance	154,331	142,203	160,748	156,090	148,645	139,390	901,408
Behavior Health Treatment	3,181,908	3,355,677	2,493,778	3,786,771	2,901,828	3,914,355	19,634,318
Mental Health Services	974,251	506,210	300,821	550,412	609,128	555,723	3,496,545
Other Professional Services	2,180,697	1,568,304	2,126,040	2,241,884	2,418,598	2,383,070	12,918,592
Total Other Professional Services	11,445,798	10,004,694	9,567,330	11,252,193	10,693,341	11,523,165	64,486,522
Emergency Room	7,289,728	6,508,981	6,225,711	6,330,730	7,074,183	7,003,225	40,432,558
Inpatient Hospital	33,857,875	31,406,220	33,213,126	33,714,646	39,326,548	39,527,275	211,045,690
Reinsurance Expense Premium	269,619	269,619	269,619	240,829	271,713	255,781	1,577,178
Outpatient Hospital	16,019,765	15,697,949	14,487,044	16,762,573	14,357,942	15,379,229	92,704,501
Other Medical							
Ambulance and NEMT	5,965,805	7,090,416	6,724,343	5,827,057	6,396,406	6,536,276	38,540,302
Home Health Services & CBAS	1,636,266	1,531,236	1,185,227	1,395,613	1,130,422	1,646,789	8,525,553
Utilization and Quality Review Expenses	936,126	930,163	1,665,464	773,340	1,444,299	972,636	6,722,030
Long Term/SNF/Hospice	10,523,545	10,822,106	9,460,426	10,684,436	10,165,912	11,159,610	62,816,035
Provider Enhancement Expense - Prop. 56	1,801,039	1,803,328	1,805,739	1,809,345	1,813,309	1,805,939	10,838,699
Provider Enhancement Expense - GEMT	549,430	519,819	534,888	534,592	534,661	536,894	3,210,283
Enhanced Care Management	5,134,027	5,521,997	5,331,279	5,330,372	5,331,053	5,352,687	32,001,416
Community Support Services	590,845	3,824,743	4,662,690	6,140,445	5,298,573	6,510,178	27,027,473
Major Organ Transplant	542,452	574,592	534,775	537,237	541,047	533,290	3,263,393
Cal AIM Incentive Programs	275,000	188,015	390,633	125,018	90,000	-	1,068,665
Housing and Homelessness Incentive	-	-	-	-	-	200,000	200,000
Distinct Part Nursing Facility Expense	1,259	1,293	1,251	1,227	1,206	1,232	7,468
DME/Rebates	2,339,823	1,958,689	1,991,312	2,331,626	2,136,985	2,389,588	13,148,023
Total Other Medical	30,295,617	34,766,397	34,288,028	35,490,308	34,883,873	37,645,117	207,369,340
Pay for Performance Quality Incentive	606,662	608,318	607,800	607,349	605,835	707,199	3,743,161
Hospital Directed Payments	59,831,392	58,045,936	58,943,903	58,897,348	58,890,354	59,075,312	353,684,246
Hospital Directed Payment Adjustment	103,134,648	1,953,159	15,484	111,948	1,098,088	(37,127)	106,276,200
Non-Claims Expense Adjustment	(350,170)	(2,753,743)	(3,382,901)	(1,877)	(10,262,733)	(283)	(16,751,708)
IBNR, Incentive, Paid Claims Adjustment	388,615	248,637	21,094	(2,667,286)	(37,610)	(826,300)	(2,872,849)
Total Medical Costs	298,922,038	195,467,975	192,950,763	199,756,928	196,321,218	212,364,700	1,295,783,622



MEDI-CAL
SCHEDULE OF MEDICAL COSTS - ALL COA
FOR THE MONTH ENDED JUNE 30, 2025

	January	February	March	April	May	June	Year to Date
Physician Services							
Primary Care Physician Services	16.40	25.24	21.00	19.81	20.33	24.77	21.26
Referral Specialty Services	63.15	59.61	64.33	67.58	73.08	71.76	66.58
Urgent Care & After Hours Advice	9.76	10.58	10.13	8.95	4.18	7.48	8.52
Hospital Admitting Team	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Total Physician Services	89.34	95.46	95.49	96.37	97.60	104.03	96.38
Other Professional Services							
Vision Service Capitation	0.85	0.85	0.85	0.85	0.85	0.85	0.85
221 - Business Intelligence	0.52	0.46	0.47	0.46	0.48	0.48	0.48
310 - Health Services - Utilization Management	2.04	1.88	1.87	1.81	1.85	1.75	1.87
311 - Health Services - Quality Improvement	0.76	0.54	0.54	0.59	0.61	0.60	0.61
312 - Health Services Education	0.80	0.76	0.78	0.77	0.78	0.80	0.78
313 - Pharmacy	0.35	0.28	0.28	0.28	0.31	0.30	0.30
314 - Enhanced Care Management	1.02	0.86	0.92	0.98	0.97	0.97	0.95
316 - Population Health Management	1.47	1.24	1.29	1.23	1.26	1.28	1.29
317 - In Lieu of Services	0.33	0.30	0.31	0.31	0.33	0.33	0.32
321 - Homeless Management Information Services	0.11	0.06	0.05	0.05	0.05	0.05	0.06
330 - Member Services	2.67	2.54	2.50	2.51	2.64	2.53	2.57
331 - Member Outreach	0.21	0.19	0.20	0.29	0.21	0.21	0.22
410 - Member Engagement	0.15	0.13	0.14	0.14	0.15	0.14	0.14
601 - Behavioral Health	0.42	0.36	0.35	0.36	0.40	0.37	0.38
602 - Quality & Health Equity	0.20	0.19	0.19	0.20	0.19	0.18	0.19
604 - Clinical Operations, Strategy, and Analytics	0.35	0.29	0.32	0.32	0.34	0.34	0.33
605 - Quality Performance	0.38	0.35	0.40	0.39	0.37	0.34	0.37
Behavior Health Treatment	7.87	8.27	6.15	9.35	7.18	9.67	8.08
Mental Health Services	2.41	1.25	0.74	1.36	1.51	1.37	1.44
Other Professional Services	5.39	3.87	5.25	5.54	5.99	5.89	5.32
Total Other Professional Services	28.30	24.67	23.61	27.79	26.48	28.47	26.55
Emergency Room	18.02	16.05	15.36	15.64	17.52	17.30	16.65
Inpatient Hospital	83.72	77.44	81.97	83.27	97.37	97.65	86.89
Reinsurance Expense Premium	0.67	0.66	0.67	0.59	0.67	0.63	0.65
Outpatient Hospital	39.61	38.71	35.75	41.40	35.55	37.99	38.17
Other Medical							
Ambulance and NEMT	14.75	17.48	16.60	14.39	15.84	16.15	15.87
Home Health Services & CBAS	4.05	3.78	2.93	3.45	2.80	4.07	3.51
Utilization and Quality Review Expenses	2.31	2.29	4.11	1.91	3.58	2.40	2.77
Long Term/SNF/Hospice	26.02	26.69	23.35	26.39	25.17	27.57	25.86
Provider Enhancement Expense - Prop. 56	4.45	4.45	4.46	4.47	4.49	4.46	4.46
Provider Enhancement Expense - GEMT	1.36	1.28	1.32	1.32	1.32	1.33	1.32
Enhanced Care Management	12.69	13.62	13.16	13.16	13.20	13.22	13.18
Community Support Services	1.46	9.43	11.51	15.17	13.12	16.08	11.13
Major Organ Transplant	1.34	1.42	1.32	1.33	1.34	1.32	1.34
Cal AIM Incentive Programs	0.68	0.46	0.96	0.31	0.22	-	0.44
Housing and Homelessness Incentive	-	-	-	-	-	0.49	0.08
Distinct Part Nursing Facility Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DME	5.79	4.83	4.91	5.76	5.29	5.90	5.41
Total Other Medical	74.91	85.73	84.62	87.65	86.37	93.00	85.38
Pay for Performance Quality Incentive	1.50	1.50	1.50	1.50	1.50	1.75	1.54
Hospital Directed Payments	147.94	143.13	145.47	145.46	145.81	145.94	145.62
Hospital Directed Payment Adjustment	255.01	4.82	0.04	0.28	2.72	(0.09)	43.76
Non-Claims Expense Adjustment	(0.87)	(6.79)	(8.35)	(0.00)	(25.41)	(0.00)	(6.90)
IBNR, Incentive, Paid Claims Adjustment	0.96	0.61	0.05	(6.59)	(0.09)	(2.04)	(1.18)
Total Medical Costs	739.10	481.99	476.19	493.35	486.08	524.62	533.51

MEDI-CAL
SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT
FOR THE MONTH ENDED JUNE 30, 2025



	June	Budget	Variance	Year to Date	Budget	Variance
110 - Executive	707,525	650,390	(57,135)	3,703,734	3,902,342	198,607
112 - Government Relations	50,607	62,942	12,335	327,844	377,651	49,807
210 - Accounting	293,602	370,068	76,466	2,063,107	2,220,405	157,298
220 - Management Information Systems (MIS)	398,515	508,775	110,260	1,913,788	3,052,647	1,138,859
221 - Business Intelligence	(16,886)	246,484	263,370	2,262,174	1,478,905	(783,270)
222 - MIS Development	841,641	515,722	(325,918)	3,220,596	3,094,335	(126,261)
223 - Enterprise Configuration	361,361	321,789	(39,572)	1,454,756	1,930,735	475,978
224 - Cyber Security	41,757	43,744	1,986	288,613	262,462	(26,151)
225 - Infrastructure	698,614	1,140,153	441,539	4,946,537	6,840,917	1,894,380
226 - Technical Administrative Services	79,715	94,102	14,387	409,338	564,614	155,276
230 - Claims	875,316	823,338	(51,979)	5,560,552	4,940,023	(620,528)
240 - Project Development	297,080	216,007	(81,073)	1,541,028	1,296,041	(244,987)
310 - Health Services - Utilization Management	50,249	50,148	(101)	290,354	300,886	10,531
311 - Health Services - Quality Improvement	7,744	11,596	3,852	48,541	69,573	21,032
312 - Health Services - Education	246	648	403	246	3,890	3,644
313 - Pharmacy	67	11,450	11,383	32,219	68,700	36,481
314 - Enhanced Care Management	27,607	22,583	(5,024)	157,467	135,496	(21,971)
316 - Population Health Management	5	2,454	2,449	1,186	14,725	13,539
317 - Community Support Services	1,310	3,150	1,841	2,193	18,902	16,709
320 - Provider Network Management	266,832	326,776	59,944	1,741,133	1,960,658	219,525
321 - Homeless Management Information Services	(901)	1,854	2,755	1,190	11,125	9,935
322 - Delegation & Oversight	36,047	30,422	(5,625)	205,674	182,530	(23,144)
330 - Member Services	178,853	229,310	50,457	1,049,965	1,375,860	325,895
340 - Corporate Services	887,141	1,128,044	240,903	5,266,967	6,768,267	1,501,299
360 - Audit & Investigative Services	279,420	306,189	26,769	1,781,994	1,837,134	55,140
410 - Member Engagement	62,705	62,873	168	391,414	377,240	(14,175)
420 - Sales/Marketing/Public Relations	369,105	329,532	(39,573)	1,390,246	1,977,190	586,944
510 - Human Resources	428,938	460,498	31,559	2,858,378	2,762,985	(95,393)
520 - Legal	53,469	122,824	69,355	498,699	736,941	238,243
601 - Behavioral Health	(0)	3,350	3,350	16,533	20,100	3,567
602 - Quality & Health Equity	14,026	35,573	21,547	127,938	213,438	85,500
604 - Clinical Operations, Strategy & Analytics	573	662	90	790	3,975	3,185
605 - Quality Performance	171,252	116,048	(55,204)	1,139,010	696,289	(442,721)
Administrative Expense Adjustment	47,536	200,000	152,464	1,053,915	1,200,000	146,085
Total Administrative Expenses	7,511,070	8,449,497	938,427	45,748,121	50,696,980	4,948,859



MEDI-CAL
SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT
FOR THE MONTH ENDED JUNE 30, 2025

	January	February	March	April	May	June	YTD TOTALS
110 - Executive	682,639	453,118	564,215	590,083	706,155	707,525	3,703,734
112 - Government Relations	64,745	54,023	53,593	52,753	52,122	50,607	327,844
210 - Accounting	373,730	270,170	370,641	425,988	328,977	293,602	2,063,107
220 - Management Information Systems (MIS)	354,906	282,955	322,843	190,927	363,642	398,515	1,913,788
221 - Business Intelligence	288,258	333,566	445,959	820,670	390,607	(16,886)	2,262,174
222 - MIS Development	390,138	339,566	481,800	492,554	674,896	841,641	3,220,596
223 - Enterprise Configuration	233,790	188,775	205,373	192,961	272,496	361,361	1,454,756
224 - Cyber Security	31,621	51,523	39,996	64,290	59,425	41,757	288,613
225 - Infrastructure	767,910	644,388	845,020	1,162,292	828,314	698,614	4,946,537
226 - Technical Administrative Services	70,628	64,258	67,549	47,750	79,438	79,715	409,338
230 - Claims	885,033	986,246	941,807	907,411	964,739	875,316	5,560,552
240 - Project Development	214,035	237,465	220,963	149,624	421,861	297,080	1,541,028
310 - Health Services - Utilization Management	30,019	52,541	40,446	52,147	64,953	50,249	290,354
311 - Health Services - Quality Improvement	(15,100)	31,947	7,052	8,308	8,591	7,744	48,541
312 - Health Services - Education	-	-	-	-	-	246	246
313 - Pharmacy	10,795	10,500	10,500	357	(0)	67	32,219
314 - Enhanced Care Management	18,954	44,579	20,337	23,983	22,006	27,607	157,467
316 - Population Health Management	103	-	-	1,030	48	5	1,186
317 - Community Support Services	-	-	883	-	0	1,310	2,193
320 - Provider Network Management	297,212	274,630	285,138	289,369	327,952	266,832	1,741,133
321 - Homeless Management Information Services	73	-	54	1,964	-	(901)	1,190
322 - Delegation & Oversight	50,538	1,369	26,376	45,370	45,974	36,047	205,674
330 - Member Services	174,446	228,649	118,453	159,275	190,289	178,853	1,049,965
340 - Corporate Services	1,085,693	680,455	851,850	876,263	885,564	887,141	5,266,967
360 - Audit & Investigative Services	286,424	338,436	269,614	283,804	324,297	279,420	1,781,994
410 - Member Engagement	67,809	62,520	64,681	66,137	67,561	62,705	391,414
420 - Sales/Marketing/Public Relations	139,774	226,357	228,233	118,236	308,542	369,105	1,390,246
510 - Human Resources	727,474	317,319	475,133	432,281	477,233	428,938	2,858,378
520 - Legal	35,231	100,899	142,724	118,635	47,741	53,469	498,699
601 - Behavioral Health	307	200	(0)	76	15,950	(0)	16,533
602 - Quality & Health Equity	10,624	9,938	10,083	72,665	10,603	14,026	127,938
604 - Clinical Operations, Strategy & Analytics	-	-	32	0	185	573	790
605 - Quality Performance	212,721	179,458	198,076	193,987	183,516	171,252	1,139,010
Administrative Expense Adjustment	202,969	198,773	375,177	160,116	69,345	47,536	1,053,915
Total Administrative Expenses	7,693,499	6,664,623	7,684,602	8,001,306	8,193,021	7,511,070	45,748,121

**KHS - GROUP HEALTH PLAN
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025**



ASSETS	June 2025	May 2025	Increase/ (Decrease)
Cash and Cash Equivalents	1,261,104	1,260,658	446
Interest Receivable	13,743	9,200	4,543
Other Receivable	125	125	-
Total Current Assets	1,274,972	1,269,983	4,989
CURRENT LIABILITIES			
Other Liabilities	-	-	-
Total Current Liabilities	-	-	-
NET POSITION:			
Net Position at Beginning of Year	1,245,606	1,245,606	-
Increase (Decrease) in Net Position - Current Year	29,366	24,377	4,989
Total Net Position	1,274,972	1,269,983	4,989
TOTAL LIABILITIES AND NET POSITION	1,274,972	1,269,983	4,989



KHS - GROUP HEALTH PLAN
STATEMENT OF REVENUE, EXPENSES, AND CHANGES
IN NET POSITION
FOR THE MONTH ENDED JUNE 30, 2025

	June	Budget	Variance	Year to Date	Budget	Variance
REVENUES						
Premium	-	-	-	-	-	-
Interest	4,543	-	4,543	27,415	-	27,415
Other Investment Income	446	-	446	1,950	-	1,950
Total Revenues	4,989	-	4,989	29,366	-	29,366
EXPENSES						
MEDICAL COSTS						
IBNR and Paid Claims Adjustment	-	-	-	-	-	-
Total Medical Costs	-	-	-	-	-	-
GROSS MARGIN	4,989	-	4,989	29,366	-	29,366
ADMINISTRATIVE COSTS						
Management Fee Expense and Other Admin Exp	-	-	-	-	-	-
Total Administrative Expenses	-	-	-	-	-	-
TOTAL EXPENSES	-	-	-	-	-	-
OPERATING INCOME (LOSS) BEFORE TAX	4,989	-	4,989	29,366	-	29,366
NON-OPERATING REVENUE (EXPENSE)						
Total Non-Operating Revenue (Expense)	-	-	-	-	-	-
NET INCREASE (DECREASE) IN NET POSITION	4,989	-	4,989	29,366	-	29,366
MEDICAL LOSS RATIO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
ADMINISTRATIVE EXPENSE RATIO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT

		2025 MEMBER MONTHS	JAN'25	FEB'25	MAR'25	APR'25	MAY'25	JUN'25	JUL'25	AUG'25	SEP'25	OCT'25	NOV'25	DEC'25
MEDI-CAL														
ADULT AND FAMILY														
ADULT (SEE COMMENT)		446,574	74,604	74,605	74,309	74,397	74,422	74,237	0	0	0	0	0	0
CHILD		1,002,555	167,252	167,669	167,854	167,367	165,950	166,463	0	0	0	0	0	0
SUB-TOTAL ADULT & FAMILY		1,449,129	241,856	242,274	242,163	241,764	240,372	240,700	0	0	0	0	0	0
OTHER MEMBERS														
FULL DUALS - FAMILY		3,245	566	526	545	541	533	534	0	0	0	0	0	0
FULL DUALS - CHILD		0	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL OTHER MEMBERS		3,245	566	526	545	541	533	534	0	0	0	0	0	0
TOTAL FAMILY		1,452,374	242,422	242,800	242,708	242,305	240,905	241,234	0	0	0	0	0	0
SPD MEMBERS														
SPD (AGED AND DISABLED)		125,515	23,226	18,391	20,998	21,034	20,905	20,961	0	0	0	0	0	0
OTHER MEMBERS														
BCCTP - TABACCO SETTLEMENT		34	0	0	0	12	9	13	0	0	0	0	0	0
FULL DUALS - BCCTP		11	2	1	2	2	2	2	0	0	0	0	0	0
SPD FULL DUALS		153,035	23,272	27,695	25,425	25,375	25,671	25,597	0	0	0	0	0	0
EXPANDION FULL DUALS		1,997	366	333	322	326	293	357	0	0	0	0	0	0
LONG TERM CARE (LTC)														
LTC		304	48	52	54	52	52	46	0	0	0	0	0	0
LTC DUALS		2,741	465	467	462	451	453	443	0	0	0	0	0	0
TOTAL LTC		3,045	513	519	516	503	505	489	0	0	0	0	0	0
TOTAL SPD		283,637	47,379	46,939	47,263	47,252	47,385	47,419	0	0	0	0	0	0
ACA OE - MEDI-CAL OPTIONAL EXPANSION														
ACA Expansion Adult-Citizen		692,763	114,640	115,806	115,229	115,342	115,600	116,146	0	0	0	0	0	0
TOTAL EXPANSION		692,763	114,640	115,806	115,229	115,342	115,600	116,146	0	0	0	0	0	0
TOTAL CLASSIC MEMBERS		2,428,774	404,441	405,545	405,200	404,899	403,890	404,799	0	0	0	0	0	0
GRAND TOTAL		2,428,774	404,441	405,545	405,200	404,899	403,890	404,799	0	0	0	0	0	0



MEMORANDUM

TO: Kern Health Systems Board of Directors

FROM: Robert Landis, Chief Financial Officer

SUBJECT: Reports on Accounts Payable, Administrative Contracts and IT Technology Consulting Resources

DATE: August 14, 2025

Attached for your review are the following items:

- 1) Accounts Payable Vendor Report listing of payments over \$20,000 for the months of May and June 2025.
- 2) Administrative Contract Report listing contracts between \$50,000 and \$200,000 for the months of May and June 2025.
- 3) IT Technology Consulting Resources Report for the period ending May 31, 2025.

Requested Action

Receive and File.

KERN • HEALTH SYSTEMS

MAY AP Vendor Report Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
WT/ACH	BCI HOLDINGS	1,311,975.41	3,624,326.20	MAY 2025 EMPLOYEE HMO HEALTH BENEFITS & RX CLAIMS PREMIUM	VARIOUS
WT/ACH	BLACKHAWK ENGAGEMENT SOLUTIONS, INC	627,000.00	2,267,000.00	PREFUND MEMBER INCENTIVES & MCAS MEMBER REWARDS PROGRAM	HEALTH SERVICES - WELLNESS & PREVENTION & HEALTH SERVICES - QI
T4350	COMPUTER ENTERPRISE	549,380.96	2,356,938.81	MAR. & APR. 2025 PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
T5111	ENTISYS 360, E360	273,123.44	563,266.13	RUBRIK ENTERPRISE HARDWARE & SUPPORT	MIS INFRASTRUCTURE
T4737	TEKSYSTEMS, INC	255,176.50	1,129,677.50	APR. 2025 PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
T1180	LANGUAGE LINE SERVICES INC.	241,154.94	1,447,511.51	APR. 2025 INTERPRETATION SERVICES	HEALTH SERVICES - WELLNESS & PREVENTION
T1408	DELL MARKETING L.P. ****	223,729.00	1,868,605.97	VLA AZURE OVERAGE 11/24-02/25	MIS INFRASTRUCTURE
T3449	CDW GOVERNMENT ****	209,679.65	216,618.96	NUTANIX CODES, ADOBE LICENSE RENEWAL & NESSUS VULNERABILITY SCANNER TOOL	MIS INFRASTRUCTURE
T5292	ALL'S WELL HEALTH CARE SERVICES	161,806.04	864,414.65	APR. & MAY 2025 TEMPORARY HELP - UM: (13)	VARIOUS
T1231	COUNTY OF KERN ****	139,145.59	139,145.59	ELIGIBILITY STAFF SERVICES	MEMBER OUTREACH
T4165	SHI INTERNATIONAL CO. ****	121,997.15	130,306.49	APC SMART-UPS BATTERIES SERVICE , FLEX LICENSE & SUPPORT, ENTW ON-PREMISES CALLING MAINTENANCE	MIS INFRASTRUCTURE
T5684	REBELLIS GROUP LLC	100,875.00	590,988.19	MAR. 2025 PROFESSIONAL SERVICES	MEDICARE
T5337	CAZADOR CONSULTING GROUP INC	95,555.67	454,399.99	MAR. 2025 TEMPORARY HELP - (1) PHM: (22) MS: (1) ME: (1) HE	VARIOUS
T5298	TOTALMED, INC	90,835.67	191,999.34	APR. & MAY 2025 TEMPORARY HELP	HEALTH SERVICES - UM
T5564	CLARISHEALTH, INC	89,999.98	484,563.93	APR. 2025 CONSULTING SERVICES	ADMINISTRATION
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC	83,530.77	421,855.28	APR. & MAY 2025 PROFESSIONAL SERVICES & APR. 2025 EDI CLAIMS	MIS INFRASTRUCTURE/CLAIMS
T1183	MILLIMAN USA	73,483.00	150,190.25	ACTUARIAL	VARIOUS
T5658	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	64,477.61	322,757.13	MAY. 2025 VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS

KERN • HEALTH SYSTEMS

MAY AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T3011	OFFICE ALLY, INC	64,184.82	354,837.21	APR. 2025 EDI CLAIMS	CLAIMS
T5886	US POSTAL SERVICE	60,000.00	240,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T6285	MERSMAN ENTERPRISES (MEI) ****	59,750.00	59,750.00	TGI TRAINING DEVELOPMENT CONSULTING	HEALTH EQUITY
T5467	MOSS ADAMS LLP	52,620.74	248,282.74	ENTERPRISE WIDE RISK PROGRAM PROFESSIONAL SERVICES	COMPLIANCE
T5890	DELTA DENTAL OF CALIFORNIA	51,307.99	254,972.59	MAY. 2025 EMPLOYEE DENTAL HEALTH BENEFITS PREMIUM	VARIOUS
T5520	BG HEALTHCARE CONSULTING, INC	50,050.00	231,875.00	APR. 2025 CONSULTING SERVICES	HEALTH SERVICES - QI
T5877	TGN CONSULTING LLC	49,000.00	324,744.82	LEADERSHIP DEVELOPMENT CONSULTING	HUMAN RESOURCES
T4460	PAYSPAN, INC	41,919.28	297,146.60	APR. 2025 ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T2584	UNITED STATES POSTAL SVC. - HASLER	40,000.00	160,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T2458	HEALTHCARE FINANCIAL, INC.	38,000.00	126,000.00	MAR. & APR. 2025 PROFESSIONAL SERVICES	ADMINISTRATION
T2787	SAGE SOFTWARE, INC ****	35,968.95	35,968.95	SAGE 300 PREMIUM LICENSE ANNUAL RENEWAL	FINANCE
T2969	AMERICAN BUSINESS MACHINES INC ****	34,995.26	49,950.95	JAN-MAY 2025 MAINTENANCE & 1ST QTR OVERAGE	MIS INFRASTRUCTURE
T5930	DAYFORCE US, INC	32,831.75	69,744.82	2025 SUBSCRIPTION FEES/PROFESSIONAL SERVICES/DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T6022	BAKERSFIELD AMERICAN INDIAN HEALTH PROJECT	32,404.41	60,715.23	JAN. - APR. 2025 GRANT	HEALTH SERVICES - WELLNESS & PREVENTION
T5850	SERRANO ADVISORS LLC	32,400.00	70,200.00	2025 -2027 BOARD OF DIRECTORS STRATEGIC PLANNING	ADMINISTRATION
T2726	DST PHARMACY SOLUTIONS, INC. ****	31,500.00	42,000.00	JAN. - MAR. 2025 PHARMACY CLAIMS	PHARMACY
T1128	HALL LETTER SHOP, INC. ****	31,449.88	171,057.39	ENVELOPES, TAG LINES, BROCHURES, LETTERS & MAIL PREP	MEMBER SERVICES/POPULATION HEALTH MANAGEMENT
WT/ACH	PAYPRO ACH	29,825.58	211,086.43	APR. 2025 EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	27,150.00	94,987.50	APR. 2025 PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T6179	BPM LLP	27,052.14	121,734.63	CONSULTING SERVICES - ERP SOFTWARE ADVISORY	CAPITAL PROJECT



MAY AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5882	RELIABLE JANITORIAL SERVICES AND CARPET CLEANING INC	26,290.00	158,515.00	MAY. 2025 JANITORIAL SERVICES	CORPORATE SERVICES
T6272	KEY STAFFING INC. ****	26,281.62	29,841.24	APR. & MAY 2025 TEMPORARY HELP	VARIOUS
T1005	COLONIAL LIFE & ACCIDENT ****	25,594.26	75,798.34	APR. & MAY 2025 EMPLOYEE PREMIUM	VARIOUS
T6054	WEBMD IGNITE ****	24,931.06	59,990.42	HEALTHWISE LICENSE FEES 2025	HEALTH EDUCATION
T2413	TREK IMAGING INC ****	24,322.34	162,848.83	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T5963	ANTAGE INCORPORATED ****	23,300.00	58,250.00	PROFESSIONAL SERVICES	INFORMATION TECHNOLOGY
T2578	AMERICAN STROKE ASSOC/AMERICAN HEART ASSOC WESTERN STATES ****	23,000.00	23,000.00	GO RED FOR WOMEN & HEART WALK SPONSORSHIP	MARKETING & PUBLIC AFFAIRS
T4501	ALLIED UNIVERSAL SECURITY SERVICES ****	21,918.84	105,852.89	APR. & MAY 2025 SECURITY SERVICES	CORPORATE SERVICES
T5022	SVAM INTERNATIONAL INC ****	21,736.00	56,004.00	PROFESSIONAL SERVICES	VARIOUS
T5865	HARTE-HANKS RESPONSE MANAGEMENT/AUSTIN, INC ****	21,564.17	99,975.40	PROFESSIONAL SERVICES	MEMBER SERVICES
T5121	TPx COMMUNICATIONS	21,524.37	98,912.79	APR. 2025 LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T6276	KFORCE INC ****	20,992.00	20,992.00	PROFESSIONAL SERVICES	VARIOUS
T4484	JACOBSON SOLUTIONS	20,199.01	105,439.50	MAR. & APR. 2025 TEMPORARY HELP	CLAIMS
T5535	PANAMA-BUENA VISTA UNION SCHOOL DISTRICT ****	20,000.00	20,000.00	McAULIFE ELEMENTARY SCHOOL WELLNESS GRANT	HEALTH EDUCATION
T5536	CALIFORNIA STATE UNIVERSITY BAKERSFIELD FOUNDATION ****	20,000.00	20,000.00	COMMUNITY SCHOLARSHIPS	MARKETING & PUBLIC AFFAIRS
		5,876,990.85			
	TOTAL VENDORS OVER \$20,000	5,876,990.85			
	TOTAL VENDORS UNDER \$20,000	687,219.39			
	TOTAL VENDOR EXPENSES- MAY	\$ 6,564,210.24			

Note:
****New vendors over \$20,000 for the month of May

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
WT/ACH	BCI HOLDINGS	3,624,326.20	2025 EMPLOYEE HMO HEALTH BENEFITS & RX CLAIMS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE	2,356,938.81	PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
WT/ACH	BLACKHAWK ENGAGEMENT SOLUTIONS, INC	2,267,000.00	PREFUND MEMBER INCENTIVES & MCAS MEMBER REWARDS PROGRAM	HEALTH SERVICES - WELLNESS & PREVENTION & HEALTH SERVICES - QI
T1408	DELL MARKETING LP.	1,868,605.97	VLA ENTERPRISE LICENSE, EA RENEWAL & COMPUTER EQUIPMENT	MIS INFRASTRUCTURE
T1180	LANGUAGE LINE SERVICES INC.	1,447,511.51	INTERPRETATION SERVICES	HEALTH SERVICES - WELLNESS & PREVENTION
T4737	TEKSYSTEMS, INC.	1,129,677.50	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5292	ALL'S WELL HEALTH CARE SERVICES	864,414.65	TEMPORARY HELP	VARIOUS
T3130	OPTUMINSIGHT, INC.	855,290.00	CLAIMS EDIT SOFTWARE LICENSE YR 3/5	MIS INFRASTRUCTURE
T5684	REBELLIS GROUP LLC	590,988.19	PROFESSIONAL SERVICES	MEDICARE
T5111	ENTISYS 360, E360	563,266.13	VMWARE VSPHERE ENTERPRISE PLUS 2025	TECHNICAL ADMINISTRATIVE SERVICES
T5564	CLARISHEALTH, INC	484,563.93	CONSULTING SERVICES	ADMINISTRATION
T5337	CAZADOR CONSULTING GROUP INC	454,399.99	TEMPORARY HELP	VARIOUS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC	421,855.28	PROFESSIONAL SERVICES & EDI CLAIMS	MIS INFRASTRUCTURE/CLAIMS
T5340	GARTNER INC	386,099.99	EXECUTIVE PROGRAM LICENSE & 2025 ON SITE TRAINING	TECHNICAL ADMINISTRATIVE SERVICES/HUMAN RESOURCES
T3011	OFFICE ALLY, INC	354,837.21	EDI CLAIMS	CLAIMS
T5877	TGN CONSULTING LLC	324,744.82	LEADERSHIP DEVELOPMENT CONSULTING	HUMAN RESOURCES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5658	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	322,757.13	VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS
T4460	PAYSPAN, INC	297,146.60	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5890	DELTA DENTAL OF CALIFORNIA	254,972.59	EMPLOYEE DENTAL HEALTH BENEFITS PREMIUM	VARIOUS
T5467	MOSS ADAMS LLP	248,282.74	AUDIT SERVICES	FINANCE
T5886	US POSTAL SERVICE	240,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5520	BG HEALTHCARE CONSULTING, INC	231,875.00	CONSULTING SERVICES	HEALTH SERVICES - QI
T4733	UNITED STAFFING ASSOCIATES	231,220.58	TEMPORARY HELP - (9) MS: (3) ME	VARIOUS
T2469	DST HEALTH SOLUTIONS, LLC	218,725.00	2025 ACG LICENSE FEE & SUPPORT	BUSINESS INTELLIGENCE
T3449	CDW GOVERNMENT ****	216,618.96	NUTANIX CODES, ADOBE LICENSE RENEWAL & NESSUS VULNERABILITY SCANNER TOOL	MIS INFRASTRUCTURE
WT/ACH	PAYPRO ACH	211,086.43	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T5298	TOTALMED, INC	191,999.34	TEMPORARY HELP	VARIOUS
T1128	HALL LETTER SHOP, INC	171,057.39	M-CAL RENEWALS, MEMBER SURVEY & MAIL PREP, NEW MEMBER PACKETS & ENVELOPES	VARIOUS
T2413	TREK IMAGING INC	162,848.83	MARKETING PROMOTIONAL SUPPLIES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T2584	UNITED STATES POSTAL SVC. - HASLER	160,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5882	RELIABLE JANITORIAL SERVICES AND CARPET CLEANING INC	158,515.00	JANITORIAL SERVICES	CORPORATE SERVICES
T1183	MILLIMAN USA	150,190.25	ACTUARIAL	VARIOUS
T5509	NGUYEN CAO LUU-TRONG	148,800.00	CONSULTING SERVICES	HEALTH SERVICES - UM

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T6246	UNIVERSAL HEALTHCARE MSO, LLC	148,375.00	D-SNP PSA IMPLEMENTATION FEES	CAPITAL PROJECT
T1097	NCQA (NATIONAL COMMITTEE FOR QUALITY ASSURANCE)	147,561.00	POPULATION HEALTH PROGRAM ACCREDIATION	HEALTH SERVICES - QI
T4237	CITIUS HEALTHCARE CONSULTING, LLC	147,352.50	PROFESSIONAL SERVICES	PROJECT MANAGEMENT/ENTERPRISE CONFIGURATION
T4963	LINKEDIN CORPORATION	142,532.00	2025 LEARNING HUB YR 1/2, RECRUITMENT JOB SLOTS YR 1/3	HUMAN RESOURCES
T1231	COUNTY OF KERN ****	139,145.59	ELIGIBILITY STAFF SERVICES	MEMBER OUTREACH
T4514	A.J. KLEIN, INC T. DENATALE, B. GOLDNER	132,140.03	LEGAL FEES	ADMINISTRATION
T4165	SHI INTERNATIONAL CO. ****	130,306.49	APC SMART-UPS BATTERIES SERVICE , FLEX LICENSE & SUPPORT, ENTW ON-PREMISES CALLING MAINTENANCE	MIS INFRASTRUCTURE
T2458	HEALTHCARE FINANCIAL, INC.	126,000.00	CONSULTING	ADMINISTRATION
T6179	BPM LLP	121,734.63	CONSULTING SERVICES - ERP SOFTWARE ADVISORY	CAPITAL PROJECT
T5452	BLACKHAWK ENGAGEMENT SOLUTIONS, INC	120,000.00	PREFUND MEMBER INCENTIVES & MCAS MEMBER REWARDS PROGRAM	HEALTH SERVICES - WELLNESS & PREVENTION & HEALTH SERVICES - QI
T4501	ALLIED UNIVERSAL SECURITY SERVICES	105,852.89	DEC. 2024-JAN. 2025 ONSITE SECURITY	CORPORATE SERVICES
T4484	JACOBSON SOLUTIONS	105,439.50	TEMPORARY HELP	CLAIMS
T1272	COFFEY COMMUNICATIONS INC.	102,923.72	WINTER ISSUE OF FAMILY HEALTH & WEBSITE ASSIST. MODULES	HEALTH SERVICES - WELLNESS & PREVENTION
T6127	MANIFEST MEDEX	101,110.00	2025 QTR. 1 - HIE SUBSCRIPTION FEE	MIS INFRASTRUCTURE
T5865	HARTE-HANKS RESPONSE MANAGEMENT/AUSTIN, INC	99,975.40	PROFESSIONAL SERVICES	MEMBER SERVICES
T5121	TPX COMMUNICATIONS	98,912.79	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5076	MERIDIAN HEALTH SYSTEMS, PC.	94,987.50	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T1022	UNUM LIFE INSURANCE CO.	88,563.26	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T6020	ALLMED HEALTHCARE MANAGEMENT, LLC	85,718.50	2025 SECURITY SERVICES	CORPORATE SERVICES
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	85,000.00	2025 MEMBER DUES	ADMINISTRATION
T6261	RUSSELL REYNOLDS ASSOCIATES, INC	83,600.00	RECRUITMENT SERVICE FEE & ADMIN CHARGE FOR CIO ROLE	HUMAN RESOURCES
T5329	RELAY NETWORK, LLC	83,332.90	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T2941	KERN PRINT SERVICES INC.	83,293.03	OFFICE SUPPLIES	CORPORATE SERVICES
T4708	WAKELY CONSULTING GROUP, LLC	82,252.50	PROFESSIONAL SERVICES	FINANCE
T2167	PG&E	81,728.91	UTILITIES	CORPORATE SERVICES
T5480	PRESS GANEY ASSOCIATES LLC	81,204.25	INITIAL 75% 2025 ECM SURVEY	ENHANCED CARE MANAGEMENT
T2918	STINSON'S	80,651.96	OFFICE SUPPLIES	VARIOUS
T5571	GHA TECHNOLOGIES INC	80,374.17	FORTINET SECURITY	MIS INFRASTRUCTURE
T6218	CLOUDERA, INC.	77,940.10	ANNUAL RENEWAL - METADATA PLATFORM	BUSINESS INTELLIGENCE
T5967	SAI360 INC	77,092.50	PROFESSIONAL SERVICES & 2 YR POLICY MANAGEMENT SYSTEM	AUDIT & INVESTIGATIVE SERVICES
T1005	COLONIAL LIFE & ACCIDENT	75,798.34	LIFE INSURANCE PREMIUM	VARIOUS
T4785	COMMGAP	72,801.25	INTERPRETATION SERVICES	HEALTH SERVICES - WELLNESS & PREVENTION
T6274	PANDANAI, INC	72,000.00	2025/2026 AI SOFTWARE SUBSCRIPTION	COMPLIANCE
T5583	THE MILHALIK GROUP, LLC	71,930.00	CONSULTING SERVICES	HEALTH SERVICES - QI

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5850	SERRANO ADVISORS LLC	70,200.00	2025 -2027 BOARD OF DIRECTORS STRATEGIC PLANNING	ADMINISTRATION
WT/ACH	USPS	60,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5930	DAYFORCE US, INC	69,744.82	2025 SUBSCRIPTION FEES/PROFESSIONAL SERVICES/DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T5757	BITFOCUS, INC	68,147.56	HMIS LICENSES & HEALTH CHECK TRAINING	HOMELESS MANAGEMENT INFORMATION SERVICES
T6022	BAKERSFIELD AMERICAN INDIAN HEALTH PROJECT	60,715.23	CONTRACTOR SERVICES	HEALTH SERVICES - UM
T6054	WEBMD IGNITE	59,990.42	2025 LICENSE FEES	HEALTH SERVICES - WELLNESS & PREVENTION
T6285	MERSMAN ENTERPRISES (MEI) ****	59,750.00	TGI TRAINING DEVELOPMENT CONSULTING	HEALTH EQUITY
T4503	VISION SERVICE PLAN	59,600.28	EMPLOYEE HEALTH BENEFITS	VARIOUS
T5963	ANTAGE INCORPORATED	58,250.00	PROFESSIONAL SERVICES	ENTERPRISE DEVELOPMENT
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	57,656.00	2025 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5022	SVAM INTERNATIONAL INC	56,004.00	PROFESSIONAL SERVICES	VARIOUS
T4657	DAPONDE SIMPSON ROWE PC	54,521.50	2025 LEGAL SERVICES	LEGAL
T5931	SPROUT SOCIAL, INC	54,000.00	2025-2026 SOCIAL MEDIA VIGILANCE MANAGEMENT	MIS INFRASTRUCTURE
T6192	LANG SPECIALTY TRAILERS	51,676.95	MOBILE LAUNDRY TRAILER	MEMBER ENGAGEMENT
T2969	AMERICAN BUSINESS MACHINES INC ****	49,950.95	HARDWARE AND MAINTENANCE	MIS INFRASTRUCTURE
T6215	BPO USA, P.C.	49,784.22	PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T5562	JDM SOLUTIONS INC.	49,600.00	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5319	CITIUSTECH INC.	49,458.00	FAST + MAINTENANCE & SUBSCRIPTION Q3 2024	INFRASTRUCTURE

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5400	CENTRO DE UNIDAD POPULAR BENITO JUAREZ, INC.	49,150.55	COMMUNITY HEALTH GRANT	GRANTS
T5742	MICHAEL NGUYEN	47,500.00	PROFESSIONAL SERVICES	QUALITY & HEALTH EQUITY
T2446	AT&T MOBILITY	46,735.57	CELLULAR PHONE/INTERNET USAGE	MIS INFRASTRUCTURE
T2509	UNITED STATES POSTAL SERVICE	44,396.05	PERMIT 162 SUMMER 2025 ISSUE OF FAMILY HEALTH	HEALTH SERVICES - WELLNESS & PREVENTION
T5435	TEGRIA SERVICES GROUP - US, INC.	42,875.00	PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T2726	DST PHARMACY SOLUTIONS, INC. ****	42,000.00	PHARMACY CLAIMS	PHARMACY
T6142	GREAT PLACE TO WORK INSTITUTE, INC	41,995.00	EMPLOYEE ENGAGEMENT SURVEY ACCELERATE PACKAGE	HUMAN RESOURCES
T5012	KERN MEDICAL CENTER FOUNDATION	40,000.00	PHYSICIAN'S MIXER CME SPONSORSHIP	ADMINISTRATION
T5275	CREATIVE FINANCIAL STAFFING, LLC	37,731.55	TEMPORARY HELP	VARIOUS
T4331	COTIVITI, INC	37,535.44	MEDICAL RECORD RETRIEVAL/ HANDLING	QUALITY PERFORMANCE
T2787	SAGE SOFTWARE, INC. ****	35,968.95	SAGE 300 PREMIUM LICENSE ANNUAL RENEWAL	FINANCE
T6100	SYMLR	35,515.73	SOFTWARE LICENSE 2026/2026	HEALTH SERVICES - UM
T3118	AMERICAN ACADEMY HOLDINGS LLC dba AAPC	34,440.17	2025 CPC TRAINING PACKAGE & AAPC MEMBERS	CLAIMS
T4960	ZELIS CLAIMS INTEGRITY, LLC	34,031.50	2025 CLAIMS EVALUATION SERVICES	CLAIMS
T5321	TYK TECHNOLOGIES LTD	34,000.00	SELF MANAGED ARCHITECTURE PLAN 2024/2025	MIS INFRASTRUCTURE
T4228	THE SSI GROUP, LLC	32,191.60	2025 EDI CLAIMS	CLAIMS
T2933	SIERRA PRINTERS, INC.	32,129.59	MEMBER HANDBOOKS & FLYERS	MEMBER SERVICES/COMMUNITY SUPPORT SERVICES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T3088	GLEN BROWN CONSULTING	31,387.50	CONSULTING	CAPITAL PROJECT
T5550	CHARTER COMMUNICATIONS OPERATING, LLC	30,515.23	INTERNET SERVICES	MIS INFRASTRUCTURE
T5863	MANNA HAGOS	30,498.00	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T5936	AXIOS HQ INC	30,240.00	2024/2026 COMMUNICATIONS SOFTWARE	MIS INFRASTRUCTURE
T5988	WASCO UNION HIGH SCHOOL DISTRICT	30,200.00	SCHOOL WELLNESS GRANT 2025-2026	HEALTH SERVICES - WELLNESS & PREVENTION
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	30,000.00	2025 SPONSORSHIP	MARKETING & PUBLIC AFFAIRS
T6272	KEY STAFFING INC ****	29,841.24	TEMPORARY HELP	VARIOUS
T6116	SIERRA SANDS UNIFIED SCHOOL DISTRICT	29,000.00	2025-2026 ELEMENTARY SCHOOL GRANT	HEALTH SERVICES - WELLNESS & PREVENTION
T5398	GOLDEN EMPIRE GLEANERS	28,780.18	FOOD BASKETS FOR MEMBERS	ENHANCED CARE MANAGEMENT
T5738	INSURICA - WALTER MORTENSEN INSURANCE	28,406.00	WORKERS COMPENSATION AUDIT	ADMINISTRATION
T5109	RAND EMPLOYMENT SOLUTIONS	27,371.93	TEMPORARY HELP	VARIOUS
T6202	KRAMER WORKPLACE INVESTIGATIONS ****	27,245.00	LEGAL FEES	LEGAL
T2938	SAP AMERICA, INC	26,584.72	2025/2026 ENTERPRISE SUPPORT & MAINTENANCE	MIS INFRASTRUCTURE
T4182	THE LAMAR COMPANIES	26,116.28	OUTDOOR ADVERTISEMENT - BILLBOARDS	MARKETING & PUBLIC AFFAIRS
T4993	LEGALSHIELD ****	25,812.50	EMPLOYEE PREMIUM	VARIOUS
T2441	LAURA J. BREZINSKI	25,000.00	MARKETING MATERIALS	MARKETING & PUBLIC AFFAIRS
T5977	IMAGENET, LLC	25,000.00	KIOSK SERVICES	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	24,000.00	MARKETING - BUS ADVERTISING	MARKETING & PUBLIC AFFAIRS
T4607	AGILITY RECOVERY SOLUTIONS INC.	23,747.70	PROFESSIONAL SERVICES	CORPORATE SERVICES
T4934	APPLE INC.	23,585.90	COMPUTER EQUIPMENT	CAPITAL PROJECT
T2578	AMERICAN STROKE ASSOC/AMERICAN HEART ASSOC WESTERN STATES ****	23,000.00	GO RED FOR WOMEN & HEART WALK SPONSORSHIP	MARKETING & PUBLIC AFFAIRS
T4731	GO TO TECHNOLOGIES, INC	22,737.00	LOGMEIN SUBSCRIPTION RENEWAL	INFRASTRUCTURE
T5536	CALIFORNIA STATE UNIVERSITY BAKERSFIELD FOUNDATION ****	22,500.00	COMMUNITY SCHOLARSHIPS	MARKETING & PUBLIC AFFAIRS
T5851	ABSORB SOFTWARE NORTH AMERICA, LLC ****	21,572.16	DAYFORCE LEARNING LICENSE	MIS INFRASTRUCTURE
T5436	THE BEACON STUDIOS, LLC ****	21,372.62	MARKETING MATERIALS	MARKETING & PUBLIC AFFAIRS
T6276	KFORCE INC ****	20,992.00	PROFESSIONAL SERVICES	VARIOUS
T5420	PAYPRO ADMINISTRATORS ****	20,820.20	PROFESSIONAL SERVICES	HUMAN RESOURCES
T5318	CANONICAL GROUP LIMITED	20,720.00	UBUNTU PRO LICENSE & SUPPORT	INFRASTRUCTURE
T2955	DELTA ELECTRIC INC. ****	20,211.77	BUILDING MAINTENANCE	CORPORATE SERVICES
T2135	BAKERSFIELD CITY SCHOOL DISTRICT	20,000.00	2025-2026 ELEMENTARY SCHOOL WELLNESS GRANT	HEALTH SERVICES - WELLNESS & PREVENTION
T5535	PANAMA-BUENA VISTA UNION SCHOOL DISTRICT ****	20,000.00	SCHOOL WELLNESS GRANT 2025-2026	HEALTH EDUCATION
T6223	WASCO UNION ELEMENTARY SCHOOL DISTRICT	20,000.00	SCHOOL WELLNESS GRANT 2025-2026	HEALTH SERVICES - WELLNESS & PREVENTION
		27,552,751.29		
	TOTAL VENDORS OVER \$20,000	27,552,751.29		
	TOTAL VENDORS UNDER \$20,000	1,747,138.52		
	TOTAL VENDOR EXPENSES- MAY	29,299,889.81		

Note:

****New vendors over \$20,000 for the month of May

KERN·HEALTH SYSTEMS

June AP Vendor Report Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
WT/ACH	BCI HOLDINGS	1,145,609.47	4,769,935.67	JUN 2025 EMPLOYEE HMO HEALTH BENEFITS & RX CLAIMS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE	540,658.00	2,897,596.81	MAY 2025 PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
T4737	TEKSYSTEMS, INC	272,723.00	1,402,400.50	MAY 2025 PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
T5684	REBELLIS GROUP LLC	151,681.25	742,669.44	APR. 2025 PROFESSIONAL SERVICES	MEDICARE
T5930	DAYFORCE US, INC	133,519.55	203,264.37	2025 SUBSCRIPTION FEES/PROFESSIONAL SERVICES/DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T2458	HEALTHCARE FINANCIAL, INC.	115,863.64	241,863.64	MAY 2025 PROFESSIONAL SERVICES	ADMINISTRATION
T4353	TWE SOLUTIONS, INC. ****	115,000.00	115,674.58	ANNUAL CRITICAL START MDR SERVICES 24X7 SECURITY MONITORING	CYBER SECURITY
T1183	MILLIMAN USA	106,568.50	256,758.75	ACTUARIAL	VARIOUS
T5337	CAZADOR CONSULTING GROUP INC	105,167.56	559,567.55	APR. & MAY 2025 TEMPORARY HELP - (9) MS: (1) ME: (1) MKT: (1) UM	VARIOUS
T5877	TGN CONSULTING LLC	101,678.75	426,423.57	LEADERSHIP DEVELOPMENT CONSULTING	HUMAN RESOURCES
T6127	MANIFEST MEDEX ****	101,300.00	202,410.00	QTR 2 2025 HIE SUBSCRIPTION	MIS INFRASTRUCTURE
T6246	UNIVERSAL HEALTHCARE MSO LLC ****	87,125.00	235,500.00	REVELEER SYSTEM IMPLEMENTATION	CAPITAL
T5658	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	64,364.25	387,121.38	JUN. 2025 VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS
T1272	COFFEY COMMUNICATIONS INC. ****	64,290.62	167,214.34	JUN. 2025 WEB ASSIST MODULES, FAMILY HEALTH SUMMER ISSUE	HEALTH EDUCATION - UM/MARKETING & PUBLIC AFFAIRS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC	64,010.05	485,865.33	MAY & JUN. 2025 PROFESSIONAL SERVICES & MAY. 2025 EDI CLAIMS	MIS INFRASTRUCTURE/CLAIMS

KERN·HEALTH SYSTEMS

June AP Vendor Report Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5886	US POSTAL SERVICE	60,000.00	300,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T3449	CDW GOVERNMENT	57,723.08	274,342.04	(25) LAPTOP BAGS, JUNIPER HARDWARE SUPPORT RENEWAL	MIS INFRASTRUCTURE
T6276	KFORCE INC	57,359.82	78,351.82	PROFESSIONAL SERVICES	VARIOUS
T5064	QUEST DIAGNOSTICS CLINICAL LABORATORIES, INC. ****	52,936.00	72,019.33	APR. 2025 REPORTING SERVICES	MIS INFRASTRUCTURE
T5890	DELTA DENTAL OF CALIFORNIA	51,012.31	305,984.90	JUN. 2025 EMPLOYEE DENTAL HEALTH BENEFITS PREMIUM	VARIOUS
T4460	PAYSPAN, INC	50,658.71	347,805.31	MAY 2025 ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5520	BG HEALTHCARE CONSULTING, INC	49,525.00	281,400.00	MAY 2025 CONSULTING SERVICES	HEALTH SERVICES - QI
T6272	KEY STAFFING INC.	47,976.29	77,817.53	MAY & JUN. 2025 TEMPORARY HELP	VARIOUS
T6261	RUSSELL REYNOLDS ASSOCIATES, INC. ****	41,800.00	125,400.00	PROFESSIONAL SERVICES	HUMAN RESOURCES
WT/ACH	PAYPRO ACH	41,225.11	252,311.54	MAY 2025 EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T3011	OFFICE ALLY, INC	41,111.07	395,948.28	MAY 2025 EDI CLAIMS	CLAIMS
T2584	UNITED STATES POSTAL SVC. - HASLER	40,000.00	200,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T6020	ALLMED HEALTHCARE MANAGEMENT, LLC ****	39,956.00	125,674.50	APR. & MAY 2025 MEDICAL REVIEWS	HEALTH SERVICES - UM
T1918	PUBLIC RISK, INNOVATION, SOLUTIONS AND MANAGEMENT ****	39,154.00	39,154.00	MR OCIP DEDUCTIBLE LOSS FUND CONTRIBUTION	ADMINISTRATION
T5564	CLARISHEALTH, INC	39,126.67	523,690.60	MAY 2025 CONSULTING SERVICES	ADMINISTRATION

KERN·HEALTH SYSTEMS

June AP Vendor Report Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T2941	KERN PRINT SERVICES INC. ****	36,559.98	119,853.01	BOOKLETS, ENVELOPES, LETTERHEAD	CORPORATE SERVICES
T4785	COMMGAP ****	36,191.25	108,992.50	APR. & MAY 2025 INTERPRETATION SERVICES	HEALTH SERVICES - UM
T5298	TOTALMED, INC	33,587.53	225,586.87	MAY 2025 TEMPORARY HELP	HEALTH SERVICES - UM
T4733	UNITED STAFFING ASSOCIATES ****	33,065.85	264,286.43	APR. & MAY 2025 TEMPORARY HELP -(9) MS: (3) ME	VARIOUS
T5962	GeBBS SOFTWARE INTERNATIONAL, INC ****	33,000.00	33,000.00	APR. & MAY 2025 PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T5863	MANNA HAGOS ****	30,820.50	61,318.50	APR. & MAY 2025 PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T5757	BITFOCUS, INC. ****	30,323.78	98,471.34	MAY & JUN. 2025 HMIS LICENSES	HOMELESS MANAGEMENT INFORMATION SERVICES
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	30,037.50	125,025.00	MAY 2025 PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T5882	RELIABLE JANITORIAL SERVICES AND CARPET CLEANING INC	26,290.00	184,805.00	JUN. 2025 JANITORIAL SERVICES	CORPORATE SERVICES
T1022	UNUM LIFE INSURANCE CO. ****	24,958.60	113,521.86	JUN. 2025 EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T5121	TPx COMMUNICATIONS	23,440.39	122,353.18	MAY 2025 LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T4501	ALLIED UNIVERSAL SECURITY SERVICES	21,755.08	127,607.97	MAY & JUN. 2025 SECURITY SERVICES	CORPORATE SERVICES
		<u>4,239,154.16</u>			
	TOTAL VENDORS OVER \$20,000	4,239,154.16			
	TOTAL VENDORS UNDER \$20,000	613,968.60			
	TOTAL VENDOR EXPENSES- JUNE	<u>\$ 4,853,122.76</u>			

Note:
****New vendors over \$20,000 for the month of June

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
WT/ACH	BCI HOLDINGS	4,769,935.67	2025 EMPLOYEE HMO HEALTH BENEFITS & RX CLAIMS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE	2,897,596.81	PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
WT/ACH	BLACKHAWK ENGAGEMENT SOLUTIONS, INC	2,267,000.00	PREFUND MEMBER INCENTIVES & MCAS MEMBER REWARDS PROGRAM	HEALTH SERVICES - WELLNESS & PREVENTION & HEALTH SERVICES -QI
T1408	DELL MARKETING LP.	1,868,605.97	VLA ENTERPRISE LICENSE, EA RENEWAL & COMPUTER EQUIPMENT	MIS INFRASTRUCTURE
T1180	LANGUAGE LINE SERVICES INC.	1,447,511.51	INTERPRETATION SERVICES	HEALTH SERVICES - WELLNESS & PREVENTION
T4737	TEKSYSTEMS, INC.	1,402,400.50	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5292	ALL'S WELL HEALTH CARE SERVICES	867,324.45	TEMPORARY HELP	VARIOUS
T3130	OPTUMINSIGHT, INC.	855,290.00	CLAIMS EDIT SOFTWARE LICENSE YR 3/5	MIS INFRASTRUCTURE
T5684	REBELLIS GROUP LLC	742,669.44	PROFESSIONAL SERVICES	MEDICARE
T5111	ENTISYS 360, E360	563,266.13	VMWARE VSPHERE ENTERPRISE PLUS 2025	TECHNICAL ADMINISTRATIVE SERVICES
T5337	CAZADOR CONSULTING GROUP INC	559,567.55	TEMPORARY HELP	VARIOUS
T5564	CLARISHEALTH, INC	523,690.60	CONSULTING SERVICES	ADMINISTRATION
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC	485,865.33	PROFESSIONAL SERVICES & EDI CLAIMS	MIS INFRASTRUCTURE/CLAIMS
T5877	TGN CONSULTING LLC	426,423.57	LEADERSHIP DEVELOPMENT CONSULTING	HUMAN RESOURCES
T3011	OFFICE ALLY, INC	395,948.28	EDI CLAIMS	CLAIMS
T5658	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	387,121.38	VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5340	GARTNER INC	386,099.99	EXECUTIVE PROGRAM LICENSE & 2025 ON SITE TRAINING	TECHNICAL ADMINISTRATIVE SERVICES/HUMAN RESOURCES
T4460	PAYSPAN, INC	347,805.31	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5890	DELTA DENTAL OF CALIFORNIA	305,984.90	EMPLOYEE DENTAL HEALTH BENEFITS PREMIUM	VARIOUS
T5886	US POSTAL SERVICE	300,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5520	BG HEALTHCARE CONSULTING, INC	281,400.00	CONSULTING SERVICES	HEALTH SERVICES - QI
T3449	CDW GOVERNMENT	274,342.04	NUTANIX CODES, ADOBE LICENSE RENEWAL & NESSUS VULNERABILITY SCANNER TOOL	MIS INFRASTRUCTURE
T4733	UNITED STAFFING ASSOCIATES	264,286.43	TEMPORARY HELP	VARIOUS
T1183	MILLIMAN USA	256,758.75	ACTUARIAL	VARIOUS
WT/ACH	PAYPRO ACH	252,311.54	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T5467	MOSS ADAMS LLP	251,157.13	AUDIT SERVICES	FINANCE
T2458	HEALTHCARE FINANCIAL, INC.	241,863.64	CONSULTING	ADMINISTRATION
T6246	UNIVERSAL HEALTHCARE MSO, LLC	235,500.00	D-SNP PSA IMPLEMENTATION FEES	CAPITAL PROJECT
T5298	TOTALMED, INC	225,586.87	TEMPORARY HELP	VARIOUS
T2469	DST HEALTH SOLUTIONS, LLC	218,725.00	2025 ACG LICENSE FEE & SUPPORT	BUSINESS INTELLIGENCE
T5930	DAYFORCE US, INC	203,264.37	2025 SUBSCRIPTION FEES/PROFESSIONAL SERVICES/DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T6127	MANIFEST MEDEX	202,410.00	2025 QTR. 1 - HIE SUBSCRIPTION FEE	MIS INFRASTRUCTURE
T2584	UNITED STATES POSTAL SVC. - HASLER	200,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5882	RELIABLE JANITORIAL SERVICES AND CARPET CLEANING INC	184,805.00	JANITORIAL SERVICES	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1128	HALL LETTER SHOP, INC	182,006.04	M-CAL RENEWALS, MEMBER SURVEY & MAIL PREP, NEW MEMBER PACKETS & ENVELOPES	VARIOUS
T2413	TREK IMAGING INC	177,636.68	MARKETING PROMOTIONAL SUPPLIES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T1272	COFFEY COMMUNICATIONS INC.	167,214.34	WINTER ISSUE OF FAMILY HEALTH & WEBSITE ASSIST. MODULES	HEALTH SERVICES - WELLNESS & PREVENTION
T4237	CITIUS HEALTHCARE CONSULTING, LLC	166,267.50	PROFESSIONAL SERVICES	PROJECT MANAGEMENT/ENTERPRISE CONFIGURATION
T5509	NGUYEN CAO LUU-TRONG	148,800.00	CONSULTING SERVICES	HEALTH SERVICES - UM
T1097	NCQA (NATIONAL COMMITTEE FOR QUALITY ASSURANCE)	147,561.00	POPULATION HEALTH PROGRAM ACCREDITATION	HEALTH SERVICES - QI
T4963	LINKEDIN CORPORATION	142,532.00	2025 LEARNING HUB YR 1/2, RECRUITMENT JOB SLOTS YR 1/3	HUMAN RESOURCES
T1231	COUNTY OF KERN	139,145.59	REIMB M-CAL ELIGIBILITY STAFF SERVICES	MEMBER OUTREACH
T4514	A.J. KLEIN, INC T. DENATALE, B. GOLDNER	132,521.03	LEGAL FEES	ADMINISTRATION
T4165	SHI INTERNATIONAL CO.	130,306.49	APC SMART-UPS BATTERIES SERVICE , FLEX LICENSE & SUPPORT, ENTW ON-PREMISES CALLING MAINTENANCE	MIS INFRASTRUCTURE
T4501	ALLIED UNIVERSAL SECURITY SERVICES	127,607.97	DEC. 2024-JAN. 2025 ONSITE SECURITY	CORPORATE SERVICES
T6020	ALLMED HEALTHCARE MANAGEMENT, LLC	125,674.50	2025 SECURITY SERVICES	CORPORATE SERVICES
T6261	RUSSELL REYNOLDS ASSOCIATES, INC	125,400.00	RECRUITMENT SERVICE FEE & ADMIN CHARGE FOR CIO ROLE	HUMAN RESOURCES
T5076	MERIDIAN HEALTH SYSTEMS, PC.	125,025.00	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T4484	JACOBSON SOLUTIONS	124,000.22	TEMPORARY HELP	CLAIMS
T5121	TPX COMMUNICATIONS	122,353.18	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T6179	BPM LLP	121,734.63	CONSULTING SERVICES - ERP SOFTWARE ADVISORY	CAPITAL PROJECT
T5452	BLACKHAWK ENGAGEMENT SOLUTIONS, INC	120,000.00	PREFUND MEMBER INCENTIVES & MCAS MEMBER REWARDS PROGRAM	HEALTH SERVICES - WELLNESS & PREVENTION & HEALTH SERVICES -QI

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2941	KERN PRINT SERVICES INC.	119,853.01	OFFICE SUPPLIES	CORPORATE SERVICES
T5865	HARTE-HANKS RESPONSE MANAGEMENT/AUSTIN, INC	119,770.02	PROFESSIONAL SERVICES	MEMBER SERVICES
T4353	TWE SOLUTIONS, INC. ****	115,674.58	CRITICAL START MDR SERVICES SECURITY MONITORING	CYBER SECURITY
T1022	UNUM LIFE INSURANCE CO.	113,521.86	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T4785	COMMGAP	108,992.50	INTERPRETATION SERVICES	HEALTH SERVICES - WELLNESS & PREVENTION
T5329	RELAY NETWORK, LLC	99,999.52	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T5757	BITFOCUS, INC	98,471.34	HMIS LICENSES & HEALTH CHECK TRAINING	HOMELESS MANAGEMENT INFORMATION SERVICES
T4708	HEALTH MANAGEMENT ASSOCIATES, INC. / WAKELY CONSULTING GROUP, LLC	97,087.50	PROFESSIONAL SERVICES	FINANCE
T5480	PRESS GANEY ASSOCIATES LLC	95,512.25	INITIAL 75% 2025 ECM SURVEY	ENHANCED CARE MANAGEMENT
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	95,000.00	2025 MEMBER DUES	ADMINISTRATION
T2918	STINSON'S	91,905.27	OFFICE SUPPLIES	VARIOUS
T5967	SAI360 INC	89,562.50	PROFESSIONAL SERVICES & 2 YR POLICY MANAGEMENT SYSTEM	AUDIT & INVESTIGATIVE SERVICES
T2167	PG&E	89,224.27	UTILITIES	CORPORATE SERVICES
T5571	GHA TECHNOLOGIES INC	80,374.17	FORTINET SECURITY	MIS INFRASTRUCTURE
T6276	KFORCE INC	78,351.82	PROFESSIONAL SERVICES	VARIOUS
T6218	CLOUDERA, INC.	77,940.10	ANNUAL RENEWAL - METADATA PLATFORM	BUSINESS INTELLIGENCE
T6272	KEY STAFFING INC	77,817.53	TEMPORARY HELP	VARIOUS
T1005	COLONIAL LIFE & ACCIDENT	75,798.34	LIFE INSURANCE PREMIUM	VARIOUS
T5064	QUEST DIAGNOSTICS CLINICAL LABORATORIES, INC. ****	72,019.33	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T6274	PANDANAI, INC	72,000.00	2025/2026 AI SOFTWARE SUBSCRIPTION	COMPLIANCE
T5583	THE MILHALIK GROUP, LLC	71,930.00	CONSULTING SERVICES	HEALTH SERVICES - QI
T5022	SVAM INTERNATIONAL INC	71,644.00	PROFESSIONAL SERVICES	VARIOUS
T4503	VISION SERVICE PLAN	71,630.70	EMPLOYEE HEALTH BENEFITS	VARIOUS
T5850	SERRANO ADVISORS LLC	70,200.00	2025 -2027 BOARD OF DIRECTORS STRATEGIC PLANNING	ADMINISTRATION
T5963	ANTAGE INCORPORATED	69,900.00	PROFESSIONAL SERVICES	ENTERPRISE DEVELOPMENT
T6215	BPO USA, P.C.	67,357.27	PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T5863	MANNA HAGOS	61,318.50	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T6022	BAKERSFIELD AMERICAN INDIAN HEALTH PROJECT	60,715.23	CONTRACTOR SERVICES	HEALTH SERVICES - UM
WT/ACH	USPS	60,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T6054	WEBMD IGNITE	59,990.42	2025 LICENSE FEES	HEALTH SERVICES - WELLNESS & PREVENTION
T6285	MERSMAN ENTERPRISES (MEI)	59,750.00	TGI TRAINING DEVELOPMENT CONSULTING	HEALTH EQUITY
T5562	JDM SOLUTIONS INC.	59,520.00	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	58,456.00	2025 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T2446	AT&T MOBILITY	56,245.90	CELLULAR PHONE/INTERNET USAGE	MIS INFRASTRUCTURE
T4657	DAPONDE SIMPSON ROWE PC	54,521.50	2025 LEGAL SERVICES	LEGAL
T5931	SPROUT SOCIAL, INC	54,000.00	2025-2026 SOCIAL MEDIA VIGILANCE MANAGEMENT	MIS INFRASTRUCTURE

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2969	AMERICAN BUSINESS MACHINES INC	52,794.86	HARDWARE AND MAINTENANCE	MIS INFRASTRUCTURE
T6192	LANG SPECIALTY TRAILERS	51,676.95	MOBILE LAUNDRY TRAILER	MEMBER ENGAGEMENT
T5319	CITIUSTECH INC.	49,458.00	FAST + MAINTENANCE & SUBSCRIPTION Q3 2024	INFRASTRUCTURE
T5400	CENTRO DE UNIDAD POPULAR BENITO JUAREZ, INC.	49,250.55	COMMUNITY HEALTH GRANT	GRANTS
T5742	MICHAEL NGUYEN	47,500.00	PROFESSIONAL SERVICES	QUALITY & HEALTH EQUITY
T2509	UNITED STATES POSTAL SERVICE	44,396.05	PERMIT 162 SUMMER 2025 ISSUE OF FAMILY HEALTH	HEALTH SERVICES - WELLNESS & PREVENTION
T5435	TEGRIA SERVICES GROUP - US, INC.	42,875.00	PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T2726	DST PHARMACY SOLUTIONS, INC.	42,000.00	PHARMACY CLAIMS	PHARMACY
T6142	GREAT PLACE TO WORK INSTITUTE, INC	41,995.00	EMPLOYEE ENGAGEMENT SURVEY ACCELERATE PACKAGE	HUMAN RESOURCES
T5275	CREATIVE FINANCIAL STAFFING, LLC	41,551.96	TEMPORARY HELP	VARIOUS
T2933	SIERRA PRINTERS, INC.	40,656.21	MEMBER HANDBOOKS & FLYERS	MEMBER SERVICES/COMMUNITY SUPPORT SERVICES
T5012	KERN MEDICAL CENTER FOUNDATION	40,000.00	PHYSICIAN'S MIXER CME SPONSORSHIP	ADMINISTRATION
T1918	PUBLIC RISK, INNOVATION, SOLUTIONS AND MANAGEMENT ****	39,154.00	MR OCIP DEDUCTIBLE LOSS FUND CONTRIBUTION	ADMINISTRATION
T4960	ZELIS CLAIMS INTEGRITY, LLC	37,660.38	2025 CLAIMS EVALUATION SERVICES	CLAIMS
T4331	COTIVITI, INC	37,535.44	MEDICAL RECORD RETRIEVAL/ HANDLING	QUALITY PERFORMANCE
T4228	THE SSI GROUP, LLC	37,182.60	2025 EDI CLAIMS	CLAIMS
T6202	KRAMER WORKPLACE INVESTIGATIONS	36,884.00	LEGAL FEES	LEGAL

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5550	CHARTER COMMUNICATIONS OPERATING, LLC	36,410.47	INTERNET SERVICES	MIS INFRASTRUCTURE
T2787	SAGE SOFTWARE, INC.	35,968.95	SAGE 300 PREMIUM LICENSE RENEWAL	FINANCE
T6100	SYMPLR	35,515.73	SOFTWARE LICENSE 2026/2026	HEALTH SERVICES - UM
T3118	AMERICAN ACADEMY HOLDINGS LLC dba AAPC	34,440.17	2025 CPC TRAINING PACKAGE & AAPC MEMBERS	CLAIMS
T5321	TYK TECHNOLOGIES LTD	34,000.00	SELF MANAGED ARCHITECTURE PLAN 2024/2025	MIS INFRASTRUCTURE
T4607	AGILITY RECOVERY SOLUTIONS INC.	33,246.78	PROFESSIONAL SERVICES	CORPORATE SERVICES
T5962	GeBBS SOFTWARE INTERNATIONAL, INC. ****	33,000.00	CONSULTING SERVICES	BUSINESS INTELLIGENCE
T5627	DOCUSIGN, INC. ****	32,379.42	eSIGNATURE SUPPORT & (20) IAM ENTERPRISE LICENSES	MIS INFRASTRUCTURE/HUMAN RESOURCES
T3088	GLEN BROWN CONSULTING	31,387.50	CONSULTING	CAPITAL PROJECT
T5201	JAC SERVICES, INC. ****	30,515.00	AC PREVENTATIVE MAINTENANCE & REPAIRS	CORPORATE SERVICES
T5109	RAND EMPLOYMENT SOLUTIONS	30,487.99	TEMPORARY HELP	VARIOUS
T5936	AXIOS HQ INC	30,240.00	2024/2026 COMMUNICATIONS SOFTWARE	MIS INFRASTRUCTURE
T5988	WASCO UNION HIGH SCHOOL DISTRICT	30,200.00	SCHOOL WELLNESS GRANT 2025-2026	HEALTH SERVICES - WELLNESS & PREVENTION
T2441	LAURA J. BREZINSKI	30,000.00	MARKETING MATERIALS	MARKETING & PUBLIC AFFAIRS
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	30,000.00	2025 SPONSORSHIP	MARKETING & PUBLIC AFFAIRS
T5977	IMAGENET, LLC	30,000.00	KIOSK SERVICES	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4182	THE LAMAR COMPANIES	29,935.66	OUTDOOR ADVERTISEMENT - BILLBOARDS	MARKETING & PUBLIC AFFAIRS
T6116	SIERRA SANDS UNIFIED SCHOOL DISTRICT	29,000.00	2025-2026 ELEMENTARY SCHOOL GRANT	HEALTH SERVICES - WELLNESS & PREVENTION
T5398	GOLDEN EMPIRE GLEANERS	28,780.18	FOOD BASKETS FOR MEMBERS	ENHANCED CARE MANAGEMENT
T5738	INSURICA - WALTER MORTENSEN INSURANCE	28,406.00	WORKERS COMPENSATION AUDIT	ADMINISTRATION
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	28,000.00	MARKETING - BUS ADVERTISING	MARKETING & PUBLIC AFFAIRS
T2938	SAP AMERICA, INC	26,584.72	2025/2026 ENTERPRISE SUPPORT & MAINTENANCE	MIS INFRASTRUCTURE
T4993	LEGALSHIELD	25,812.50	EMPLOYEE PREMIUM	VARIOUS
T5851	ABSORB SOFTWARE NORTH AMERICA, LLC	25,167.52	DAYFORCE LEARNING LICENSE	MIS INFRASTRUCTURE
T4934	APPLE INC.	24,793.97	COMPUTER EQUIPMENT	CAPITAL PROJECT
T5536	CALIFORNIA STATE UNIVERSITY BAKERSFIELD FOUNDATION	23,300.00	COMMUNITY SCHOLARSHIPS	MARKETING & PUBLIC AFFAIRS
T2955	DELTA ELECTRIC INC.	23,091.77	ELECTICAL REPAIR	CORPORATE SERVICES
T2578	AMERICAN STROKE ASSOC/AMERICAN HEART ASSOC WESTERN STATES	23,000.00	GO RED FOR WOMEN & HEART WALK SPONSORSHIP	MARKETING & PUBLIC AFFAIRS
T4024	QUADIENT INC. ****	22,799.64	POSTAGE METER RENTAL & SUPPORT	CORPORATE SERVICES
T4731	GO TO TECHNOLOGIES, INC	22,737.00	LOGMEIN SUBSCRIPTION RENEWAL	INFRASTRUCTURE
T5420	PAYPRO ADMINISTRATORS	22,500.20	PROFESSIONAL SERVICES	HUMAN RESOURCES
T6062	PTO EXCHANGE ****	22,262.56	TRANSACTION FEES	VARIOUS

KERN HEALTH SYSTEMS

Year to Date AP Vendor Report
 Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5436	THE BEACON STUDIOS, LLC	21,372.62	VIDEO SERVICES	MARKETING & PUBLIC AFFAIRS
T5318	CANONICAL GROUP LIMITED	20,720.00	UBUNTU PRO LICENSE & SUPPORT	INFRASTRUCTURE
T6311	JMP OFFICE TECHNOLOGIES ****	20,347.11	POSTAGE METER MAINTENANCE & SUPPORT	CORPORATE SERVICES
T3081	ST. VINCENT DE PAUL STORE, INC. ****	20,031.64	COMMUNITY HEALTH PARTNERSHIP	COMMUNITY GRANTS
T2135	BAKERSFIELD CITY SCHOOL DISTRICT	20,000.00	2025-2026 ELEMENTARY SCHOOL WELLNESS GRANT	HEALTH SERVICES - WELLNESS & PREVENTION
T5511	BARTZ-ALTADONNA COMMUNITY HEALTH CENTER ****	20,000.00	COMMUNITY HEALTH PARTNERSHIP	COMMUNITY GRANTS
T5535	PANAMA-BUENA VISTA UNION SCHOOL DISTRICT	20,000.00	SCHOOL WELLNESS GRANT 2025-2026	HEALTH EDUCATION
T6223	WASCO UNION ELEMENTARY SCHOOL DISTRICT	20,000.00	SCHOOL WELLNESS GRANT 2025-2026	HEALTH SERVICES - WELLNESS & PREVENTION
		<u><u>32,313,365.86</u></u>		
	TOTAL VENDORS OVER \$20,000	32,313,365.86		
	TOTAL VENDORS UNDER \$20,000	1,838,044.59		
	TOTAL VENDOR EXPENSES- JUNE	<u><u>34,151,410.45</u></u>		

Note:
 ****New vendors over \$20,000 for the month of June

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
January 2025							
LinkedIn	\$180,900.00	Yes	HR	Devin Brown	Online Training Course Licenses	1/1/2025	12/31/2026
LinkedIn	\$188,659.83	Yes	HR	Devin Brown	Hiring Enterprise Program	1/1/2025	1/1/2028
MetaStar	\$56,700.00	Yes	QP	Kailey Collier	NCQA HEDIS Compliance Audit	1/1/2025	12/31/2027
Cloudera	\$77,940.10	Yes	IT	Cesar Delgado	Data Lineage Software	1/1/2025	12/31/2025
Gartner	\$184,800.00	Yes	HR	Devin Brown	HR licensing	1/1/2025	12/31/2025
Adobe	\$89,807.52	Yes	IT	Cesar Delgado	Pro DC, Photoshop, InDesign, etc.	1/27/2025	12/26/2026
February 2025							
Sprout Social	\$54,000.00	Yes	IT	Cesar Delgado	Social Media Vigilance, social management and support	2/26/2025	2/25/2026
LifeSigns	\$120,000.00	Yes	HE	Isabel Silva	ASL Interpreting Services	2/23/2025	2/22/2027
Serrano	\$70,950.00	Yes	EXEC	Emily Duran	Professional Resources	2/24/2025	5/31/2025
The Granger Network	\$175,200.00	Yes	HR	Devin Brown	2026-2028 Strategic Plan	2/3/2025	5/31/2025
Quest Diagnostics	\$125,510.00	Yes	QP	Jake Hall	Laboratory Data	2/21/2025	2/20/2026
Serrano Advisors, LLC	\$70,950.00	Yes	EXEC	Jermy McGuire	Strategic Planning Resource	2/24/2025	5/31/2025
March 2025							
Health Management Associate	\$199,000.00	Yes	ACCT	Veronica Baker	Actuarial Services	3/1/2025	2/28/2026
Mersman Enterprise Inc.	\$100,000.00	Yes	HEQ	Traco Matthews	Health Equity Program	3/3/2025	12/31/2025
CDW	\$113,327.83	Yes	IT	Cesar Delgado	2 Nutanix Nodes with support & Maintenance for 3 years	3/25/2025	3/24/2028
April 2025							
SHI	\$110,516.75	Yes	IT	Cesar Delgado	Manage KHS inbound calls	4/15/2025	4/14/2025
Citius Healthcare	\$160,888.00	Yes	PNM	Amisha Pannu	Consulting Services -Transitional Rent Consultant	4/15/2025	9/30/2025
SHI	\$110,516.75	Yes	IT	Cesar Delgado	Cisco UCCX License Renewal	4/22/2025	4/23/2026
E360	\$158,488.00	Yes	IT	Cesar Delgado	Citrix Licensing	4/2/2025	4/2/2028
Anthony C. Dike, dba Meridia	\$199,000.00	Yes	UM	Christine Pence	UM Authorization Reviews	4/18/2025	4/17/2026
Nguyen Luu-Trong (1099)	\$199,000.00	Yes	UM	Christine Pence	UM Authorization Reviews	4/18/2025	4/17/2026
Panda Ai	\$100,000.00	Yes	COMP	Deb Murr	Ai Compliance Tool	4/1/2025	1/31/2026
Cognizant	\$64,500.00	Yes	IT	Cesar Delgado	Zelis Payment Integrity Interface	4/21/2025	3/30/2028
May 2025							
June 2025							
Symplr	\$75,905.00	No	QP	Jake Hall	Professional Services	6/3/2025	7/31/2027
Relay Network	\$100,000.00	Yes	ME	Louie Iturriria	Text Messaging Services	6/1/2025	12/31/2025
TWE	\$115,000.00	Yes	IT	Cesar Delgado	Critical Start 24x7 Security	6/23/2025	6/22/2026
ImageNet	\$75,092.00	Yes	COSA	Josh Hosch	HRA OCR	6/19/2025	4/4/2027
WebMD Ignite	\$147,249.28	Yes	HED	Isabel Silva	Care and Digital Core Tools	6/5/2025	6/4/2026
Context4Healthcare	\$99,548.24	Yes	IT	Cesar Delgado	AMA & CPT Codes	6/27/2025	6/27/2026
Thomson Reuters	\$77,927.28	Yes	HR	Devin Brown	Practical Law Subscription	6/19/2025	6/18/2028

2025 PROJECT CONSULTING PROFESSIONAL SERVICES																	
ITEM	PROJECT	CAP/EXP	BUDGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD TOTAL	REMAINING BALANCE
1	Behavioral Health 2025	CAP	\$ 699,218	\$ 22,150	\$ 27,485	\$ 14,962	\$ 19,978	\$ 27,358	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,934	\$ 587,285
2	Closed Loop Referral (CLR) Mgmnt	CAP	\$ 1,000,267	\$ 1,937	\$ 2,404	\$ 17,638	\$ 17,668	\$ 18,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,193	\$ 942,074
3	Medicare Advantage DSNP Software Modules	CAP	\$ 4,122,638	\$ 26,909	\$ 24,241	\$ 25,250	\$ 48,603	\$ 49,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 174,082	\$ 3,948,556
4	Accounting System Upgrade/Implementation	CAP	\$ 401,757	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 401,757
5	Member & Provider Portal Implementation	CAP	\$ 1,116,483	\$ -	\$ -	\$ 8,924	\$ 29,951	\$ 30,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,817	\$ 1,046,666
6	Member Engagement	CAP	\$ 713,511	\$ 35,170	\$ 40,554	\$ 56,021	\$ 52,079	\$ 33,257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 217,081	\$ 496,430
7	Text Messaging - Automate and Customize	CAP	\$ 415,138	\$ 168	\$ 209	\$ 5,804	\$ 2,234	\$ 5,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,413	\$ 400,725
8	Webex Calling Migration	CAP	\$ 644,373	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 644,373
Capital Totals			\$ 9,113,386	\$ 86,335	\$ 94,893	\$ 128,598	\$ 170,512	\$ 165,181	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 645,520	\$ 8,467,866
9	IT Staff Augmentation	EXP	\$ 7,530,807	\$ 450,288	\$ 379,088	\$ 463,064	\$ 645,681	\$ 630,011	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,568,131	\$ 4,962,676
10	PM Staff Augmentation	EXP	\$ 277,624	\$ 114,683	\$ 68,603	\$ 107,342	\$ 97,321	\$ 71,598	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 459,547	\$ (181,923)
11	NCQA (The Mihalik Group)	EXP	\$ 350,000	\$ 17,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,800	\$ 332,200
12	DSNP (Rebellis)	EXP	\$ 3,000,000	\$ 163,994	\$ 73,994	\$ 100,875	\$ 151,681	\$ 159,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650,056	\$ 2,349,944
Operating Expense Totals			\$ 11,158,431	\$ 746,765	\$ 521,685	\$ 671,280	\$ 894,683	\$ 861,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,695,534	\$ 7,462,897

**KERN HEALTH SYSTEMS
BOARD OF DIRECTORS
NEW VENDOR CONTRACTS
August 14, 2025**

Legal Name DBA	Specialty	Address	Comments	Contract Effective Date
PAC No July Meeting				
No Meeting				
PAC 08/06/2025 (16)				
Comprehensive Unique Behavioral Services LLC	ABA Provider	517 Randall St Ridgecrest CA		Retro-Eff 7/1/2025
Dream Big Children's Center Inc	ABA Provider	4900 California Avenue Tower B, Bakersfield CA		Retro-Eff 7/1/2025
Dena Barnes LMFT	Mental Health	2609 G Street Bakersfield CA		Retro-Eff 8/1/2025
Reflect Christian Counseling Inc	Mental Health	4550 California Ave Ste 670 Bakersfield CA		Retro-Eff 8/1/2025
Vester L. Bradshaw Jr dba: Hope Empowers Counseling Services	Mental Health	2025 Westwind Dr Ste A Bakersfield CA		Retro-Eff 8/1/2025
Bakersfield Rescue Mission	CHW Services	821 E 21st Street Bakersfield CA	Existing Provider	9/1/2025
Briana Bell dba: Bell Speech Pathology	Speech Pathology	227 W D Street Tehachapi CA		9/1/2025
Guadalupe Jaime dba: Innov8 NEMT LLC	Transportation	3101 Enos Lane Bakersfield CA		9/1/2025
Maverick Medical Clinic	Primary Care	2317 17th Street Bakersfield CA	Existing Prov: T. McGill MD	9/1/2025
Redwood Center Street One Opco LLC	Transportation (NMT)	2431 Center Street Bakersfield CA		9/1/2025
Southern California Vascular Institute Inc	Vascular Medicine & Interv Rad	110 New Stine Rd Bakersfield, CA		9/1/2025
THV Hospice Services Inc dba: THV Transportation Services	Transportation	622 34th St Bakersfield CA		9/1/2025
Willis Education dba: The Nest & Company	Doula	1031 17th Street Bakersfield CA		9/1/2025
Marisol Ramirez dba: Your Blissfull Birth Doula	Doula	7400 Del Canto Ct. Bakersfield CA		9/1/2025
Frazier Healthcare Inc dba: El Tejon Pharmacy 3	Pharmacy	3544 Mount Pinos Way Frazier Park CA		9/1/2025
El Tejon Pharmacycare Inc dba: El Tejon Pharmacy 2	Pharmacy	2819 N. Chester Ave Ste. A Bakersfield CA		9/1/2025

**KERN HEALTH SYSTEMS
BOARD OF DIRECTORS
TERMED CONTRACTS
August 14, 2025**

Legal Name DBA	Specialty	Address	Comments	Contract Term Date
Syed Alam MD Inc	Pulmonary Disease	5531 Business Park S Bakersfield, CA 93309	KHS Termination non- response to inquiries	6/9/2025
Domitilo Campos Espinoza dba: RT Transportation	Transportation	3500 21st Street Bakersfield CA	Contract Termination no-cause	6/25/2025
Shih Applied Behavior Analysis	ABA Provider	8723 Winlock Street Bakersfield CA	New Tax ID Number	6/30/2025
Windsor Arvin Healthcare LLC	SNF	323 Campus Drive Arvin CA	Change of Ownership	6/30/2025
A-Z Hospice Care 366D 247	Hospice	4800 Stockdale Highway Ste. 404 Bakersfield CA	CPDH Revoked License	7/1/2025
ART Med Trans, Inc.	Transportation	3022 N Hollywood Way Burbank CA	Site Closed	7/15/2025



MEMORANDUM

TO: Kern Health Systems Board of Directors

FROM: Devin W. Brown, Chief Human Resources Officer

SUBJECT: Report on 2025 Great Place To Work Trust Index Survey Results

DATE: August 14, 2025

We are proud to report that Kern Health Systems (KHS) achieved Great Place to Work® (GPTW) Certification following the completion of our first GPTW Trust Index Survey in April 2025. We received a 92% overall positive rating, showing strong, consistent employee experience and placing us among top-performing healthcare organizations nationwide.

Key Findings:

- **High Trust Scores:** The survey, based on 60 core Trust Index statements and two open-ended questions, shows KHS outperforming national benchmarks in numerous dimensions of employee engagement.
- **Top Strengths:** Our strongest areas—where we exceed benchmarks—include integrity of leadership, sense of purpose, and pride in work. These are key levers we will continue to reinforce.
- **Growth Opportunities:** Areas with the most potential for improvement include employee development, involvement in decision-making, and transparent communication. These are especially actionable due to the high proportion of neutral responses, indicating room for positive influence.

Strategic Implications:

While we celebrate our GPTW Certification, this is not a destination but a starting point. The feedback presents a valuable opportunity to:

- Reflect on our organizational culture and how it supports our broader business goals.
- Address improvement areas with non-economic measures, such as clearer communication, more inclusive decision-making, and stronger internal processes.
- Sustain high engagement even in the face of future financial or operational constraints.

Next Steps:

The results of the GPTW survey will be shared individually with each department leader, including discrete results for their department. Leadership is encouraged to share and discuss these findings with their teams and develop action plans aligned with the survey insights. HR will provide tools and support for translating these results into tangible improvements in the employee experience.

KHS is, indeed, a great place to work—and together we can make it even better.

Requested Action

Receive and file.

Attachment – KHS Great Place To Work Survey 2025 Presentation



**KERN HEALTH
SYSTEMS**

Great Place To Work Trust Index Survey 2025

Devin Brown
Chief Human Resources Officer
August 14, 2025

KHS Board of Directors Meeting, August 14, 2025

Agenda

- High-Level Results
- Key Leverage Areas
- Strengths and Growth Opportunities
- Moving Into Action

KHS is a Great Place To Work!

- KHS completed its first Great Place To Work Trust Index Survey in April 2025.
- We received a **92%** overall rating qualifying for GPTW certification.
- KHS will use this badge to recognize our achievement in many different forums.



High-Level Results

Great Place To Work Trust Index Survey Design

Overall Design



60 core Trust Index© statements
2 open-ended questions

Distributions



508 responses

Benchmarks



2024 United States - Best Small & Medium Workplaces

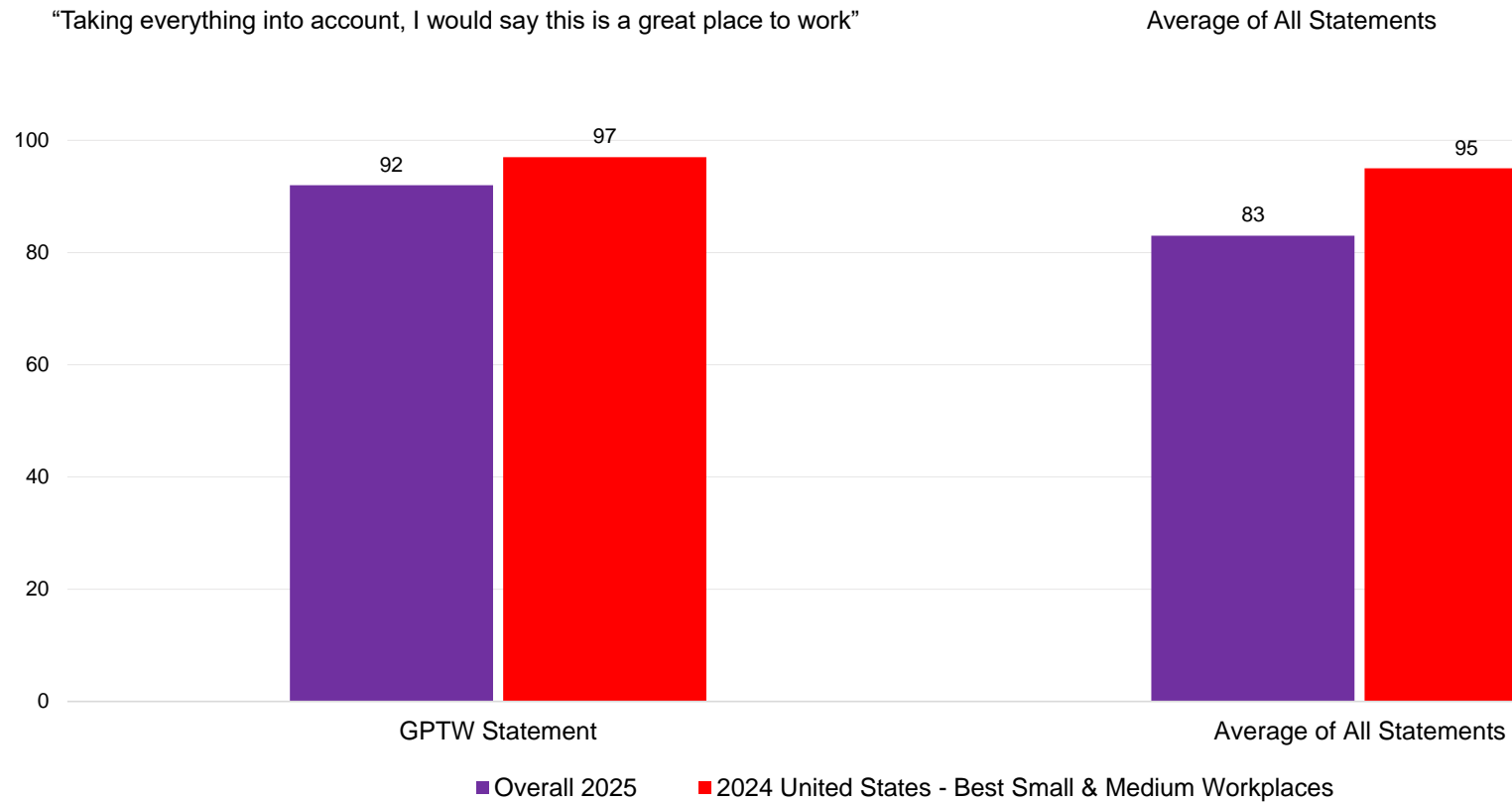
Scale



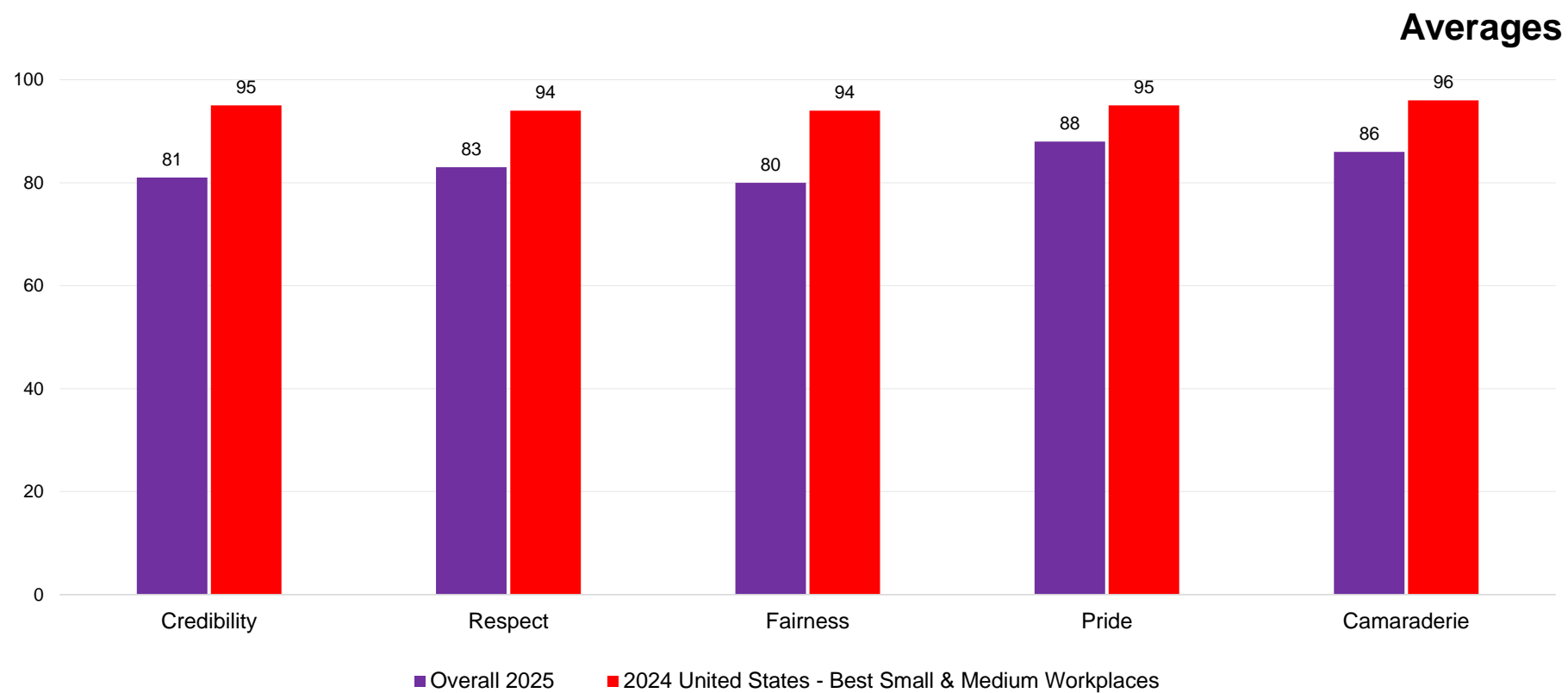
Survey measures consistency of employee experience:
“Almost always untrue” to “Almost always true”

Scores are presented in % positive:
“Often true” or “Almost always true”

Comparison to Best Companies



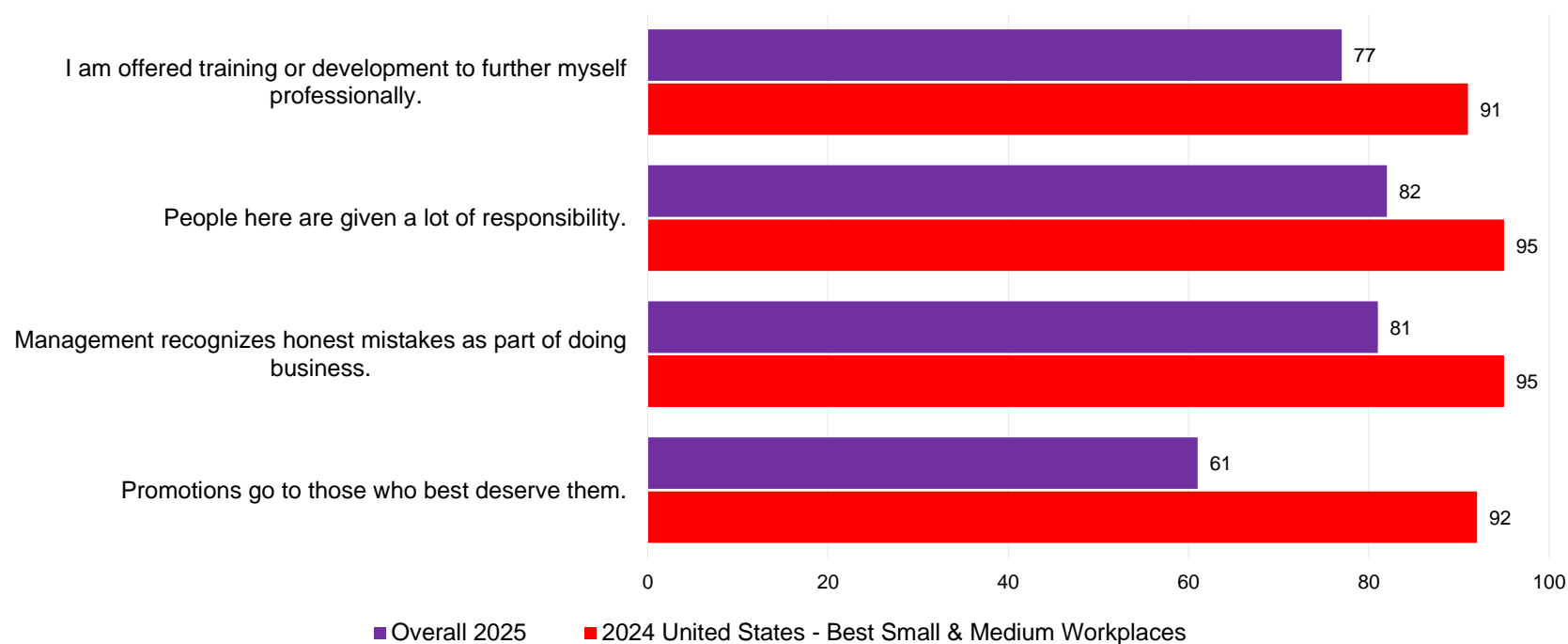
Comparisons by Dimension



Key Leverage Areas

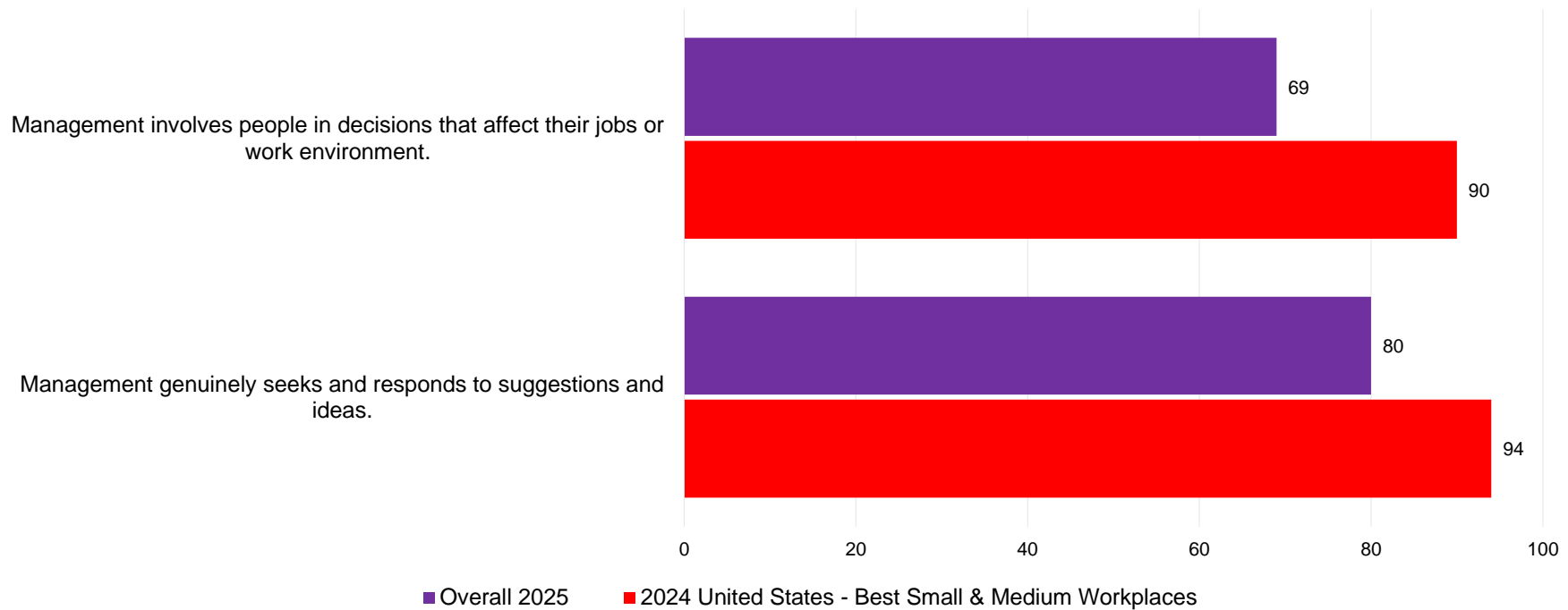
Encouraging Employee Development

The following graph illustrates our results on items specifically measuring employees' experiences in this area.



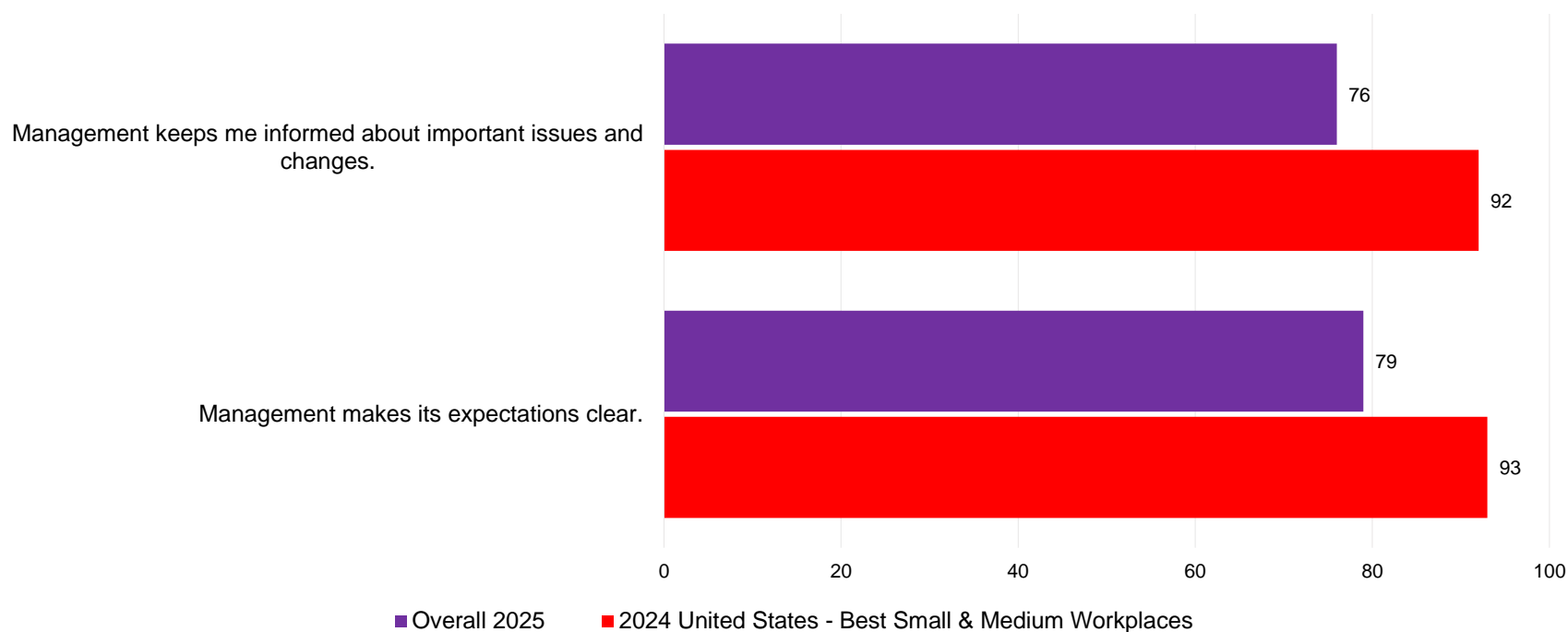
Involving Employees in Decision Making

The following graph illustrates our results on items specifically measuring employees' experiences in this area.



Sharing Information

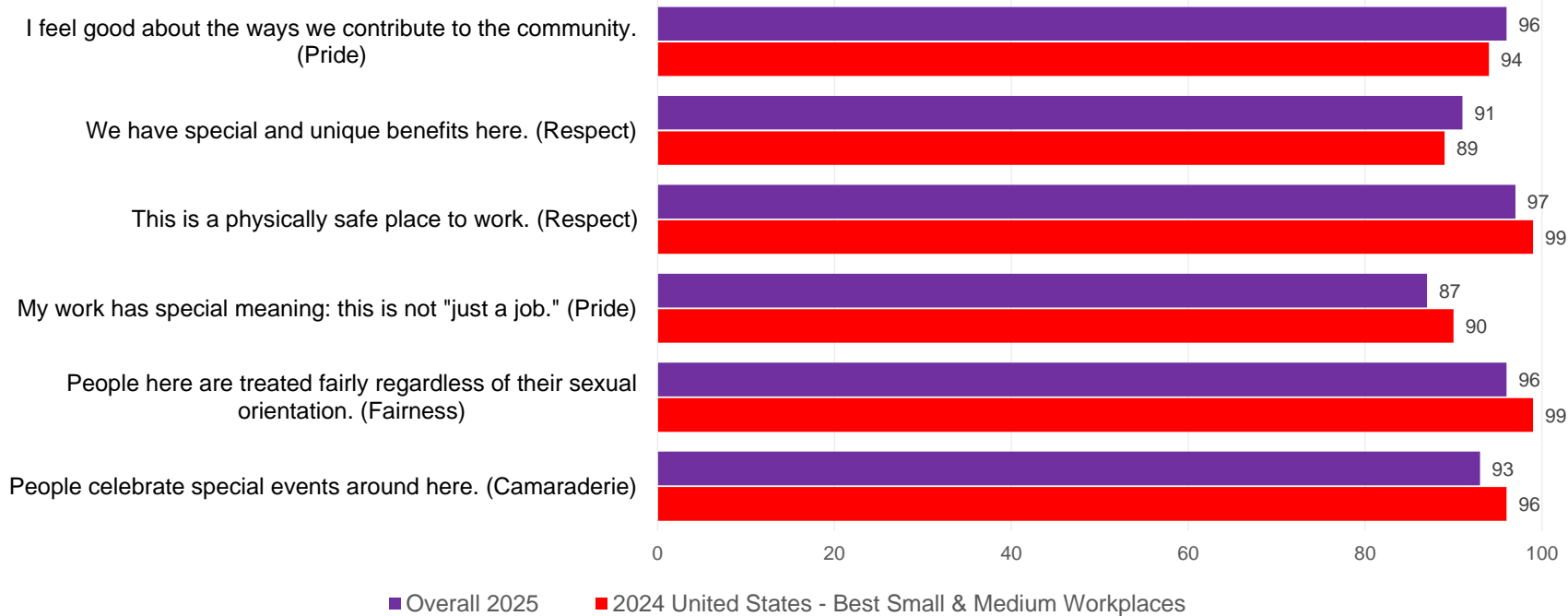
The following graph illustrates our results on items specifically measuring employees' experiences in this area.



Strengths and Growth Opportunities

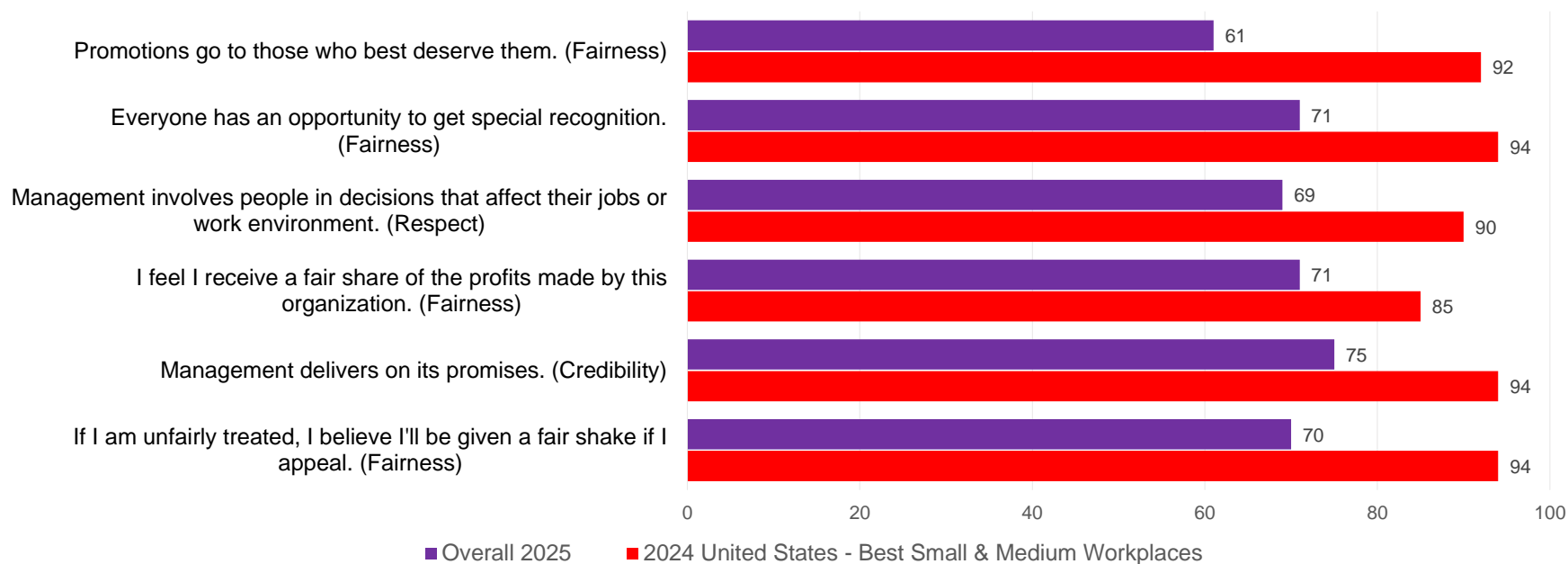
Strengths

The following statements represent our most positive comparisons to the Best Companies and potential areas to further leverage.



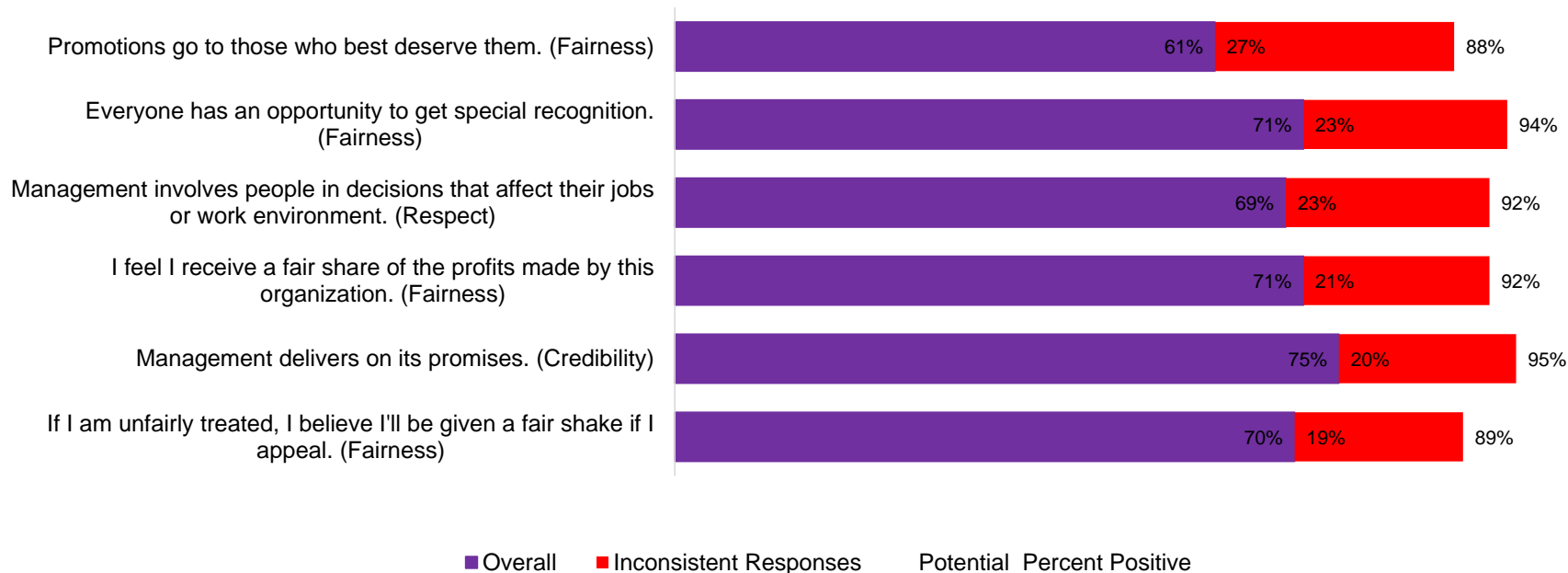
Growth Opportunities

The following statements represent the best opportunities for positive growth. These statements had the highest percentage of employees that responded, "Sometimes untrue/sometimes true." As a result, there is a higher chance of positively influencing employees with this neutral position compared to employees that answered negatively.



Growth Potential

The red bars signify the added effect we'd see if all employees that responded, "sometimes true/sometimes untrue" had answered "often true" or "almost always true."



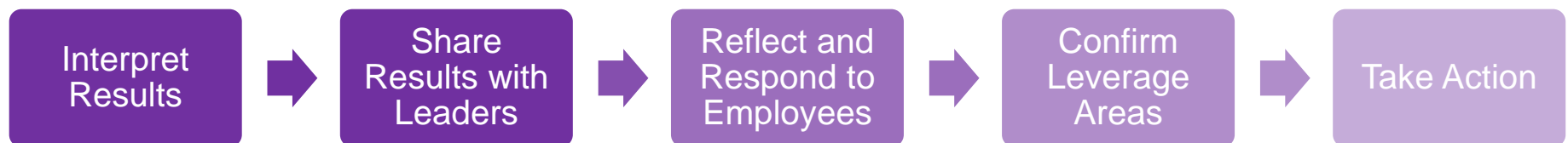
Moving Into Action

How Do We Take Action?

What we have just reviewed represents a picture of the employee experience, what it is currently like to work for our organization. Gathering this data (and the process of asking) is an important first step.

The critical next step is to **digest this information, reflect and share your response back with your employees – and then take action.** The actions we take will depend on many factors, including the role of culture in supporting your business strategy, what other data you collect, other ongoing initiatives.

Next Steps



Key Takeaways

1. KHS is a **Great Place To Work** and ranks highly among national healthcare organizations.
2. Like past surveys, KHS has very high marks in several categories and has a majority of positive responses on all surveyed questions.
3. KHS leadership should consider how future financial constraints may impact areas of strong employee engagement and take measures to explain decision-making to all employees.
4. KHS should target areas identified as growth opportunity that can be positively impacted through non-economic measures such as clearer policies and processes, better communication from management, and more collaboration in decision-making.

AS WE CONSIDER OUR LEVERAGE AREAS, WE WILL KEEP THE FOLLOWING PRINCIPLES IN MIND:

Choose areas that potentially address multiple opportunities.	Ensure that it's realistic to take actions in the area.	Look to opportunities to build on what we're currently doing well or other initiatives already in progress.	Remember what employees are saying is most important to them.	Do not over-commit. Keeping focused on 2-4 areas is more likely to lead to success.
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MEMORANDUM

TO: Kern Health Systems Board of Directors

FROM: Traco Matthews, Chief Health Equity Officer

SUBJECT: Chief Health Equity Officer Report

DATE: August 14, 2025

Background

As we reach the halfway mark of 2025, this report highlights key accomplishments from May and June across our Health Equity Operations (HEO) teams. These past two months reflect what's possible when mission meets momentum—each team showing up in alignment with our values and rooted in community impact. Notably, in June, I was selected to serve as Chair of the California Racial Equity Commission. In this role, I'll help guide the development of a statewide framework to advance equity across government systems, as outlined in the Governor's Executive Order.

Community Engagement led more than a dozen high-impact events and sponsored initiatives, while laying the foundation for future investment strategies and grantmaking. Their presence in every corner of Kern County reminds our partners—and our members—that we are committed, consistent and here to stay.

Health Equity reached a major milestone with the submission of our NCQA Health Equity Accreditation package and is now leading efforts to embed equity into procurement, data systems and internal training. From the SOGI Symposium to Pride Month and QEA planning, the team is demonstrating how equity moves from concept to action.

Marketing & Communications amplified our mission with over 120 social posts and multiple campaign rollouts, generating more than 73,000 impressions and 11,000 engagements. They continue to connect the heart of our work with the communities we serve—visually, digitally and strategically.

Member Engagement expanded its reach with new service areas, launched a provider portal, and moved key engagement tools forward. They remain the frontline link between our values and our members' daily experience.

The progress reflected in this report is more than a collection of activities—it's evidence of strategic alignment, community trust and measurable impact. As we look ahead to the second half of the year, we remain focused on driving equity, deepening engagement and delivering on our mission with purpose and precision.

Requested Action

Receive and File.



HEALTH EQUITY DIVISION

AUGUST 2025 BOARD REPORT



COMMUNITY ENGAGEMENT

Praises and Progress

Showing Up for Community

The community engagement team supported a wide range of events and partner activities across Kern County. Highlights included participation in the NAMI Symposium, PACT Meeting, Leticia Perez Father's Day Celebration and the "Cuadrilla de la Semana" event.



The team also coordinated KFHC's presence at several sponsored events such as the KAN Leadership Awards, Mercy Foundation Charity Golf Tournament, CAPK's Gourmet for Good, the NOR Community Awards, ADAKC Senior Prom and the Beautiful Bakersfield Awards.

Strengthening Local Partnerships

The team completed internal reviews for KFHC's Community Grant Program and continued reviewing external sponsorship requests. These efforts reflect our long-term strategy of investing in grassroots efforts that align with member needs.

Laying the Groundwork

In addition to event participation, the team focused on developing and refining systems that will support future impact. This includes early-stage planning for 2026 events, refining sponsorship evaluation criteria and aligning community strategies across departments.



233
Board
Hours



240
Volunteer
Hours



166
Health Fair
Hours



852
Sponsored Event
Hours

Total membership renewals by
CE navigators **350**



COMMUNITY ENGAGEMENT

Priorities

Continued Community Participation

The team is preparing for a full slate of events, including support for the Valley Fever Foundation, Ronald McDonald House Gala and East Bakersfield Rotary volunteer activities in Lamont and East Kern. Planning continues for the 2026 Cervical Cancer Resource Fair, where KFHC will serve as co-chair.

Strategic Leadership

Community engagement is supporting CEO Emily in her role as chair for the 2025 American Heart Association Go Red event and working closely with partners for continued involvement in Links for Life initiatives. Both efforts elevate KFHC's presence in critical community health spaces.

Program Development & Research

The team is developing clear guidelines for community investment decisions, informed by research into how other health plans approach sponsorships and grantmaking.

Training & Capacity Building

Staff are completing 52 hours of Medicare sales training, which will strengthen frontline event engagement. A full debrief of the recent Babies in Bloom Baby Shower is underway, with lessons learned informing planning for the next event in the series.



HEALTH EQUITY

Praises and Progress

NCQA Readiness

In May, the team reached 92% readiness for NCQA Health Equity Accreditation. By June, the full submission was completed, with file reviews at 91% and final components—such as HE5A and HE5B revisions—resubmitted for review. The team also completed the internal audit with TMG and is now addressing follow-up items from DMHC and DHCS.

Lifting Equity Through Programs & Partnerships

Planning advanced for the Black Infant Brilliance event, and the final KHEP Access to Care Report was completed. The team hosted the Q2 Health Equity Technical Steering Committee (HETSC) meeting and continued its participation in both the PNA Workgroup and Justice, Equity, Diversity and Inclusion (JEDI) initiatives.

Systems and Resources in Action

The Spanish-language version of the SOGI assessment reached 90% readiness in May and went live in June, creating a more inclusive member data process. PearSuite received leadership approval and began onboarding, and the TGI training attestation was submitted to DHCS.

Pride, Policy & Planning

May marked the beginning of planning for KFHC's Pride Month observance and Juneteenth implementation, both of which launched successfully in June. The team also initiated planning for the Quality and Excellence Awards (QEA) nominations and supported the development of a corporate services procurement program with equity considerations.





HEALTH EQUITY

Priorities

Accreditation & Audits

Following the June submission for NCQA Health Equity Accreditation, the team is now focused on addressing outstanding file review comments and responding to formal feedback from DMHC and DHCS. With HE5A and HE5B revisions resubmitted and the internal audit with TMG completed, final documentation and follow-up actions are being carefully tracked.

Programs & Events

Health Equity continues to support major initiatives, and is also coordinating QEA nominations and preparing for Q2 meetings with the Equity, Quality & Inclusion Health Equity Committee (EQIHEC) and Community Advisory Committee (CAC).

Training & Capacity Building

The next phase of TGI training will expand to utilization management staff. Internal DEI training pilots are scheduled, and PearSuite onboarding will continue for approved users.

Strategic Planning & Infrastructure

The team is developing a funnel and crosswalk report to better align equity-related activities and reporting across departments. Work is also underway with corporate services to embed equity principles into KFHC's procurement program, ensuring alignment with our mission and values as we grow.





MARKETING AND COMMUNICATIONS

As of May
Choice Rate

73%

As of May
Market Share

87%

Supporting Health Through Stable Homes

Kern Family Health Care continues to invest in the belief that good health starts with a safe place to call home.

Praises and Progress

Expanding Reach & Awareness

Marketing published 125+ posts, featuring campaigns on health observances, community outreach, Pride Month, and KFHC's Great Place to Work recognition. Combined, these posts generated over 73,962 impressions and 11,164 engagements, with an average engagement rate of 14.85%.

Storytelling & Creative Production

Video production wrapped on three member testimonials and two AAPI spotlights, with continued work on the CSUB Expungement Clinic video and visuals for CHW/APS. New content launched for Juneteenth, Elevate ribbon cutting, and QEA and Medicare TV pre-production.

Campaigns & Messaging

The team supported messaging for the smartwatch campaign, NCQA, Pride Month, Juneteenth and the Respectful Workplace Policy. Collaborations with GR and Nicole Evans produced advocacy pieces opposing Medical cuts. Invitations and magnets for the KFHC Baby Shower were finalized and mailed.

Medicare & Web Development

Work continued on Medicare DSNP collateral and campaign strategy, with website enhancements guided by consultations with Coffey Communications. Internal Medicare sales support also remained active.



We're Officially a Great Place to Work!

Tuesday, June 10

To: All Employees
From: Emily Duran, CEO

I'm excited to share some incredible news—Kern Health Systems is now officially Great Place to Work Certified!

This recognition is especially meaningful because it comes directly from all of you. In the recent survey:

- 94% of our employees said they felt welcomed when they joined KHS
- 92% said KHS is a great place to work (Compared to just 57% at a typical U.S.-based company)



That's a remarkable testament to the culture we've built together—one grounded in trust, equity and belonging. It shows up in how we support one another, how we serve our members, and how we live out our values each day.

Why This Matters

Great Place to Work® is the global authority on workplace culture, employee experience and leadership behaviors. Their Certification® is the most respected "employer-of-choice" recognition, based entirely on what employees say about their workplace. Earning this distinction validates our commitment to building an inclusive, high-trust culture, enhances our ability to attract and retain top talent, and provides valuable insights to help us keep improving.

This recognition is a reflection of all of you—your voices, your values and your everyday contributions.

MARKETING AND COMMUNICATIONS

Priorities

Campaign Launches & Brand Presence

The team is finalizing the design of the 2024 Community Report to send to print. Work continues on the Medicare DSNP annual enrollment campaign, including development of brochures, a TV commercial, and supporting radio and outdoor assets. Messaging for the smartwatch incentive and immunization campaign is also live across multiple platforms.

Internal Communications & Strategy

Internal efforts remain focused on delivering regular e-newsletters, refining Keeping Up With KHS and advancing planning for 2025 employee engagement. The corporate screen saver vendor has been selected, and intranet vendor reviews with IT are in progress. Messaging for two HR policies and reporting on the NCQA is also underway.

Reputation & Recognition

End-of-month messages for Pride and Juneteenth were distributed in June, and QEA pre-production is moving forward—including drafting winner letters and capturing A/B-roll. Marketing is also gathering content for a future Beautiful Bakersfield nomination.

Tools, Data & Process

The team is refining the marketing request form and reviewing per-post social media impressions to better guide content strategy. Continued work with government relations and legal aims to finalize the crisis communications plan and establish best practices for cross-departmental coordination.

MEMBER ENGAGEMENT

Praises and Progress

Community Presence & Recognition

In May, the member engagement team supported outreach at Saturday clinics, helped identify new RAC locations for Q3 and Q4, and maintained a steady presence across community events. Claudia was recognized by the Ridgecrest Kiwanis Club for her support of the Taft Kiwanis, and Mary Allen was honored as Employee of the Month.

Expanding Access

The Self Help MOUs for McFarland and Wasco were completed, expanding KFHC's physical presence in underserved communities. Claudia assisted with on-site gift card distribution in partnership with Dr. Dixon's Saturday clinics.

Projects & Platform Development

Progress continued across key initiatives:

- Text Messaging Program: 65% complete, with testing underway.
- Member Rewards Project: 75% complete, including coordination with INCOMM on data requirements.
- Member & Provider Portal: Officially launched, improving access to services and communication.
- Transportation Feasibility Study: Advanced in collaboration with internal stakeholders.

Member-Focused Tools

The team began the inventory and ordering process for updated member materials and is finalizing the new Member Materials Library. Work also continued on the formatting review for the DSNP Health Risk Assessment.





MEMBER ENGAGEMENT

Priorities

Transportation & Access

The in-house transportation pilot is moving forward, supported by continued feasibility study work. The team is also collaborating with compliance to define transportation responsibilities for California Children's Services (CCS) members.

Communications & Member Tools

Finalization and rollout of the Member Materials Library is underway, along with updated inventory management and distribution processes. The team is also assisting with outreach content for the BIB initiative and continuing HRA formatting updates for DSNP.

Rewards & Digital Engagement

Coordination with INCOMM continues to finalize data requirements and tagline considerations for the Rewards Card Carrier. Testing is ongoing for the text messaging program, with vendor (mPulse) planning in motion.

Member Feedback

Preparations are in place to present findings from the latest Member Satisfaction Survey at the June CAC meeting. The team also continues to support Strike Team 2.0 efforts focused on A1C care outreach and engagement.



98.6%
Retention Rate



41
Events
Attended



3750 Member
Interactions



771
Disenrollments



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Chief Compliance and Fraud Prevention Officer Report
DATE: August 14, 2025

BACKGROUND

Kern Health Systems (KHS) is required to implement an effective Compliance Program that meets the regulatory requirements set forth in both the Department of Health Care Services (DHCS) contract and the Department of Managed Health Care (DMHC) Knox-Keene license.

The principles outlined in the regulatory guidelines are applicable to all KHS relevant decisions, situations, communications, and developments that align with requirements defined by the Office of Inspector General (OIG). The Governing Board is required to exercise reasonable oversight with respect to the implementation and effectiveness of the Compliance program.

DISCUSSION

Regulatory filings, e.g., reports, financial data, quality performance, and surveys are filed in response to new services, programs, and oversight requirements that are mandated under our contract and license. Currently, KHS is on track to meet or exceed the number of filings completed in 2024.

Privacy Protections and Fraud Prevention remain a key focus for KHS's Compliance department. Suspected violations are promptly investigated and reported to DHCS for probable violations of policies, regulations, statutes, or program requirements. Between June and July 2025, the Compliance Department investigated 54 allegations of privacy concerns, with six (6) forwarded to DHCS for review in which all remain under review with DHCS.

In 2025, the Compliance department investigated 399 suspected fraud, waste, and abuse allegations, which represents a 35% increase for the same time period in 2024. Services not rendered and excessive or unnecessary services represent the majority of provider cases reviewed, while transportation and identity theft represent the majority of the member cases reviewed.

The Compliance Department conducts internal audits and monitoring activities to determine the organizational alignment to all regulatory and contractual obligations and conducts risk analysis to prioritize remediation plans if warranted. In the second quarter of 2025, Compliance conducted internal audits of Exempt, Expedited, and Standard Grievances (previous audit findings), and the Provider Manual; reports have been reviewed with the Business Owners, additional documentation was received, and the reports are currently being updated/finalized following those discussions.

Department of Managed Health Care (DMHC)

The final report for the **2023 DMHC Medical Audit** was received in October 2024. Compliance continues to meet with stakeholders regarding deficiencies to prepare for the DMHC follow up survey scheduled for November 2025 to validate corrective actions for the identified findings. Additionally, KHS received a subpoena, and interrogatories notice from the DMHC Office of Enforcement in June related to the Utilization Management processes that were active from 1/1/2023 through 1/1/2024. KHS submitted the requested reports and is waiting for a response from DMHC.

The DMHC concluded the **2024 Fiscal and Administrative Affairs audit** in May 2025. KHS received two (2) findings related to Targeted Rate Increase (TRI) payment and key personnel filings timeliness. The corrective action plan (CAP) was submitted, and KHS is waiting for the final DMHC report.

Department of Health Care Services (DHCS)

The DHCS **2023 Limited Scope Medical Audit and Focused Audit for Transportation/Behavioral Health** closed six of the seven findings with a Corrective Action Plan (CAP) update submitted to DHCS on 5/2/2025. KHS is preparing a response to a request from DHCS for a summarization of the corrective actions for submission on 8/7/2025.

DHCS has scheduled a **2025 Focused Information Systems Security Audit** for 8/12/2025 to review encryption, disaster recovery, interoperability, and privacy and security processes.

This report provides an overview of the May 2025 through July 2025 KHS Compliance Program activities with the corresponding updates.

REQUESTED ACTION

Receive and File.

Compliance
Key Performance Indicators
August 2025

Compliance Communications

Department of Managed Health Care (DMHC)

- 2023 DMHC Medical Audit
 - Received notification of DMHC Follow Up Audit on 07/11/2025
 - Audit period: 11/01/2024 – 06/30/2025
 - Submitted Pre-Audit Deliverables due 07/28/2025
 - Additional Pre-Audit deliverables due 08/01/2025 and 08/13/2025 in process
- 2024 DMHC Audit of Fiscal and Administrative Affairs
 - Received Preliminary Report 06/05/2025 with two findings:
 - Claims for retroactive update to one provider contract not processed accurately (due to timing of TRI adjustments occurring at the same time)
 - Key personnel filings not submitted timely
 - Submitted KHS response, with corrective actions taken on 07/18/2025
 - Awaiting receipt of Final Report

Department of Health Care Services (DHCS)

- 2023 Focused Audit (Behavioral Health & Transportation)
 - Received request to summarize corrective actions taken & submitted to DHCS in separate document; due 08/07/2025
- 2025 Focused Audit (Information Systems Security)
 - Received notification of DHCS focused audit on 07/11/2025
 - Audit period: 05/01/2024 – 04/30/2025
 - Submitted Pre-Audit deliverables on 07/30/2025
 - Virtual interviews scheduled for 08/12/2025 – 08/14/2025

DSNP:

Final CMS approval and contracts will occur following CMS' review of the subsequent required submissions:

- CMS release of National Benchmarks received 07/28/2025; reallocation underway (slight impact to supplemental benefits)
- Model member materials submitted for review:
 - Formulary files submitted to CMS have been approved
 - Enrollment form approved
 - ID card, Summary of Benefits, Provider/Pharmacy Directory; Formulary under review
- Implementation activities ongoing.

Enterprise Risk Assessment Project:

- Project continues with focus on staff, leadership and Board of Directors training, risk framework, and Committee structure.
- Project will continue throughout 2025 with gap analysis and remediation plan.

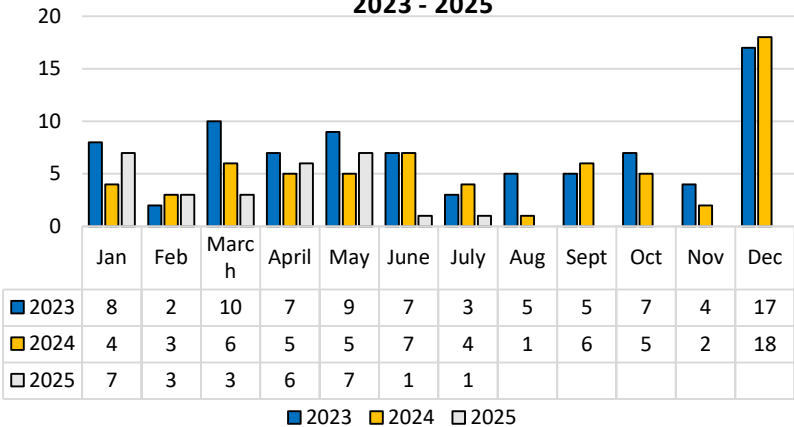
Compliance Capsules:

- June: Phishing
- July: HIPAA Process

All Plan Letter (APLs) & Guidance Letters



Regulatory All Plan Letters & Guidance Volumes
2023 - 2025

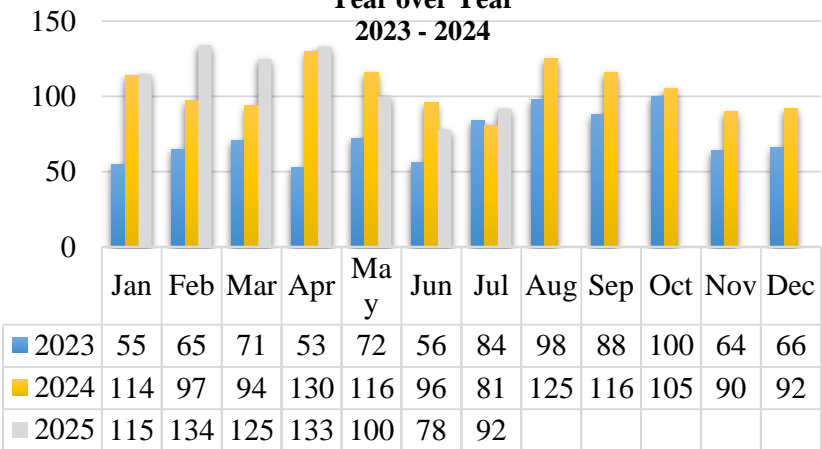


All Plan Letters & Guidance Letters Received		
2023	2024	2025
83	66	28

Regulatory Reports & Filings

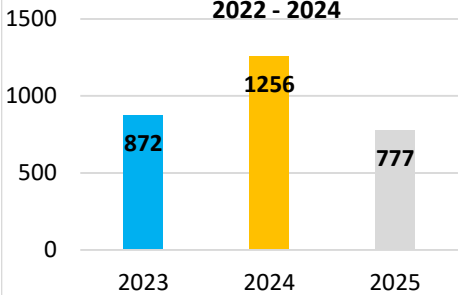


Regulatory Submissions
Year over Year
2023 - 2024



Regulatory Submissions		
Regulatory Agency	June 2025	July 2025
DHCS	70	72
DMHC	8	20
Total	78	92

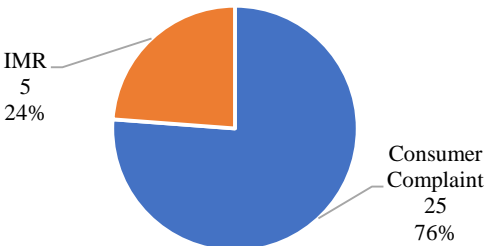
Regulatory Submissions
Year over Year
2022 - 2024



DMHC Consumer Complaints & Independent Medical Reviews (IMR)



2025
DMHC Independent Medical Review (IMR) vs.
Consumer Complaints



Decision	KHS Response	DMHC Response
Upheld	15	19
Overtured	6	1
Return to Plan (Grievance Process not completed prior to DMHC complaint)	4	0
Duplicate	1	0
Misdirected	2	1
In Process	2	9
Grand Total	30	30

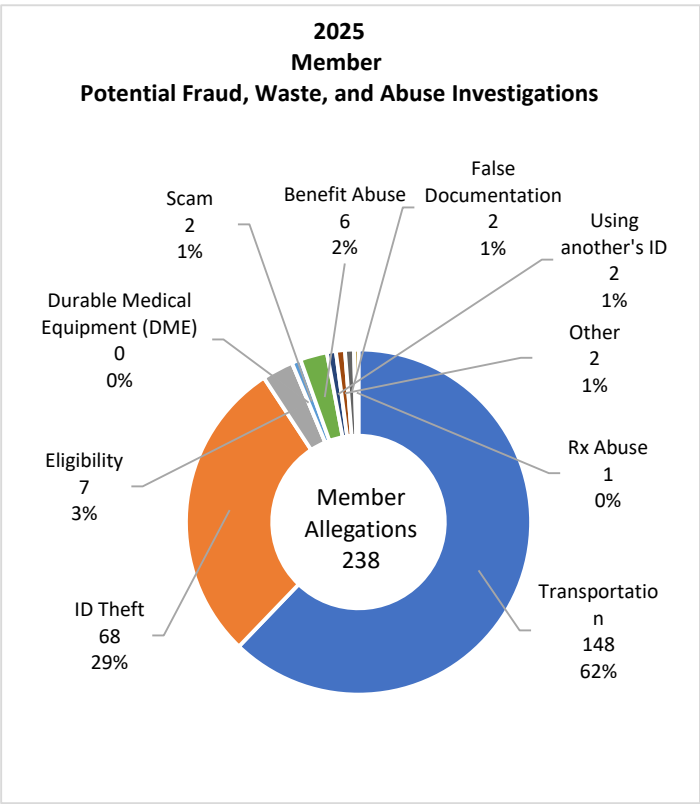
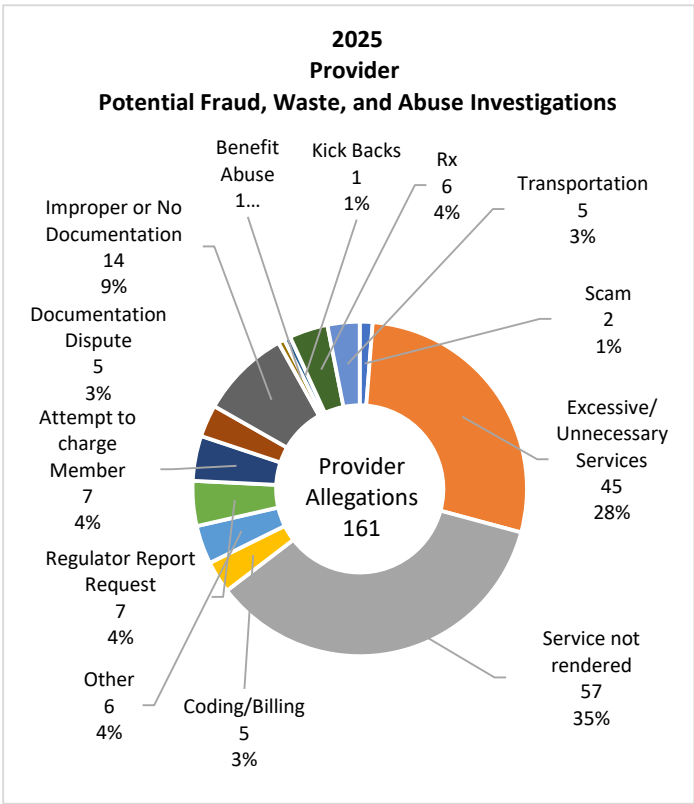
HIPPA Breach Activity



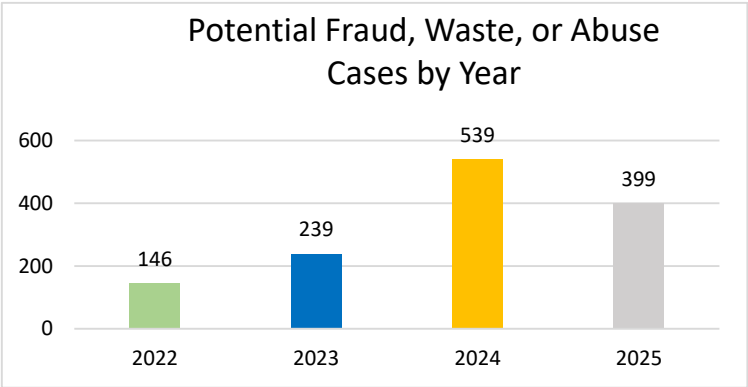
Summary of potential Protected Health Information (PHI) disclosures for June 1st through July 31, 2025:
The Plan is dedicated to ensuring the privacy and security of the PHI and personally identifiable information (PII) that may be created, received, maintained, transmitted, used, or disclosed in relation to the Plan’s members. The Plan strictly complies with the standards and requirements of Health Insurance Portability and Accountability Act (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH).



During the time from June 1st to July 31st, 2025, the Compliance Department investigated and reviewed fifty-four (54) **allegations of privacy concerns** and six (6) of the cases were sent to the State for their review. The six (6) cases are still under review by the State.



Fraud, Waste, and Abuse (FWA)



35% increase in cases to date in 2025 compared to same time period in 2024:



All Plan Letters (APLs) & Guidance Letters		
04/01/2025 – 05/31/2025		
Department of Health Care Services (DHCS)		
APL 25-011 House Resolution (H.R.) 1 Federal Payments to Prohibited Entities (Issued 7/3/2025)	This APL provides guidance to KHS on handling of payments to Medi-Cal and Family Planning, Access, Care, and Treatment Program (Family PACT) Providers who may be impacted by House Resolution (H.R.) 1.	
Department of Managed Health Care (DMHC)		
APL 25-012 Closure of Rite Aid Pharmacies (Issued 06/09/2025)	This APL reminds health plans that they have an ongoing obligation to ensure their enrollees have timely access to prescription drugs. Note: Carved out to Medi-CalRx, but required responsive filing with DMHC	
Internal Audit and Monitoring Activity		
<p>The Compliance Department conducts internal audits and monitoring activities related to regulatory All Plan Letters, guidance, previous regulatory audit findings, and contractual obligations. From the published requirements, the Compliance Department conducts a risk analysis and identifies those that pose a higher degree of risk to the Plan.</p> <p>In the first quarter of 2025, Compliance conducted internal audits of Exempt, Expedited, and Standard Grievances (previous audit findings), and the Provider Manual; reports have been reviewed with the Business Owners, additional documentation was received, and the reports are currently being updated/finalized following those discussions. In addition, delegation audits of American Logistics, CareNet, and VSP are being finalized. Audits of Utilization Management Notice of Action (NOA) denials, Notice of Appeal Resolutions (NAR), and Concurrent Inpatient Reviews (DMHC audit finding) have also begun in the second quarter. Due to staffing constraints, these audits are still underway.</p> <p>The 2025 Auditing & Monitoring Plan has been finalized and outlines the anticipated audit and monitoring activities to be conducted. This plan is subject to change based on new risks identified, capacity, business needs, and other factors, but serves as the guide for scheduled activities.</p>		
Regulatory Reports & Filings		
Regulatory Reports & Filings Submission to Government Agencies	<p>KHS is required to submit various types of information to both DHCS and DMHC with cadences ranging from daily, weekly, monthly, quarterly, or annually. In some cases, KHS is required under statute or regulation to submit reports or documentation to establish initial or ongoing compliance with the law (e.g., timely access reporting, financial reporting). In other cases, plans are required to submit reports or documentation when they are planning to make an operational, business, product, or other change that affects the scope or applicability of their license. Additionally, key personnel and Board member filings are required to allow the regulatory agencies to review and advise on the individuals who provide leadership at KHS as well as the makeup of our Board of Directors.</p> <p>These submissions often reflect an amendment or material modification to the plan’s license and, in some cases, are subject to Department approval prior to making the requested change to plan operations.</p>	

Regulatory Submission Volume	Regulatory submissions to both DHCS and DMHC continue to increase annually. As demonstrated in the graphs above, submissions to date continue to increase steadily year after year. Volumes are expected to significantly increase further due to the introduction of the Dual Special Needs Plan (D-SNP) and required submissions to the Centers for Medicare and Medicaid Services (CMS).
DMHC Consumer Complaints & Independent Medical Reviews 	
KHS addresses and tracks enrollee complaints and requests for independent medical review (IMR) received from the DMHC. For June through July 2025, a total of nine (9) Consumer Complaints/IMRs were received, of which two (2) were closed following KHS' response and seven (7) are pending DMHC review.	
Fraud, Waste, and Abuse (FWA) 	
The Plan investigates and reports information and evidence of alleged fraud, waste, & abuse cases to appropriate state and federal officials. Information compiled during an investigation is forwarded to the appropriate state and federal agencies as required. For 2025, the volumes continue to trend up, with 35% more cases received through July when compared to the same time period in 2024.	
DHCS Medical Audits	
<p>1. Limited Scope Medical Audit and Focused Transportation/Behavioral Health Audit – 2023:</p> <p>DHCS conducted a routine limited scope medical survey and a focused Transportation/Behavioral Health audit of KHS in November/December 2023. The survey period covered 11/01/2022 – 10/31/2023:</p> <ul style="list-style-type: none"> For the Focused Audit on Behavioral Health and Transportation, the final audit report was received on 08/30/2024. <ul style="list-style-type: none"> The findings included four (4) items under Behavioral Health, and three (3) under Transportation. <ul style="list-style-type: none"> The Behavioral Health findings are related to the coordination with the specialty mental health and substance use disorder benefits, which are carved out from KHS Medi-Cal benefits. During the audit period, KHS had already created a separate Behavioral Health Department and implemented corrective actions; however, since some of these actions were implemented during the audit period, DHCS still documented findings. The Transportation preliminary findings were focused on our oversight and monitoring to ensure members receive door-to-door service, we are monitoring no show rates, and monitoring level of service modifications. Corrective Action Plan (CAP) submitted to DHCS 10/07/2024, with thirty (33) actions taken across the seven (7) findings CAP updates were submitted monthly, with the last submission on 05/02/2025. KHS received a request to summarize the corrective actions on a separate DHCS template, which is due 08/07/2025. <p>2. 2025 Focused Audit (Information Systems Security)</p> <p>Received notification of DHCS focused audit on 07/11/2025</p> <ul style="list-style-type: none"> Audit period: 05/01/2024 – 04/30/2025 Submitted Pre-Audit deliverables on 07/30/2025 Virtual interviews scheduled for 08/12/2025 – 08/14/2025 	

DMHC Routine Medical Audits

1. DMHC Routine Medical Audit –2023:

DMHC conducted a routine audit of KHS in January 2023. The audit period covered 09/01/2020 – 08/31/2022. The Audit Report was received on 03/07/2024.

- DMHC issued the final audit report on 10/08/2024
 - Four (4) of the twenty-four (24) findings from the preliminary report were removed from the final report.
 - Any supporting documentation KHS submitted after 04/21/2024 was not considered in issuance of the final report.
 - Of the twenty (20) findings in the final report:
 - Four (4) were considered ‘corrected’.
 - Sixteen (16) were determined to be “not corrected”. Although DMHC recognized steps were taken to correct the deficiencies, the effectiveness of the corrective actions will be re-assessed in a follow up survey, which will be conducted in November 2025.

Four (4) findings are being referred to the Office of Enforcement:

- The Plan fails to consistently ensure its delegate complies with required utilization management notification standards.
- The Plan failed to consistently demonstrate that for concurrent review denials, care was not discontinued until the enrollee’s treating provider had been notified and agreed to an appropriate care plan. Section 1367.01(h)(3).
- The Plan inappropriately denies post-stabilization care and is operating at variance with policies filed with the Department.
- The Plan improperly denied payment for emergency services and treatment. Section 1371.4(b) and (c).
- Two (2) – not able to remediate as these were pharmacy-related and Pharmacy is now carved out
- Compliance continues to meet with stakeholders regarding deficiencies to prepare for follow up from the Office of Enforcement.

2. DMHC Follow Up Audit to the 2023 DMHC Routine Survey

- Notification of DMHC Follow Up Audit received 07/11/2025:
- Audit period: 11/01/2024 – 06/30/2025
- Submitted Pre-Audit deliverables on 07/28/2025
- Additional Pre-Audit deliverables due 08/01/2025 and 08/13/2025
- Interviews tentatively scheduled beginning 11/01/2025

3. DMHC Audit of Fiscal and Administrative Affairs (Financial Audit) – 2024:

- Received Preliminary Report 06/05/2025 with two findings:
 - Claims for retroactive update to one provider contract not processed accurately (due to timing of TRI adjustments occurring at the same time)
 - Key personnel filings not submitted timely
- Submitted KHS response, with corrective actions taken, on 07/18/2025
- Awaiting receipt of Final Report



Compliance Capsule – July 2025

HIPAA Process

The HIPAA Team will be transitioning our reporting process to Work Items. This transition will help with better documentation and tracking of potential HIPAA incidents that are reported to the HIPAA Team. New links are available under the Employee Resources section of the Intranet with a HIPAA Reporting form and a quick guide to the new HIPAA reporting process through Work Items.

Welcome To The K

Work Items PA List Applet Auth/Referral Search Campaign Mgmt BH Sch

Our Mission

Kern Family Health Care. Kern Health Systems is dedicated to improving the health status of our members through an integrated managed health care delivery system

Websites

External

AAP Code of Regs (CA)	CCS Legislative Info Medi-Cal Aid Codes Google	DHCS CCS Providers MMCD HX Provider Portal	DMHC Sus Providers USPO Title 42 HX Admin Portal
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Internal

KHS Providers Policies/Procedures MFiles TST IR Submission MHC Lookup Deploy Calendar Jiva UAT DERF How-To	Sharepoint Central QNXTEST MFiles UAT CES Portal TEST FES Check Run FAQ KHS PMO Dashboard Business Object... PA List	CCS Web App QNXTEST MFiles PRD CES Portal UAT KHS Scheduler TEST Report Inventory Service Manager	New Photo Gallery QNXTEST Jiva PROD CES Portal PROD KHS Scheduler PROD Jiva Test ADQS PROD
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Employee Resources

Suggestion Box Employee Benefits Informational V... Compliance Guide Compliance Program HIPAA Reporting	Employee Docs Code Of Conduct EWA Reporting OrgChart Anti Fraud	Forms Emergency Actio... EWA Process Employee Store JOB DESCRIPTIONS	CalPERS NEW Emergency P... Cerdian Dayforce Dayforce for Tems HIPAA Process
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Department Websites



KHS Reporting Form Potential HIPAA Breach

Reporter Information			
Date Reported:		Reported by:	<input type="checkbox"/> Member <input type="checkbox"/> Provider <input type="checkbox"/> KHS Staff <input type="checkbox"/> Other
Reporting Party's Name:		Reporter Relationship:	
Reporting Party's Email: (If applicable)		Reporting Party's Phone Number:	
Reporting Employee's Manager/Supervisor:		Manager/Supervisor's Title:	
Summary of Incident			
Brief Explanation of the Incident:			

When a HIPAA incident is discovered by, or reported to, anyone at KHS, we have **24 hours** to report the issue to DHCS, when applicable. That means when you first discover an issue, you should report the issue right away. When filling out the new HIPAA Reporting Form, it is expected that you may not have all of the answers to all of the questions right away. Please fill out the form with as much information as you can. If there are gaps, they can be filled in as the investigation takes place. We ask that HIPAA incidents be reported using Work Items moving forward.

For more information about HIPAA Privacy and Security, you can always reach out to the HIPAA Team email, hipaateam@khs-net.com, Deborah Murr, Chief Compliance & Fraud Prevention Officer, or Jane MacAdam, Director of Compliance & Regulatory Affairs.

**Chief Compliance & Fraud Prevention
Officer**
Deborah Murr, MHA, CHC, BS-HCM, RN
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**Director of Compliance & Regulatory
Affairs**
Jane MacAdam, CHC
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Compliance Capsule – June 2025

Phishing Awareness: Know the Risk, Stop the Click

Phishing is one of the most common—and dangerous—cyber threats facing businesses today. Cybercriminals use it to trick users into clicking malicious links, sharing sensitive data, or even transferring money. Recognizing and reporting phishing attempts is critical to protecting both yourself and the company.

Why Phishing is a Big Deal

Phishing emails can:

- Trick you into sharing passwords or account details
- Install malware or ransomware on your device
- Impersonate vendors, coworkers, or executives
- Lead to financial fraud or data breaches

Common Types of Phishing Emails

Type	Description
Fake Invoices	Appears to be from a vendor requesting payment or urgent invoice review.
Executive Impersonation	Looks like it's from a CEO or manager asking for sensitive info or a wire transfer.
Account Alerts	Claims your account was compromised and asks you to log in via a fake page.
Delivery Scams	Pretends to be from FedEx/UPS with links to track a (nonexistent) package.
Document Shares	Claims someone has shared a file with you—links to a malicious login page.

How to Stay Safe

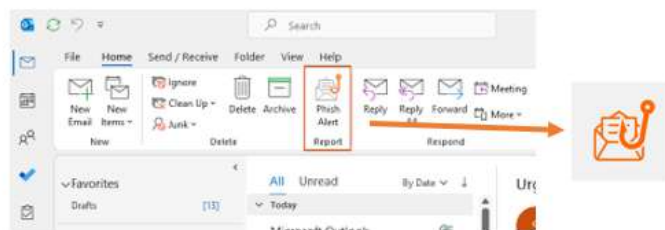
- **Stop and think before you click.** If something feels off, it probably is.
- **Verify requests** for sensitive information—even if they appear urgent.
- **Hover over links** to preview the actual URL before clicking.
- **Never download attachments** from unknown or unexpected sources.

See Something Phishy? Use the Phish Alert Button!

If you suspect an email is phishing—even if you're not 100% sure—**click the Phish Alert Button (PAB)** in your Outlook toolbar.

This will:

- ✓ Report the email to your security team.
- ✓ Help protect others from similar attacks.
- ✓ The cybersecurity team will review the email in the designated inbox. Following the assessment, if the email is determined to be malicious, it will be removed from the recipient's inbox(es). If deemed safe, the email will remain in the assigned inbox(es).



When in doubt, report it! It's always better to be safe than sorry.



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Martha Tasinga, Chief Medical Officer
SUBJECT: Chief Medical Officer Report
DATE: August 14, 2025

BACKGROUND

The Chief Medical Officer's presentation highlights key utilization trends and clinical priorities from 2023 through the 2nd quarter of 2025. Utilization of physician services, outpatient procedures, and emergency room care continues to exceed initial projections, with sustained activity largely driven by members managing chronic and complex medical conditions. The clinical strategy moving forward continues to emphasize integrated care management and early intervention for members with high-risk or chronic health conditions to optimize health outcomes and reduce unnecessary utilization.

REQUESTED ACTION

Receive and File.



KERN HEALTH
SYSTEMS

MARTHA TASINGA MD.MPH.MBA

AUGUST 14, 2025

CHIEF MEDICAL OFFICER REPORT



AGENDA

Physician Services Utilization

- Outpatient
- Inpatient
- Outpatient Hospital
- Post Acute

Population Health Management (PHM)

Utilization Management (UM)

- Referral Volume
- Timeliness of Decision

OUTPATIENT UTILIZATION

2025 Utilization of physicians outpatient services:

- Is higher than projected for all AIDE codes, worse for SPDs
 - SPD projected utilization 500 visits per 1000 member months and we are currently at 2000 visits per 1000 member months
 - Projected cost per visit is 140/visit and currently we are at 220 cost per visit.
- Drivers of increase in utilization and cost are:
 - Increase utilization for preventive service,
 - Diabetes,
 - Hypertension
 - Kidney disease

INPATIENT HOSPITAL UTILIZATION

- Admissions per 1000 for SPD is much high than projected
- Cost per bed day is higher than projected for all AIDE codes
- Top Inpatient diagnosis
 - Maternity
 - Complications of chronic conditions and social issues:
 - Sequelae of Cerebrovascular diseases,
 - Alzheimer disease,
 - Disorders of muscle wasting and metabolic encephalopathy
- Major care giving implications and higher rates of readmission(“social admits”)
- End of life issues
- Higher risk of readmissions
- Placement challenges especially when more than 60% of these patients have Substance use diagnoses
- Readmission 1.4% higher than 2024

HOSPITAL OUTPATIENT

- Includes Observation level of care, outpatient elective surgeries
- Visits per member per month are have been above projections for all Aide groups and the delta between the 2 is increasing
- Cost per visit is also higher than projected
- Working with our Hospitalist teams to develop strategies for appropriate utilization of Hospital outpatient services

POST ACUTE UTILIZATION 2024

- Skilled Nursing Facilities
 - Admissions 5/1,000 members for first 6 months of 2025
 - 12/1000 in 2024
 - ALOS 14/1000; first 6 months of 2025
 - 18.25/1000 in 2024
 - Readmissions: none
- Long-term Acute (LTAC)
 - Admits 9/1000 first 6 months of 2025
 - 2024 average admits was 0.26/1000
 - ALOS 326.56/1000 for 2025; 2024 was 244/1000
 - Readmits: 7/1000, 2024 was 3.6/1000

EMERGENCY ROOM UTILIZATION

- Stable
- The slight increase after covid has stabilized and utilization for all Aide codes remains lower than pre Covid.
- Most ER visits occurring at BMH

POPULATION HEALTH MANAGEMENT (PHM)

PHM PROGRAMS

Major Organ Transplants (MOT) program

- 340 = Total of members enrolled in the program (New + Existing Members)
- 208 = Evaluation Phase
- 90 = Listed Phase (76 Kidneys, 11 Liver, 1 Bone Marrow, 1 heart and 1 intestine).
- 40 = MOT Post Transplant Phase (16 Kidneys, 12 liver, 3 lung, 7 bone marrow, and 2 SLK)

Palliative Care program

- Voluntary program
- 2,500 eligible members
- 417 Members Received Palliative Care Coordination
- 122 Connected to Palliative Care Provider

Maternal Mental health

- 426 pregnant women called
- 185 (43%) were enrolled/accepted the program
- 191 (45%) accepted to complete the PHQ 9 depression screening
- 5 (1%) screened positive and were connect to BH providers for management contact

COMPLEX CASE MANAGEMENT (CCM)

2078 members of which 23% had an inpatient event in 6-month period before and 40% risk of hospitalization within the next 6months

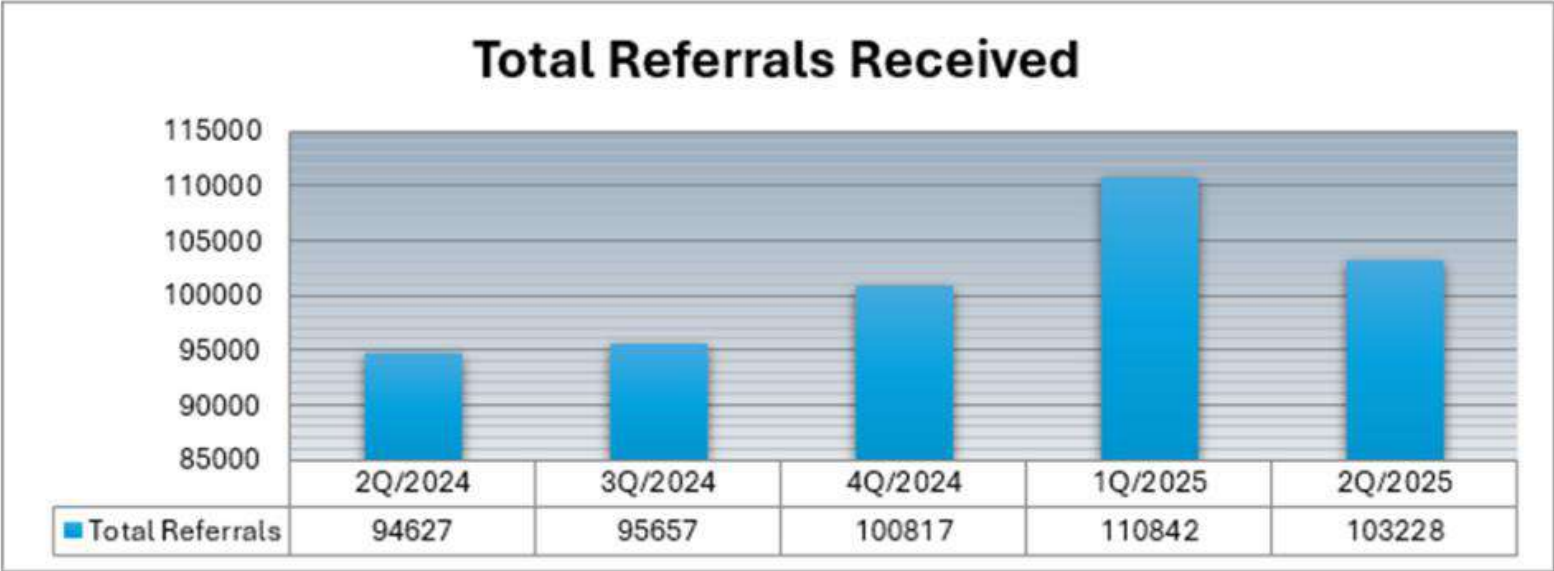
KHS CCM is a voluntary program

- 90 accepted CCM services and were enrolled in the program
 - Utilization before CCM enrollment:
 - 23% had an inpatient event in the 6-month period before case management
 - 4% had an inpatient event in the 6 months period after case management(19% reduction)
- 1988 who declined CCM enrollment:
 - 23% had an inpatient event in the 6-month period before case management
 - 18% had an inpatient within the 6 months of the CCM intervention(15% reduction)

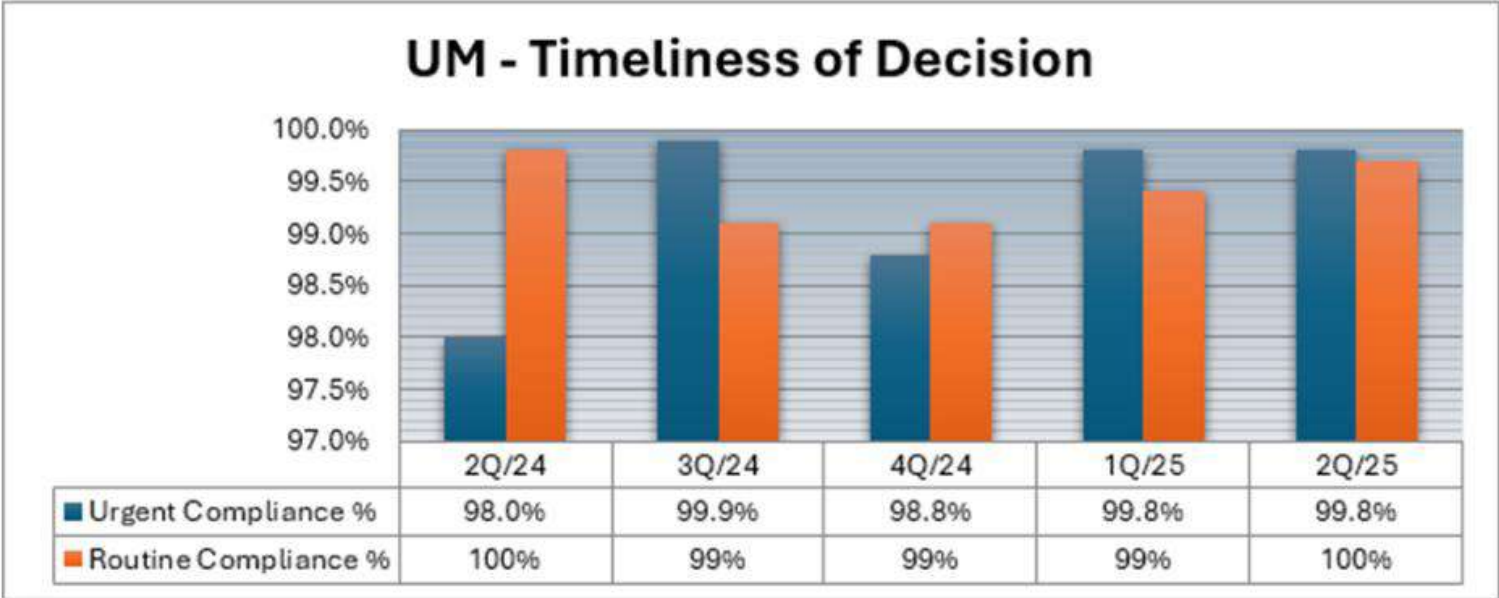
41% reduction was due to members being enrolled in the CCM program.

UTILIZATION MANAGEMENT (UM)

UTILIZATION MANAGEMENT (UM)



UTILIZATION MANAGEMENT (UM)



QUESTIONS?

THANK YOU

**Martha Tasinga, MD
Chief Medical Officer**



Kern Health Systems

KHS Medical Management Performance Dashboard (Critical Performance Measurements)

Governed Reporting System

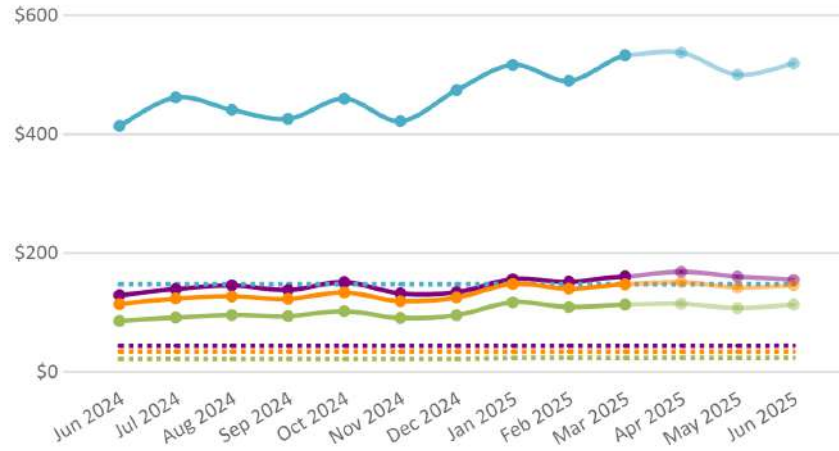


Physician Services

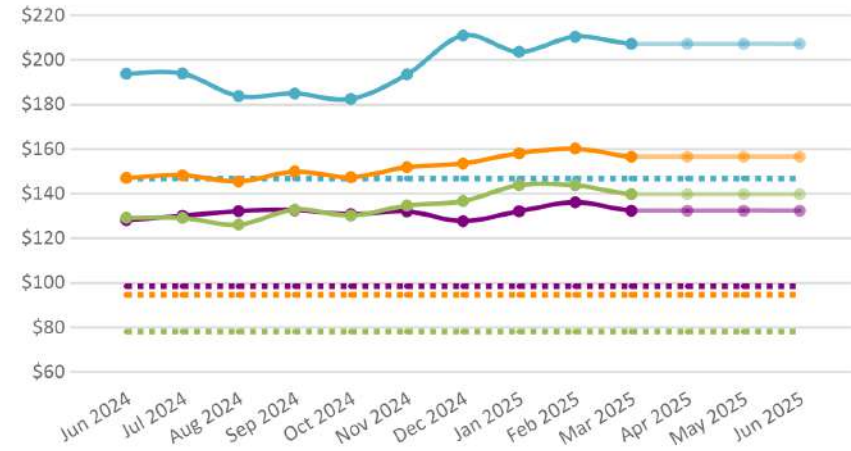
(Includes: Primary Care Physician Services, Referral Specialty Services, Other Professional Services and Urgent Care)

- MCAL Expansion - Actual
- MCAL Expansion - Budget
- MCAL Expansion - Forecast
- MCAL Family\Other - Actual
- MCAL Family\Other - Budget
- MCAL Family\Other - Forecast
- MCAL SPD - Actual
- MCAL SPD - Budget
- MCAL SPD - Forecast
- Total Combined - Actual
- Total Combined - Budget
- Total Combined - Forecast

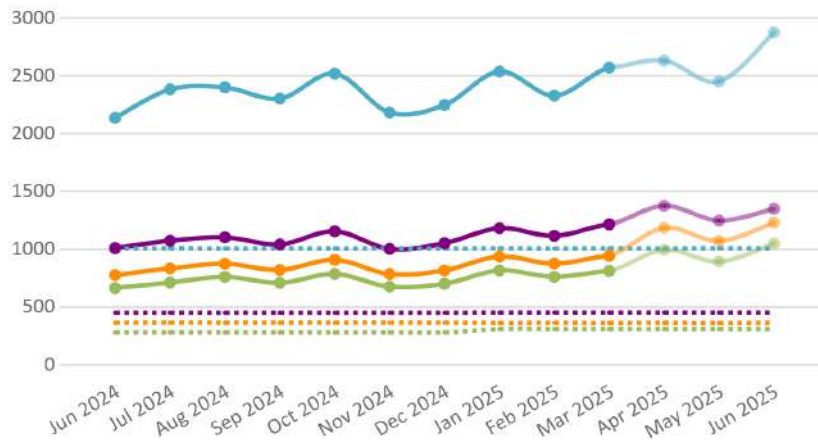
Professional Services Incurred by Aid Group PMPM



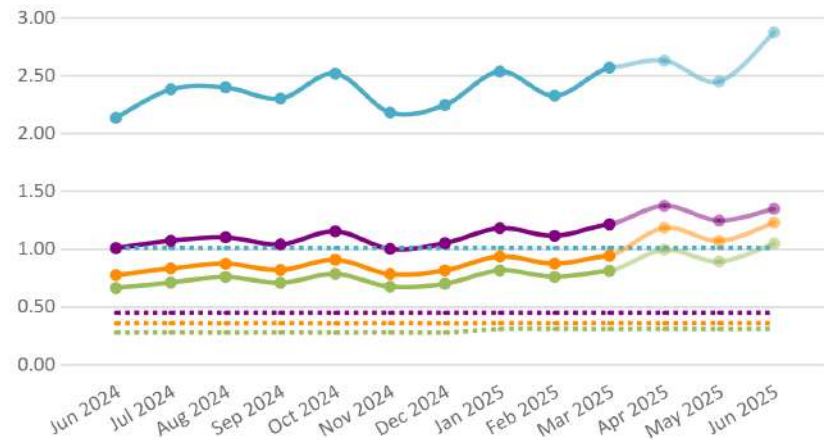
Cost per Professional Service Visit by Aid Group



Professional Service Visits per 1,000 per Month by Aid Group



Professional Service Visits per Member per Month by Aid Group



Services provided through: 6/30/2025

Claims Paid through: 7/31/2025

Governed Reporting System

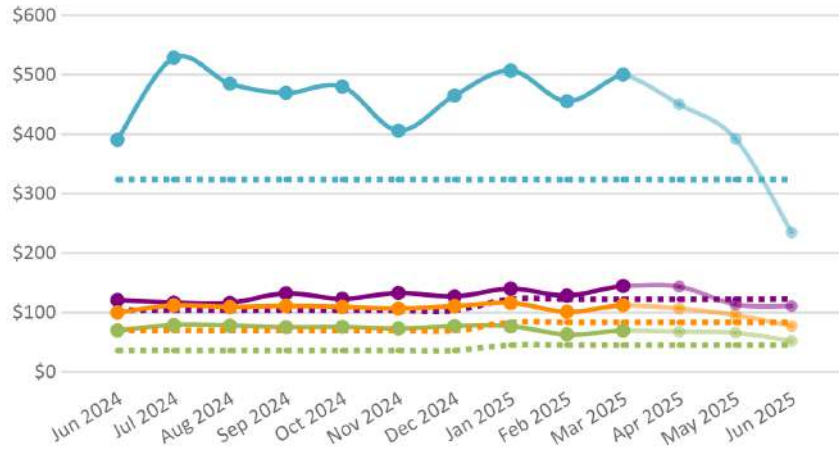


Inpatient

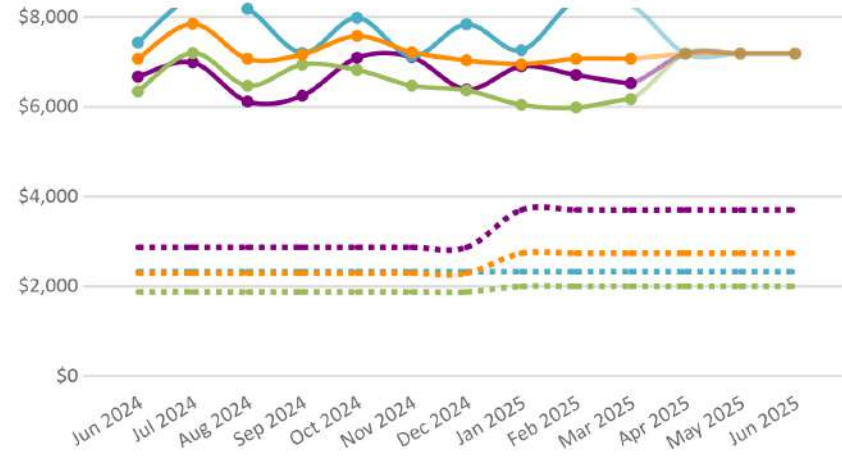
(Includes: Inpatient Hospital Claims)

- MCAL Expansion - Actual
- MCAL Expansion - Budget
- MCAL Expansion - Forecast
- MCAL Family\Other - Actual
- MCAL Family\Other - Budget
- MCAL Family\Other - Forecast
- MCAL SPD - Actual
- MCAL SPD - Budget
- MCAL SPD - Forecast
- Total Combined - Actual
- Total Combined - Budget
- Total Combined - Forecast

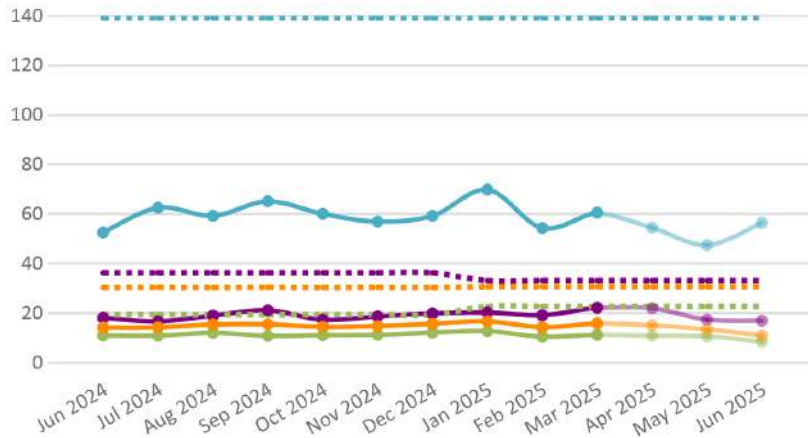
Inpatient Services Incurred by Aid Group PMPM



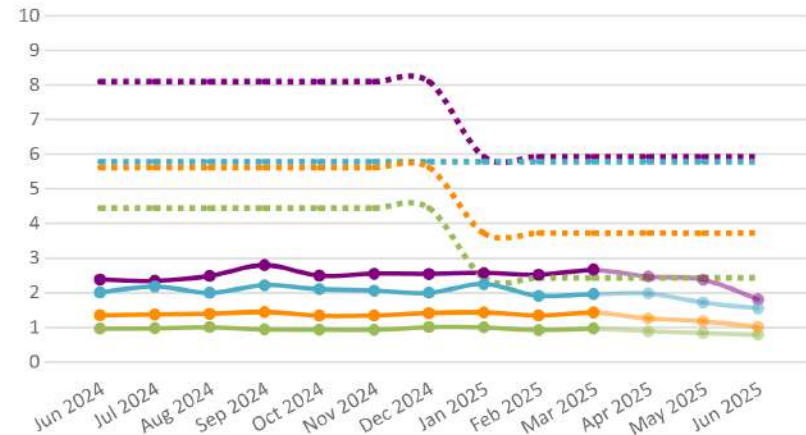
Cost Per Bed Day by Aid Group



Incurred Bed Days per 1,000 per Month by Aid Group



Average Length of Stay in Days by Aid Group



Services provided through: 6/30/2025

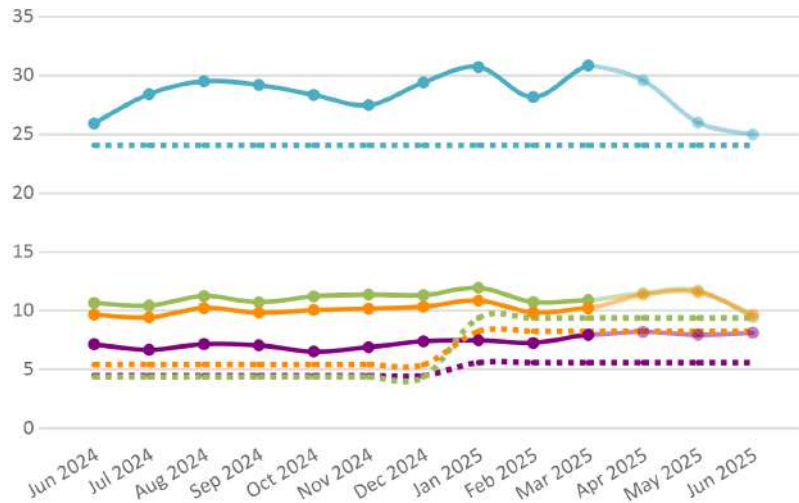
Claims Paid through: 7/31/2025

Inpatient

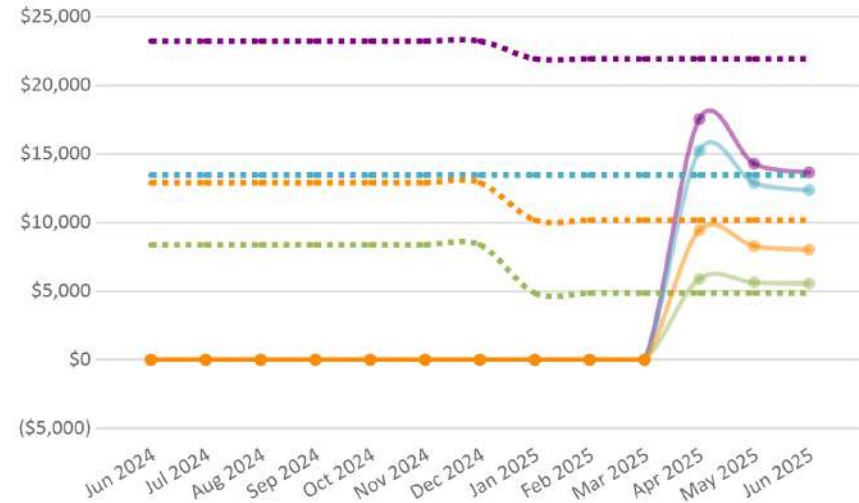
(Includes: Inpatient Hospital Claims)

MCAL Expansion - Actual MCAL Family\Other - Actual MCAL SPD - Actual Total Combined - Actual
 MCAL Expansion - Budget MCAL Family\Other - Budget MCAL SPD - Budget Total Combined - Budget
 MCAL Expansion - Forecast MCAL Family\Other - Forecast MCAL SPD - Forecast Total Combined - Forecast

Incurred Admits per 1,000 per Month by Aid Group



Cost per Admit by Aid Group



Services provided through: 6/30/2025

Claims Paid through: 7/31/2025

Governed Reporting System

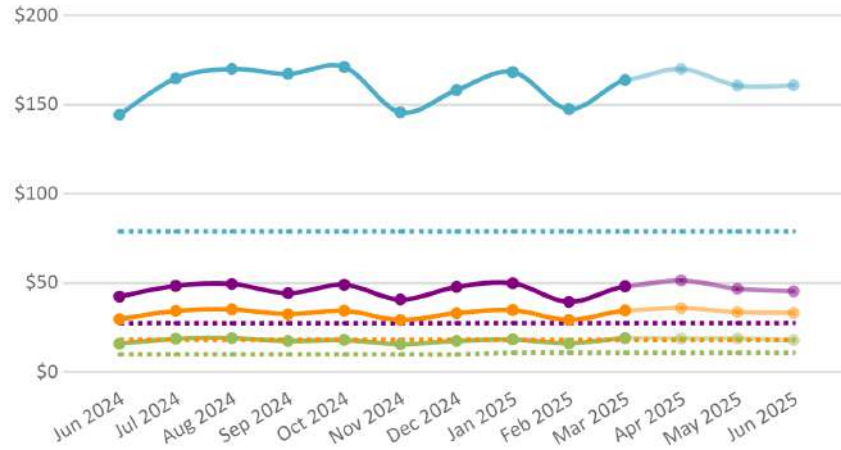


Outpatient Hospital

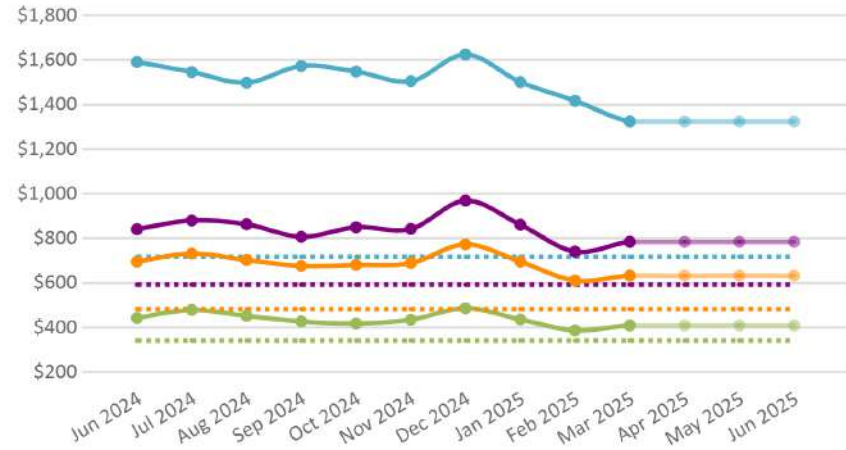
(Includes: Outpatient Diagnostic, Outpatient Surgery, Outpatient Observation, and Outpatient Other)

MCAL Expansion - Actual MCAL Family\Other - Actual MCAL SPD - Actual Total Combined - Actual
 MCAL Expansion - Budget MCAL Family\Other - Budget MCAL SPD - Budget Total Combined - Budget
 MCAL Expansion - Forecast MCAL Family\Other - Forecast MCAL SPD - Forecast Total Combined - Forecast

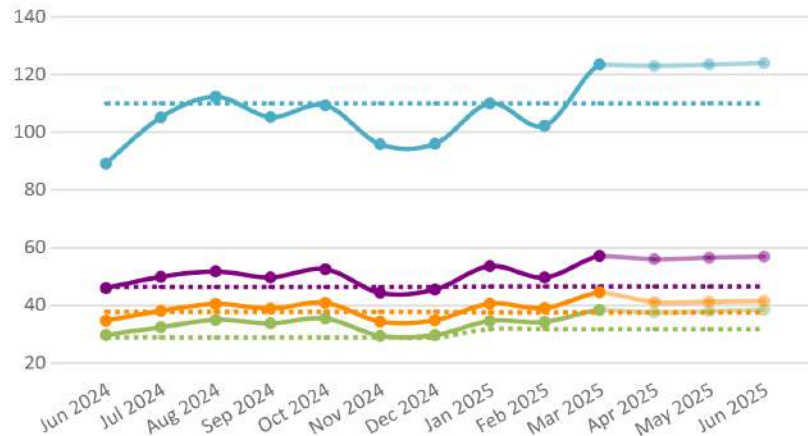
Outpatient Services Incurred by Aid Group PMPM



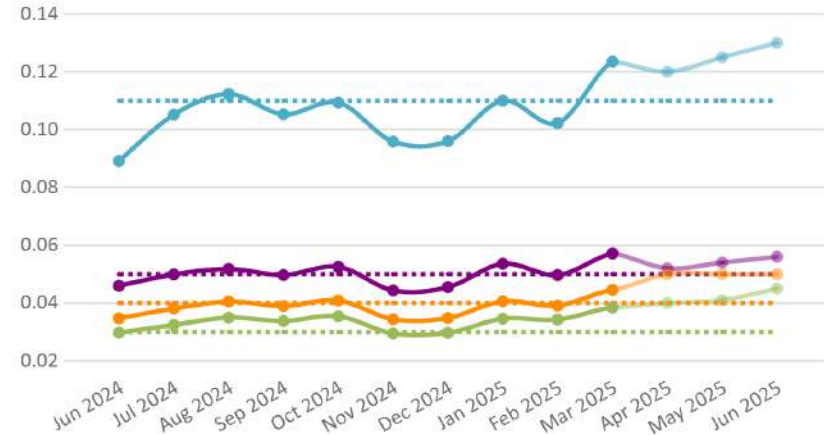
Cost Per Outpatient Visit by Aid Group



Outpatient Visits per 1,000 per Month by Aid Group



Outpatient Visits per Member per Month by Aid Group



Services provided through: 6/30/2025

Claims Paid through: 7/31/2025

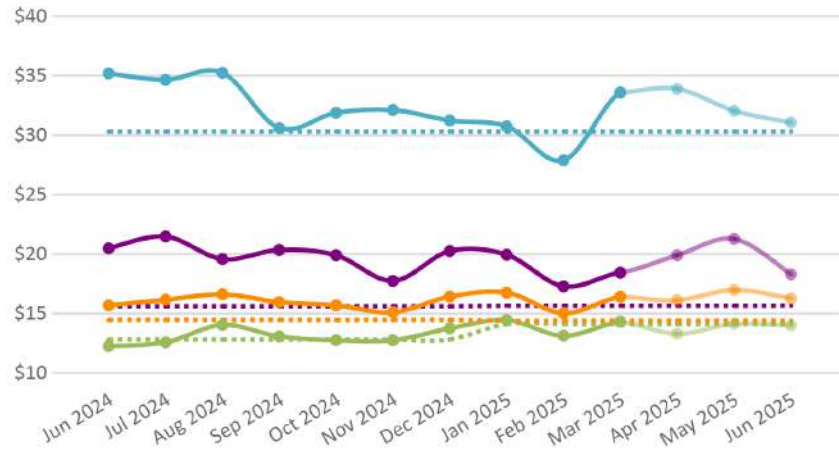
Governed Reporting System



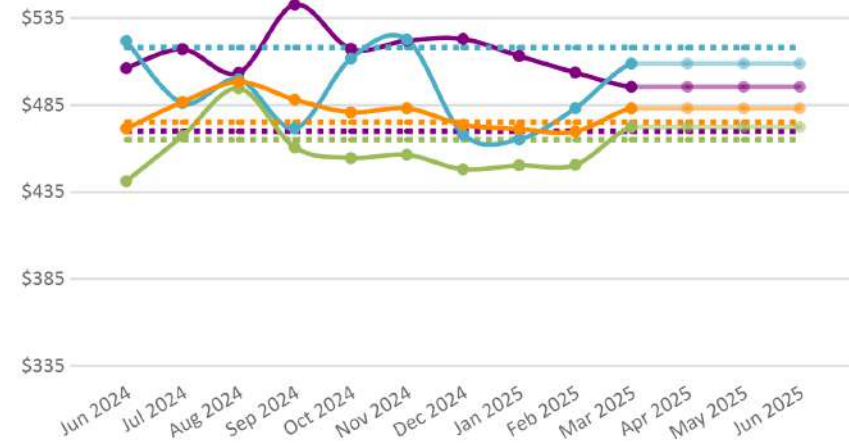
Emergency Room

MCAL Expansion - Actual
MCAL Family\Other - Actual
MCAL SPD - Actual
Total Combined - Actual
MCAL Expansion - Budget
MCAL Family\Other - Budget
MCAL SPD - Budget
Total Combined - Budget
MCAL Expansion - Forecast
MCAL Family\Other - Forecast
MCAL SPD - Forecast
Total Combined - Forecast

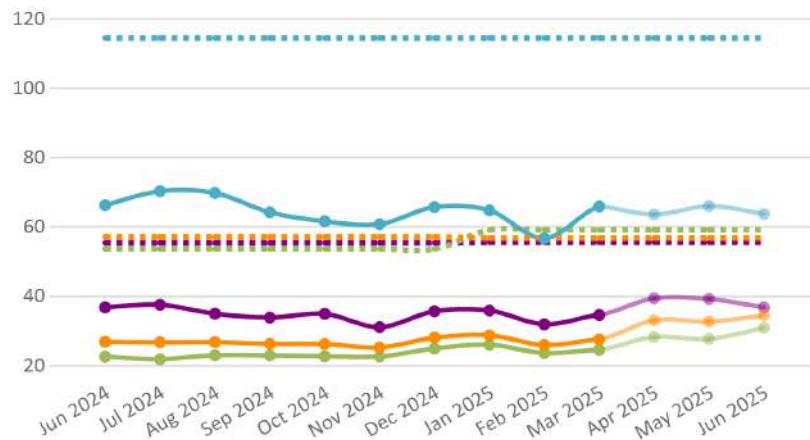
ER Services Incurred by Aid Group PMPM



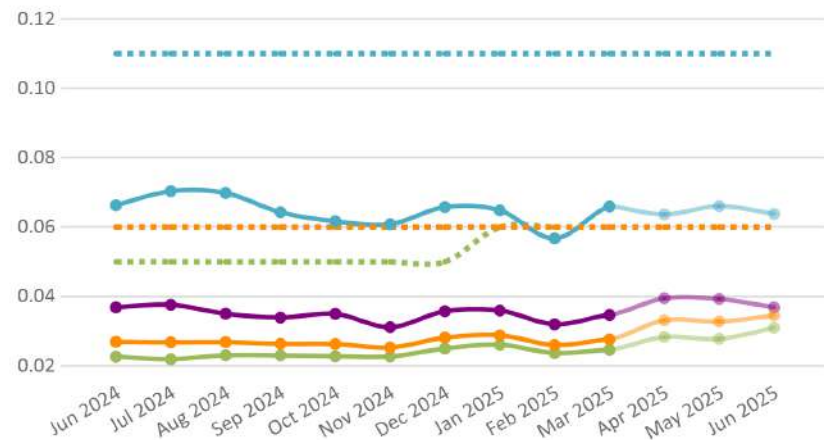
Cost Per ER Visit by Aid Group



ER Visits per 1,000 per Month by Aid Group



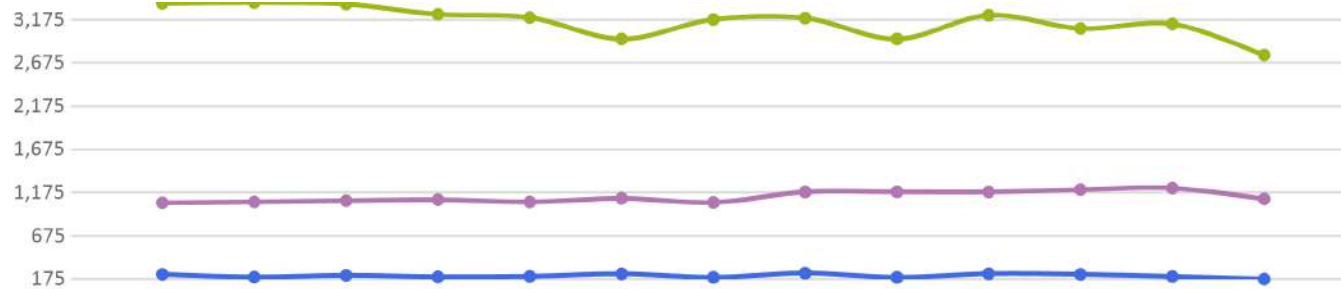
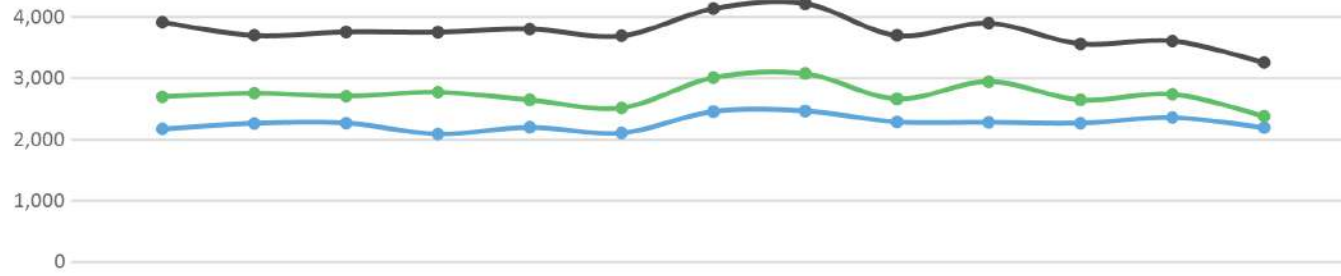
ER Visits per Member per Month by Aid Group



Services provided through: 6/30/2025

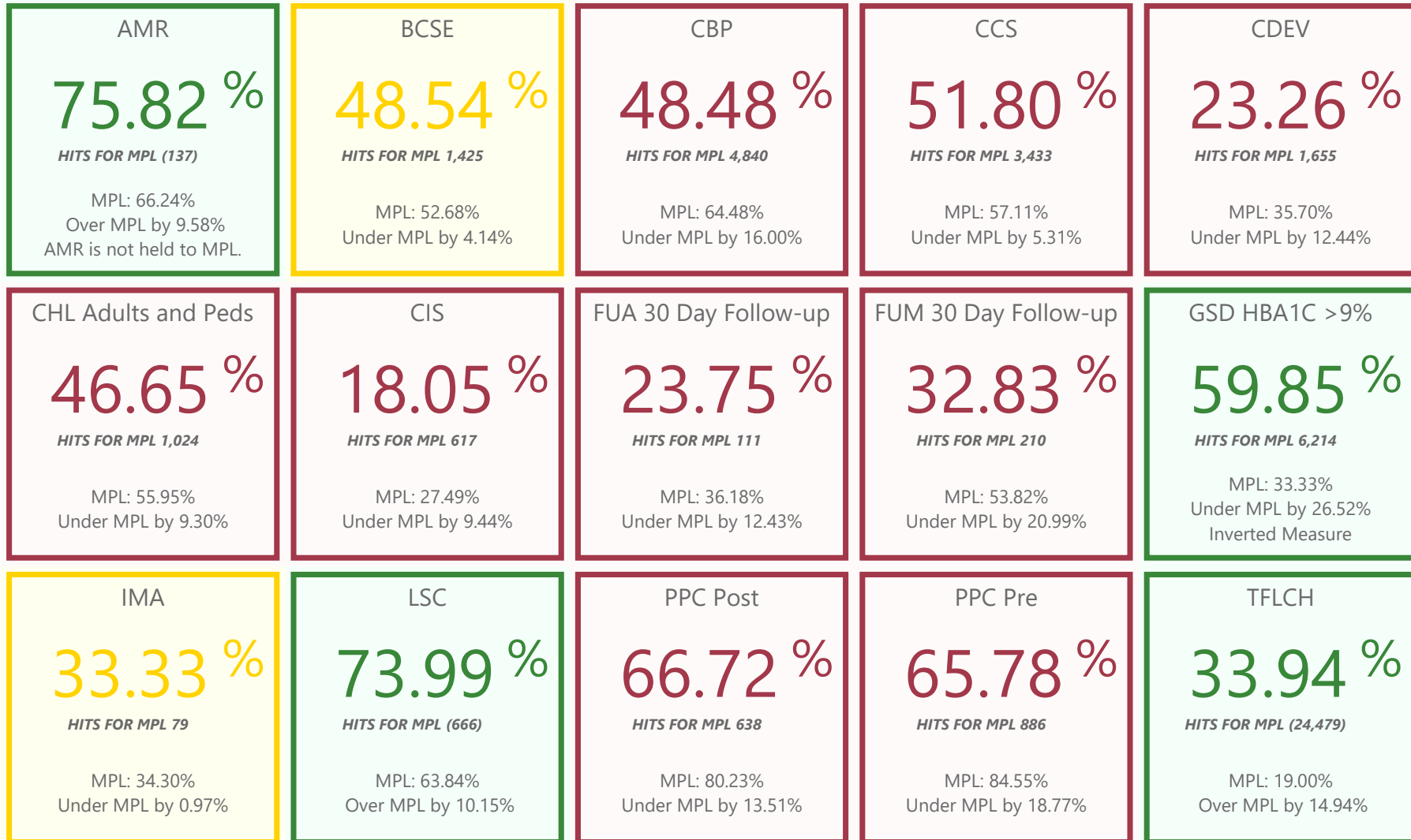
Claims Paid through: 7/31/2025

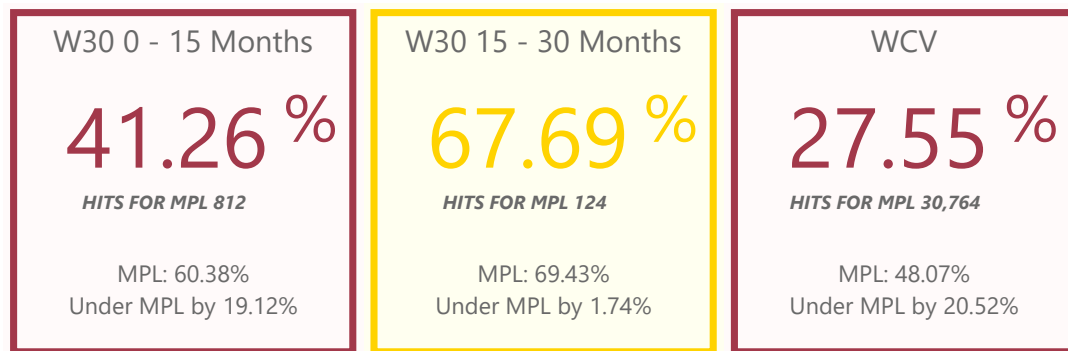
Emergency Visits by Hospital



	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
OUT OF AREA	3,363	3,372	3,355	3,238	3,200	2,953	3,178	3,194	2,953	3,227	3,073	3,125	2,767
DELANO REGIONAL HOSPITAL	1,058	1,068	1,082	1,094	1,068	1,110	1,062	1,184	1,185	1,184	1,210	1,227	1,103
KERN VALLEY HEALTHCARE	231	198	219	201	207	237	195	245	195	238	231	205	175

MCAS MY2025 Performance Trending Metrics through July 2025

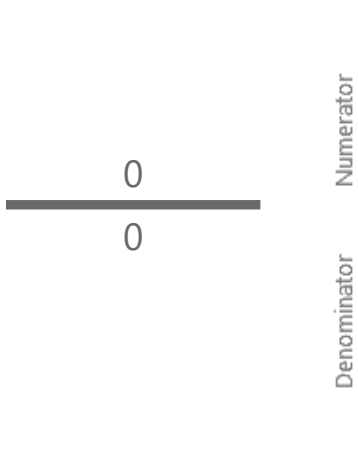
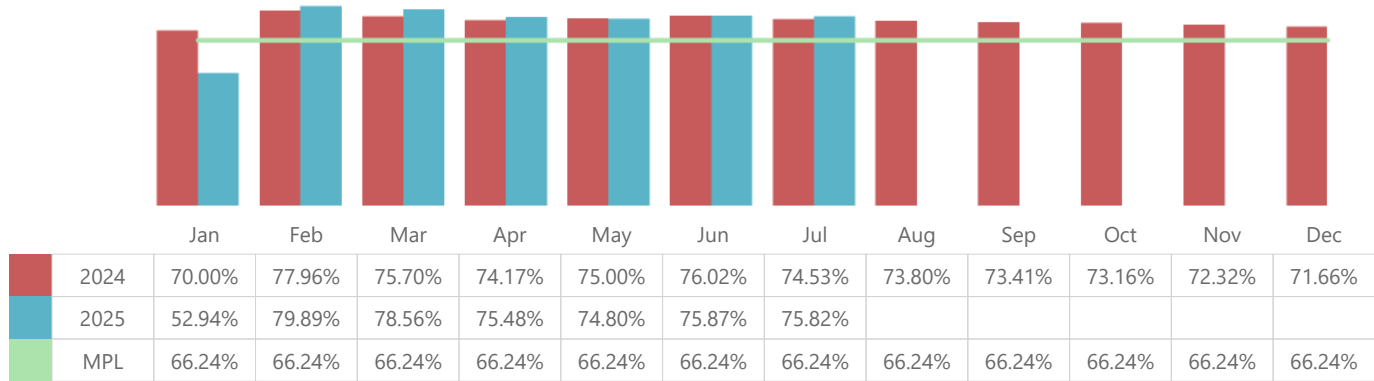
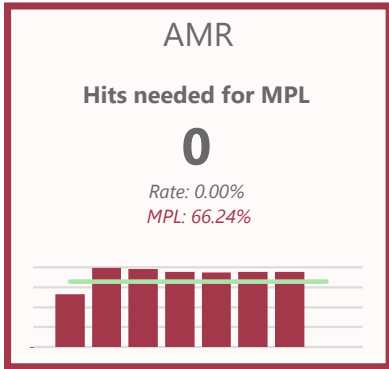




Measure rates are thru claims and standard supplemental data. No medical record reviews are included.

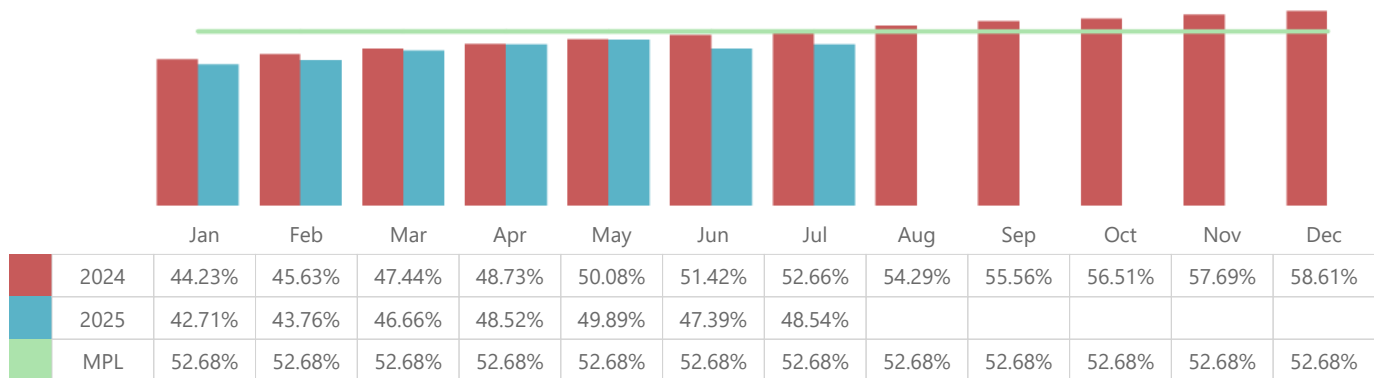
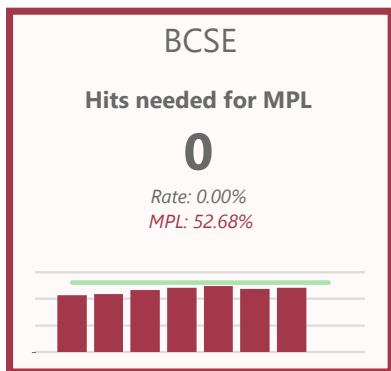
Asthma Medication Ratio

The percentage of members 5–64 years of age who were identified as having persistent asthma and had a ratio of controller medications to total asthma medications of 0.50 or greater during the measurement year.



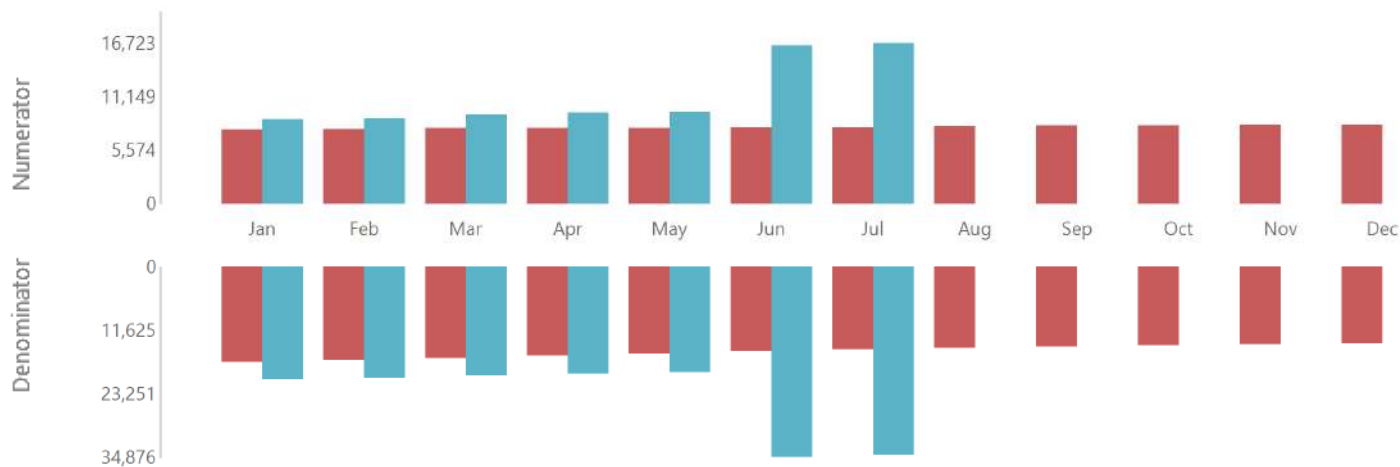
Breast Cancer Screening - ECDS

Members 42–74 years of age by the end of the measurement period who were recommended for routine breast cancer screening and also meet the criteria for participation.



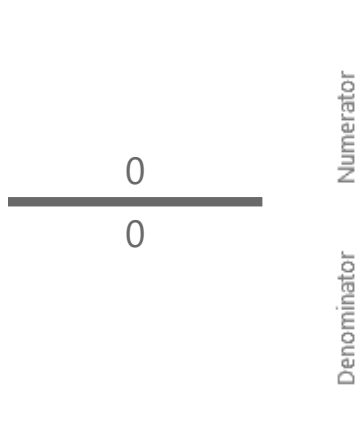
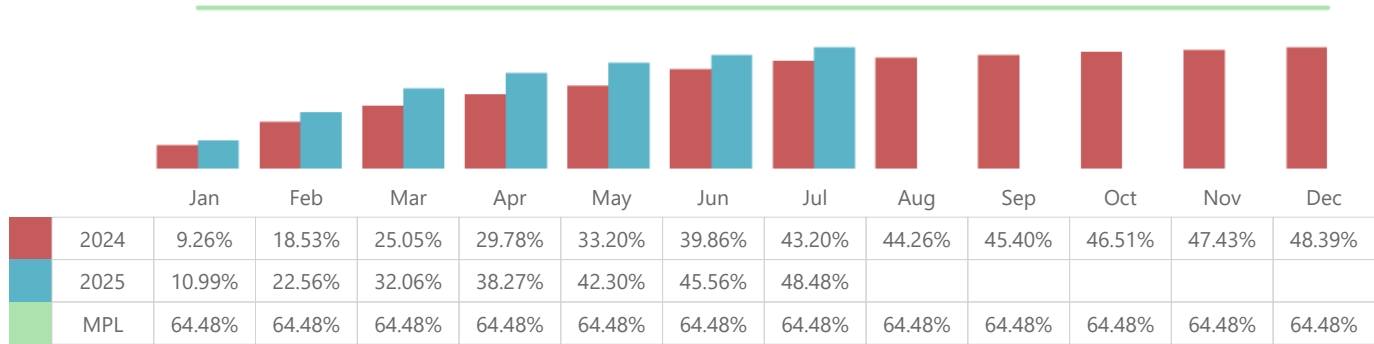
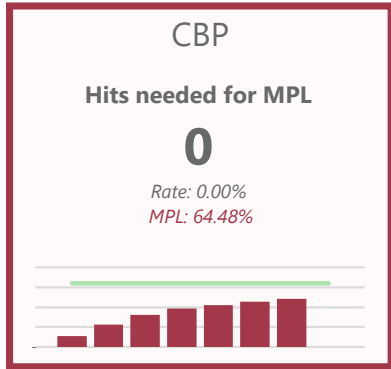
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Controlling High Blood Pressure

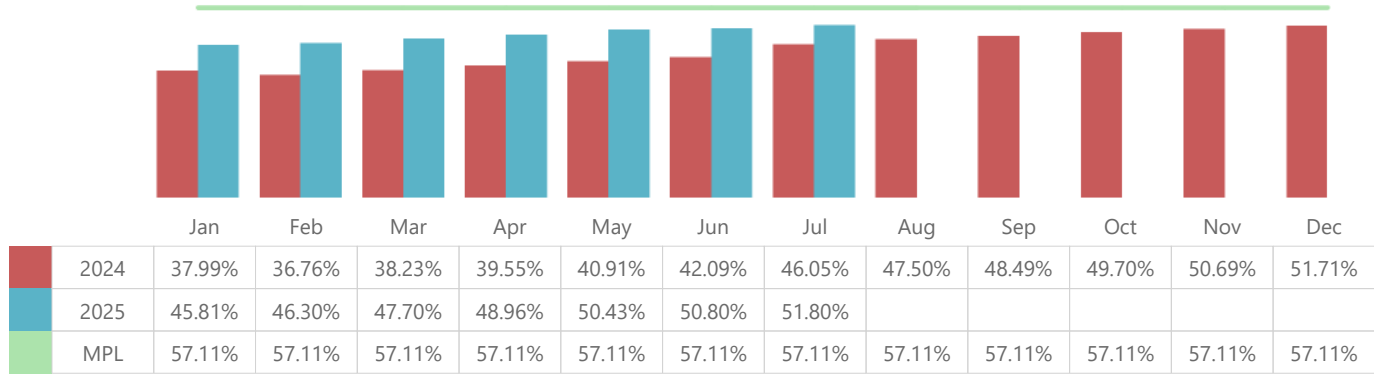
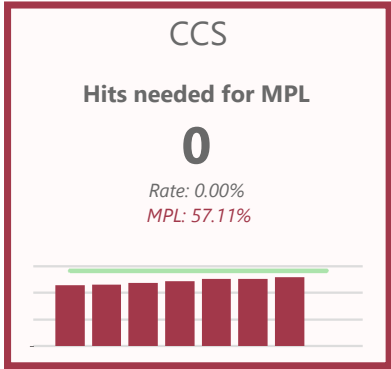
The percentage of members 18–85 years of age who had a diagnosis of hypertension (HTN) and whose BP was adequately controlled (<140/90 mm Hg) during the measurement year.



Cervical Cancer Screening

The percentage of members 21–64 years of age who were recommended for routine cervical cancer screening who were screened for cervical cancer using any of the following criteria:

- Members 21–64 years of age who were recommended for routine cervical cancer screening and had cervical cytology performed within the last 3 years.
- Members 30–64 years of age who were recommended for routine cervical cancer screening and had cervical high-risk human papillomavirus (hrHPV) testing performed within the last 5 years.
- Members 30–64 years of age who were recommended for routine cervical cancer screening and had cervical cytology/high-risk human papillomavirus (hrHPV) cotesting within the last 5 years.



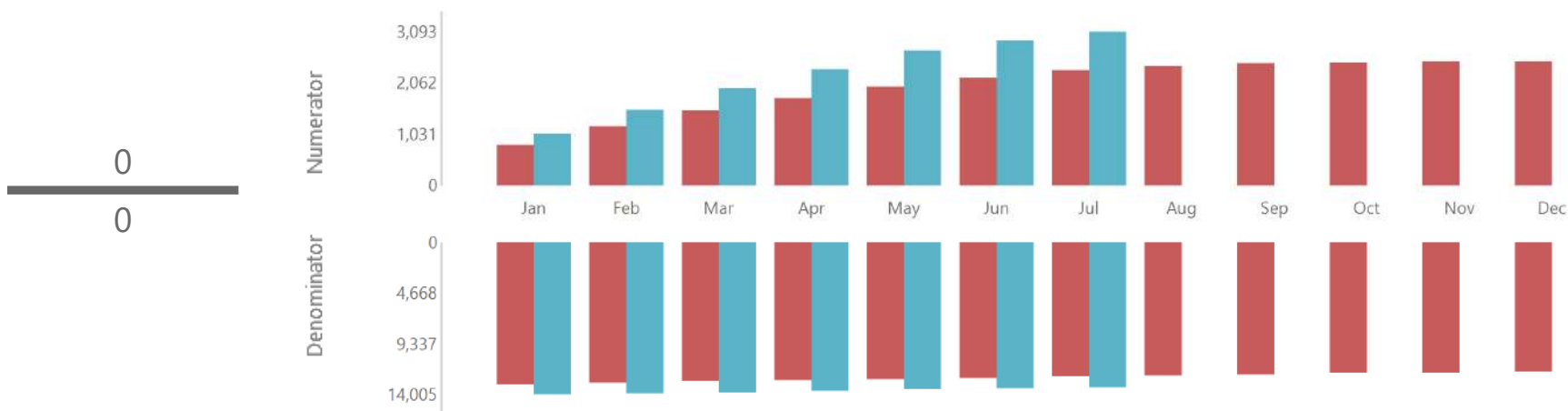
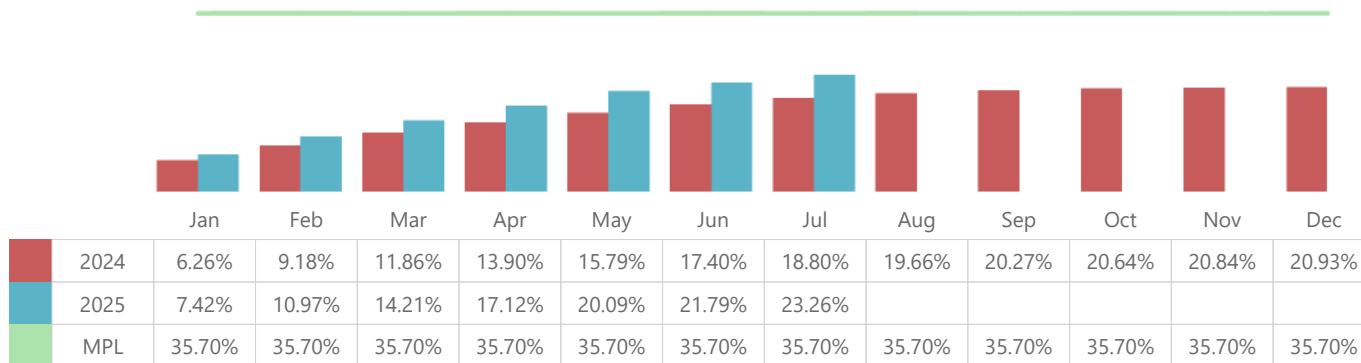
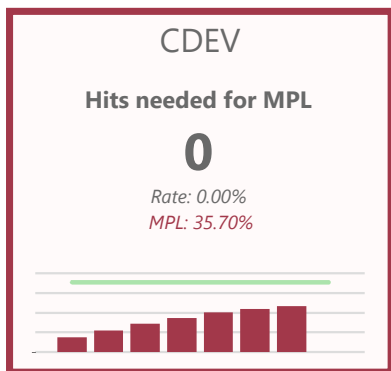
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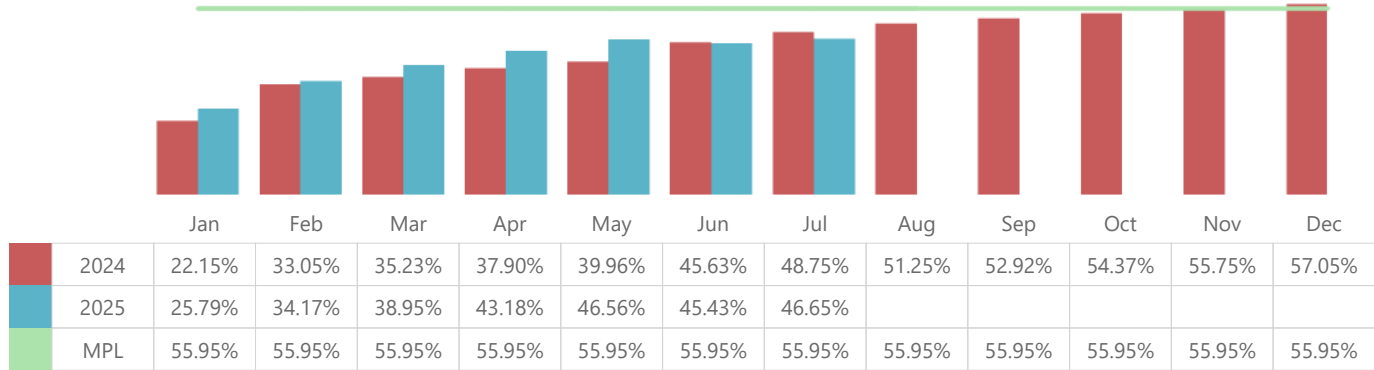
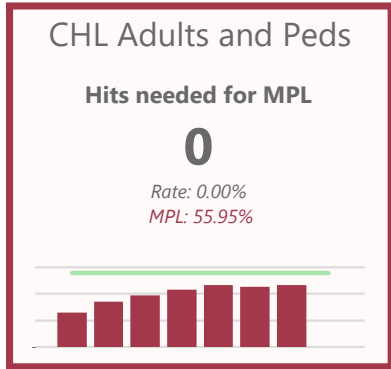
Developmental Screening in the First 3 Years of Life

The percentage of children screened for risk of developmental, behavioral and social delays using a standardized screening tool in the 12 months preceding or on their first, second, or third birthday. This is a composite measure of screening in the first three years of life that includes three, age-specific indicators assessing whether children are screened in the 12 months preceding or on their first, second or third birthday.



Chlamydia Screening in Women

The percentage of members 16–24 years of age who were recommended for routine chlamydia screening, were identified as sexually active and had at least one test for chlamydia during the measurement year.

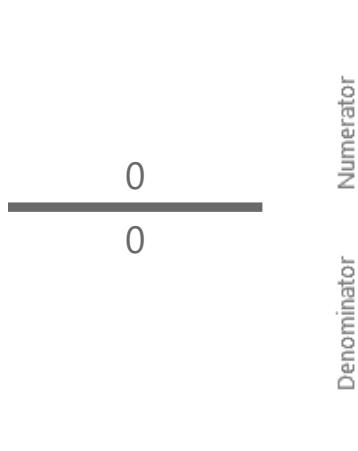
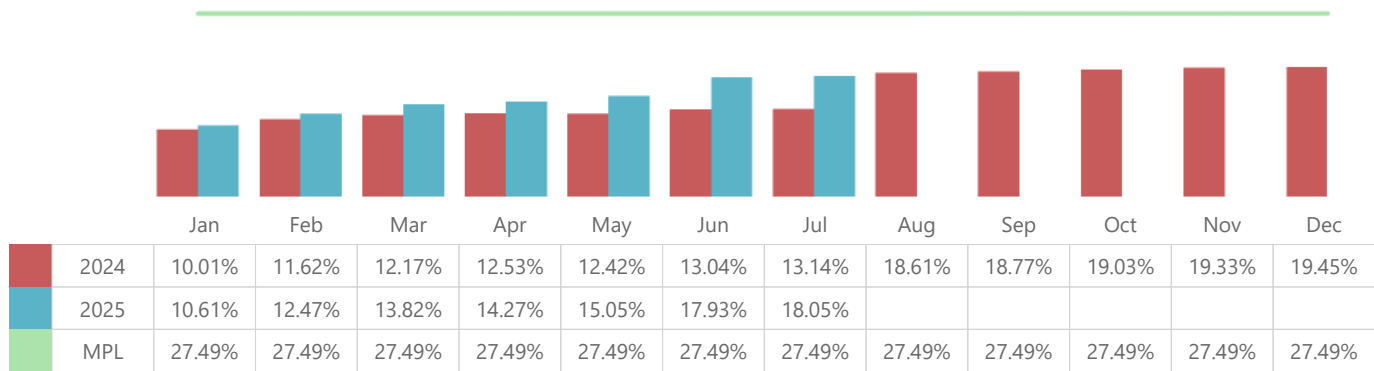


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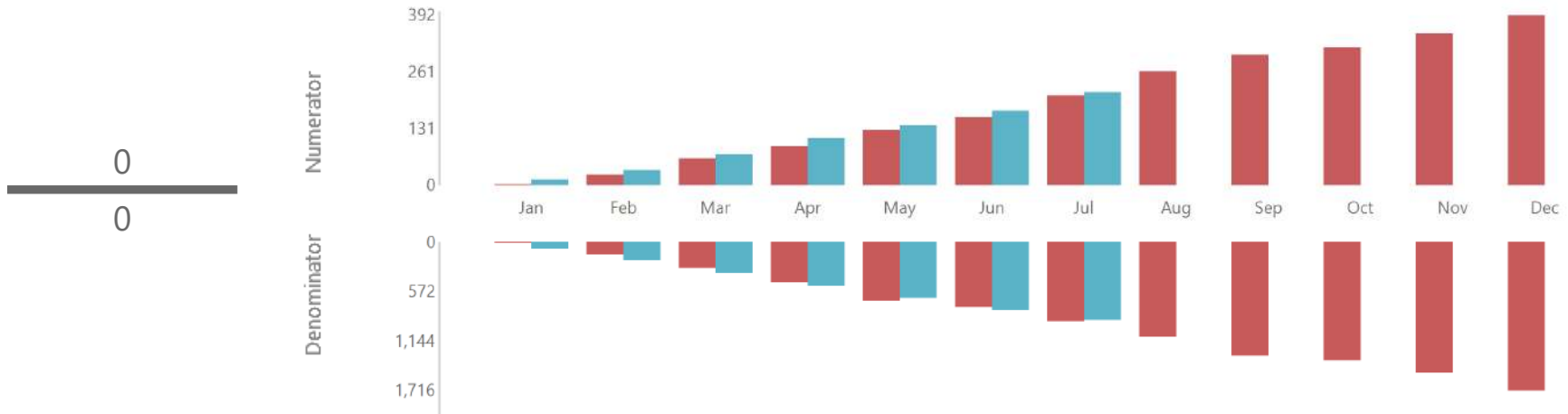
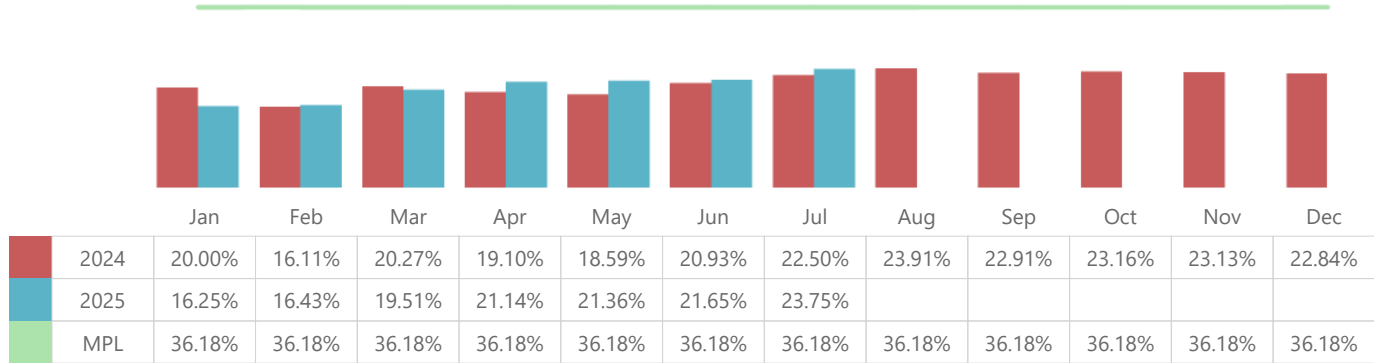
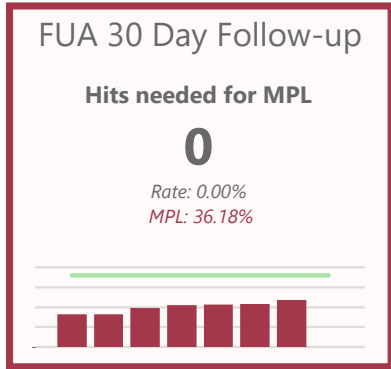
Childhood Immunization Status

The percentage of children 2 years of age who had four diphtheria, tetanus and acellular pertussis (DTaP); three polio (IPV); one measles, mumps and rubella (MMR); three haemophilus influenza type B (HiB); three hepatitis B (HepB), one chicken pox (VZV); four pneumococcal conjugate (PCV); one hepatitis A (HepA); two or three rotavirus (RV); and two influenza (flu) vaccines by their second birthday. The measure calculates a rate for each vaccine and three combination rates.



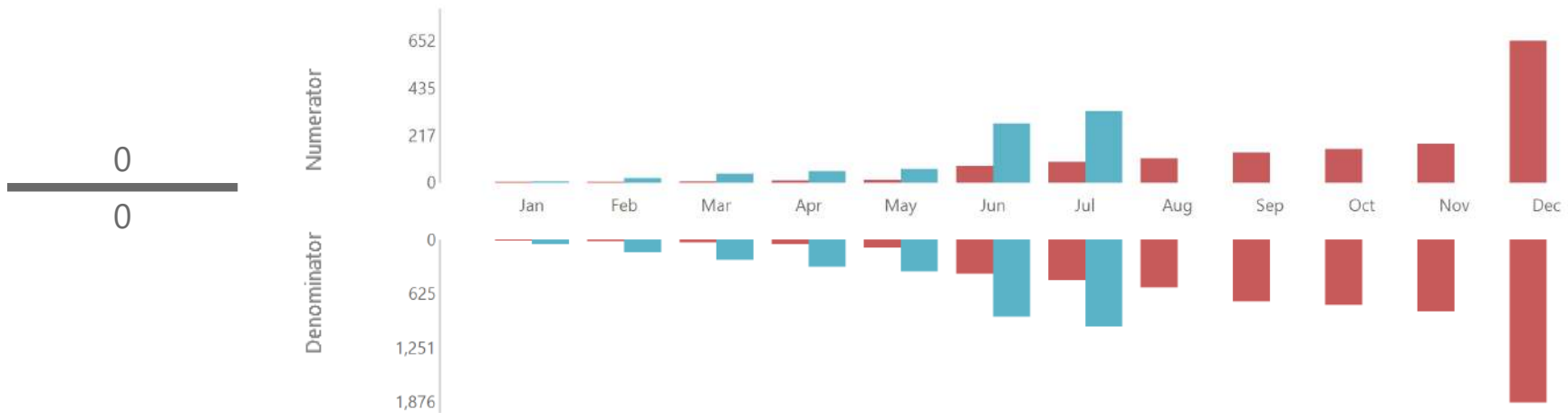
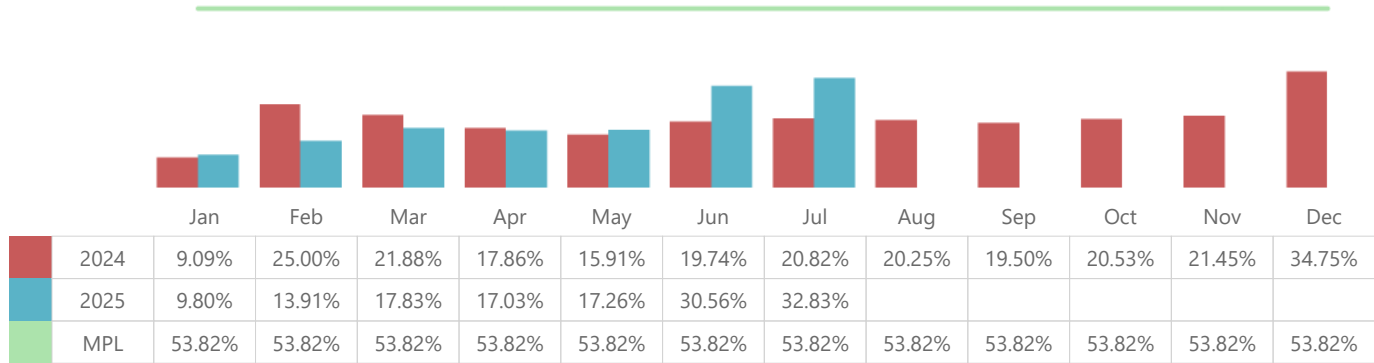
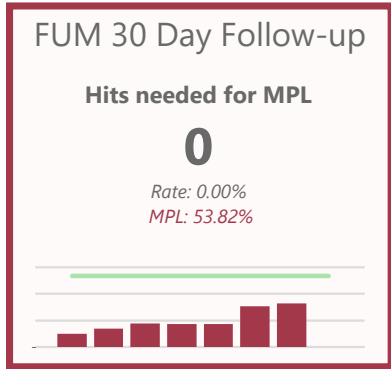
Follow-Up After Emergency Department Visit for Substance Use

The percentage of emergency department (ED) visits among members age 13 years and older with a principal diagnosis of substance use disorder (SUD), or any diagnosis of drug overdose, for which there was follow-up within 30 days of the ED visit.



Follow-Up After Emergency Department Visit for Mental Illness

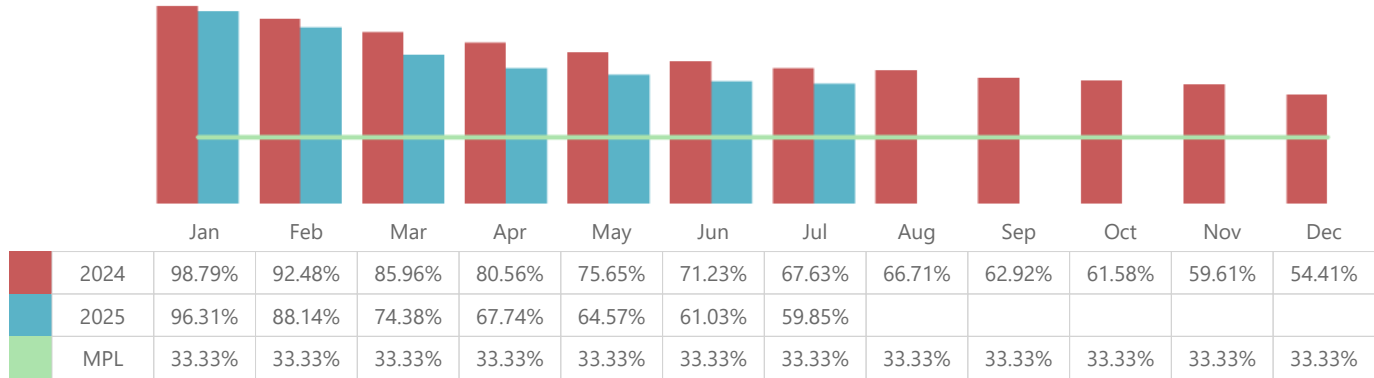
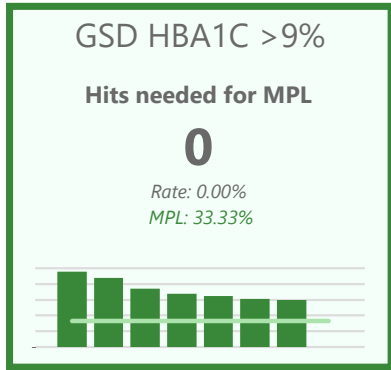
The percentage of emergency department (ED) visits for members 6 years of age and older with a principal diagnosis of mental illness or intentional self-harm, who had a follow-up visit for mental illness within 30 days of the ED visit.



Glycemic Status Assessment for Patients With Diabetes

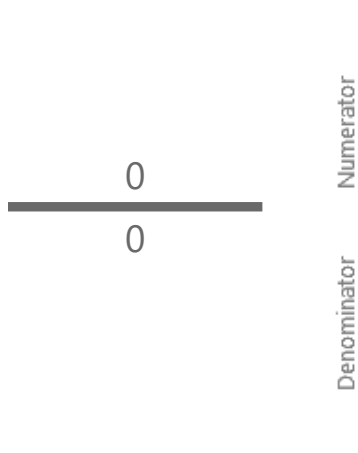
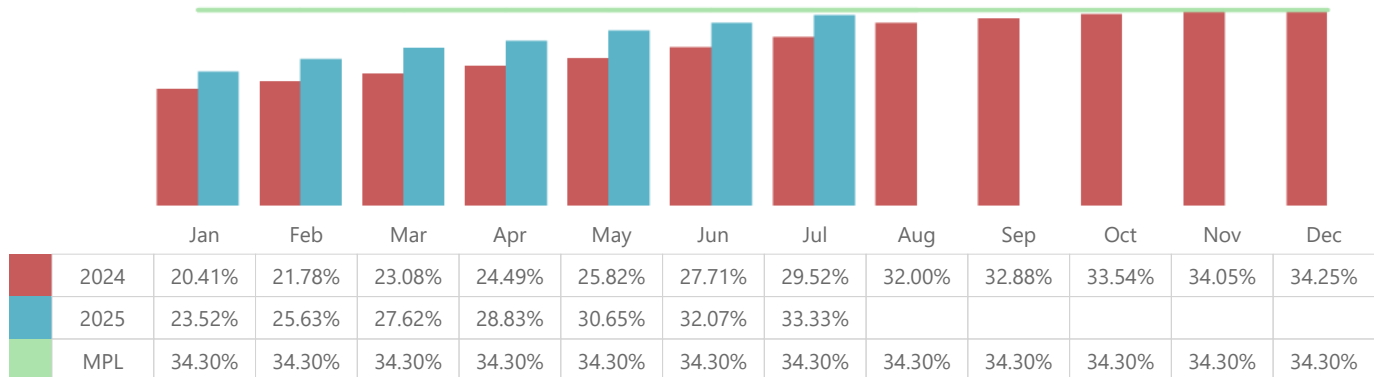
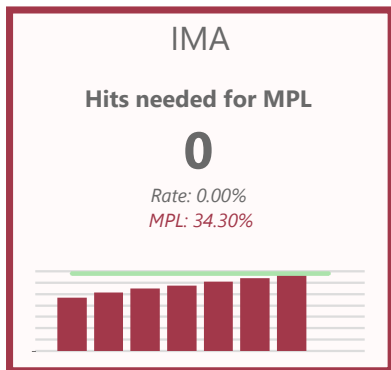
The percentage of members 18–75 years of age with diabetes (types 1 and 2) whose most recent glycemic index (hemoglobin A1c [HbA1c] or glucose management indicator [GMI]) was >9.0% during the measurement year.

Inverted Measure - a lower rate is desired for this measure.



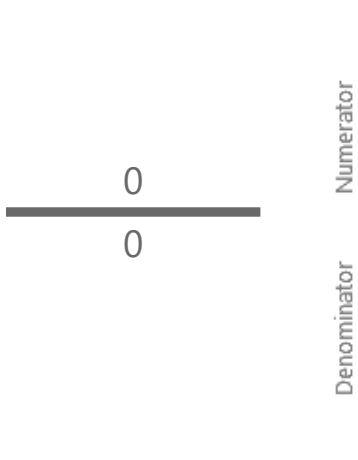
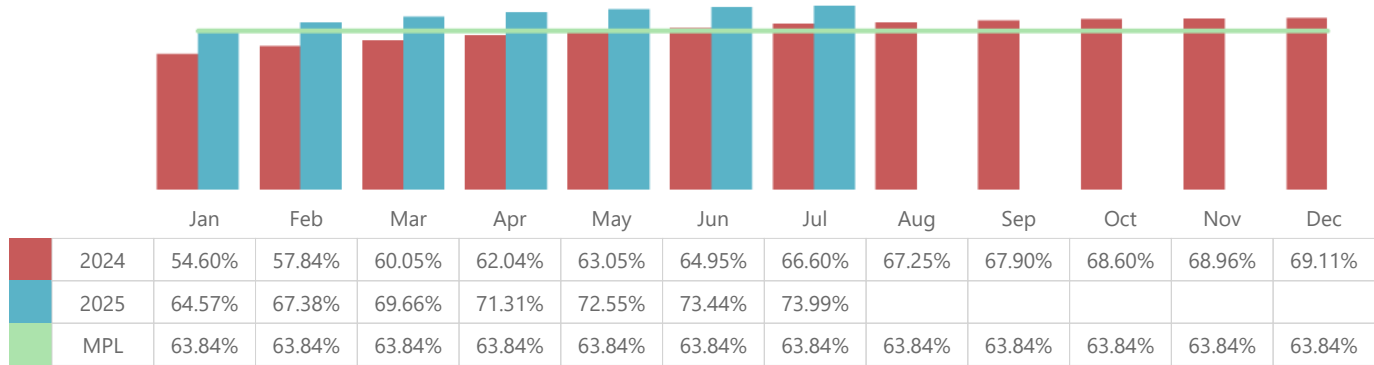
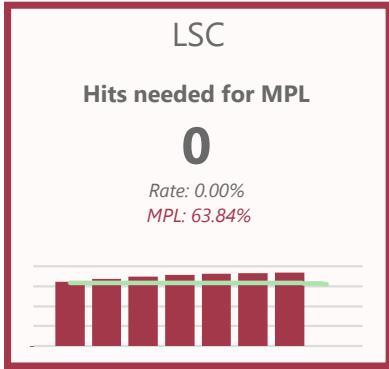
Immunizations for Adolescents

The percentage of adolescents 13 years of age who had one dose of meningococcal vaccine, one tetanus, diphtheria toxoids and acellular pertussis (Tdap) vaccine, and have completed the human papillomavirus (HPV) vaccine series by their 13th birthday. The measure calculates a rate for each vaccine and two combination rates.



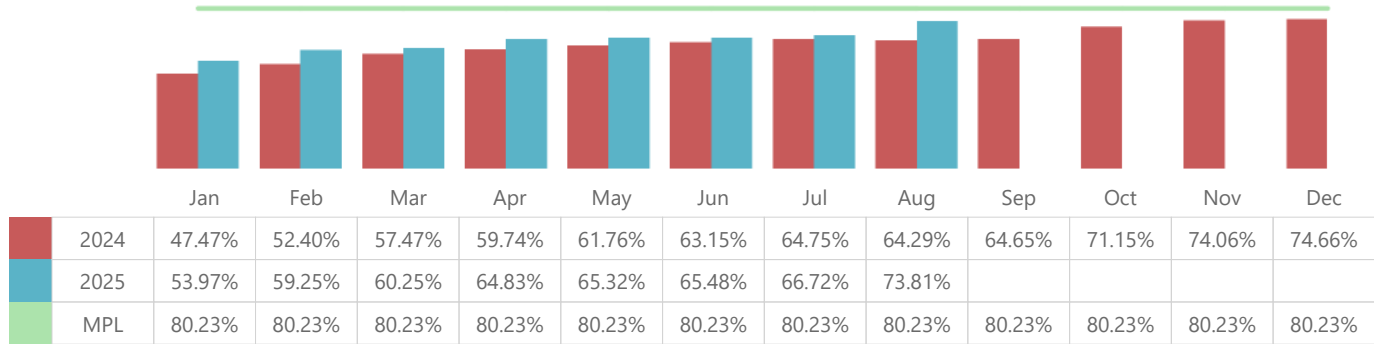
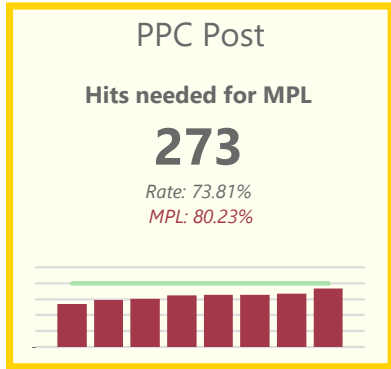
Lead Screening in Children

The percentage of children 2 years of age who had one or more capillary or venous lead blood test for lead poisoning by their second birthday.



Prenatal and Postpartum Care

The percentage of deliveries of live births on or between October 8 of the year prior to the measurement year and October 7 of the measurement year. Postpartum Care. The percentage of deliveries that had a postpartum visit on or between 7 and 84 days after delivery.



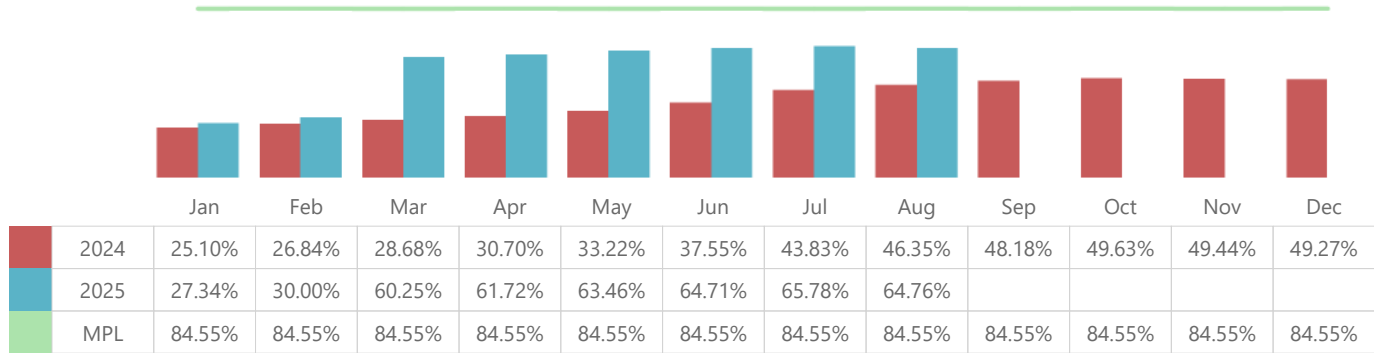
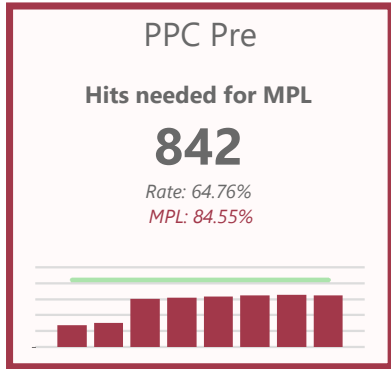
3,143

4,258



Prenatal and Postpartum Care

The percentage of deliveries of live births on or between October 8 of the year prior to the measurement year and October 7 of the measurement year. Timeliness of Prenatal Care.
The percentage of deliveries that received a prenatal care visit in the first trimester, on or before the enrollment start date or within 42 days of enrollment in the organization.



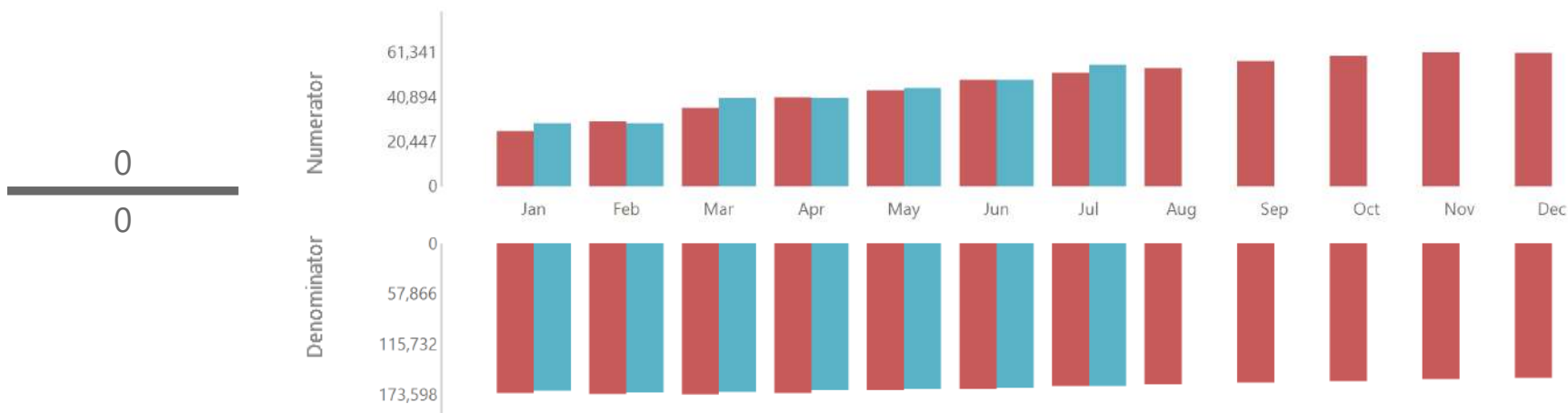
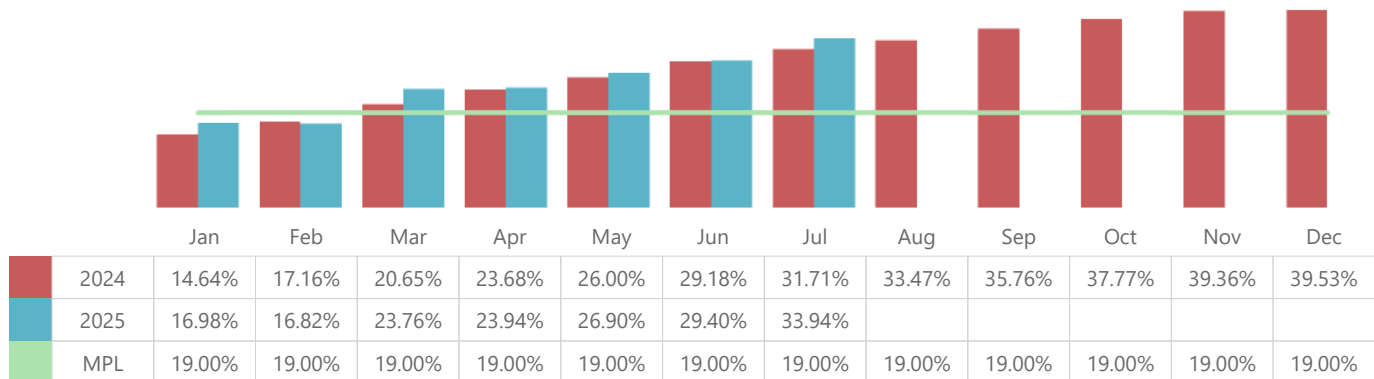
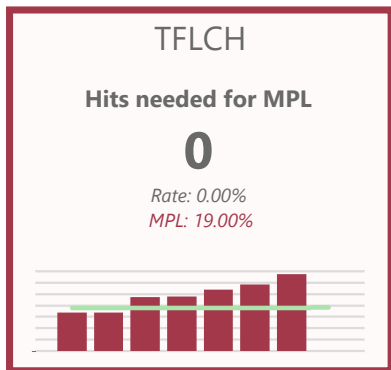
2,758

4,259



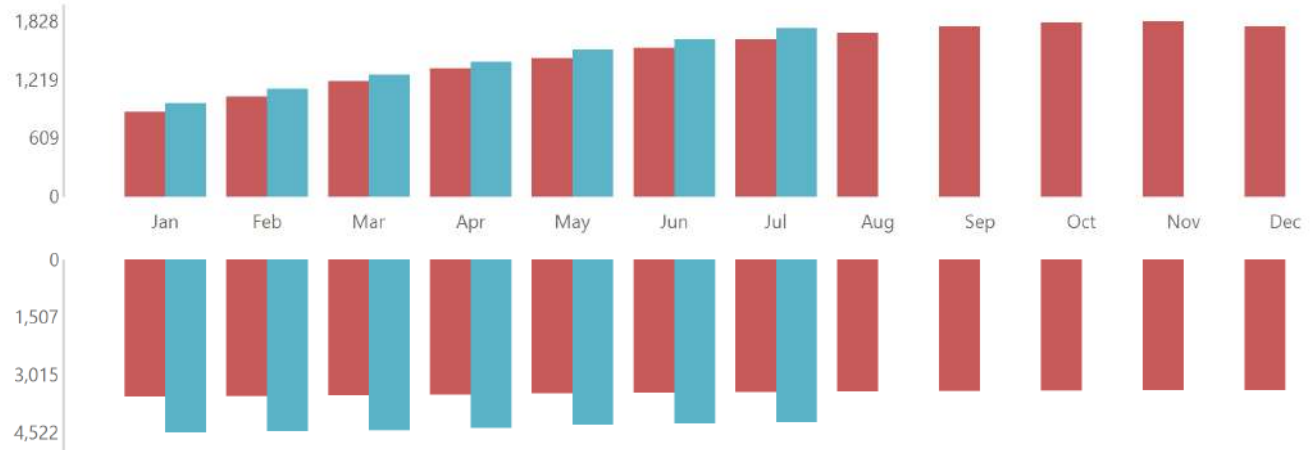
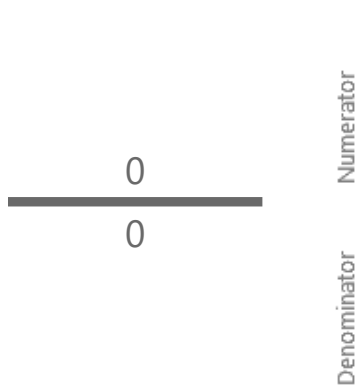
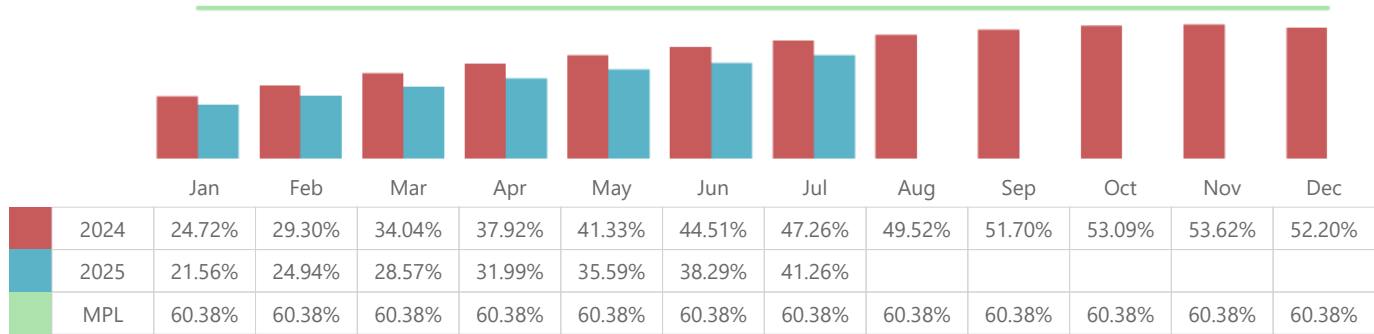
Prevention: Topical Fluoride for Children

Percentage of children aged 1–21 years who received at least 2 topical fluoride applications as (a) dental OR oral health services, (b) dental services, and (c) oral health services within the reporting year.



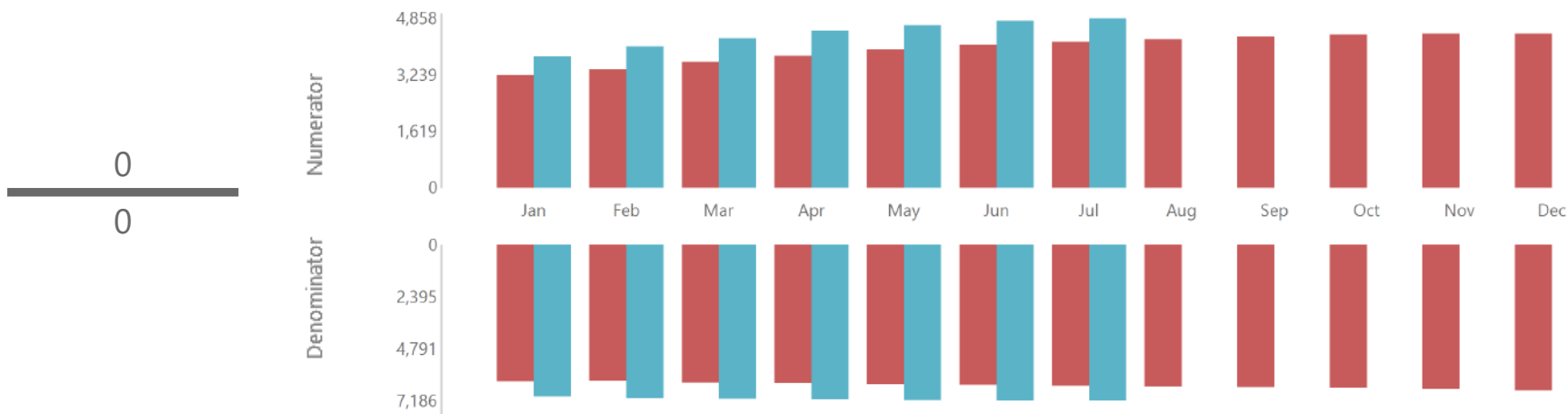
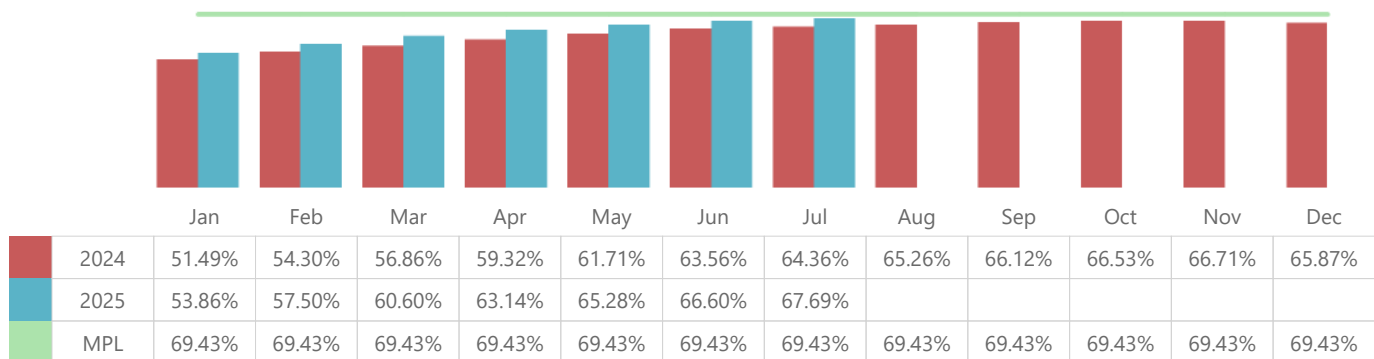
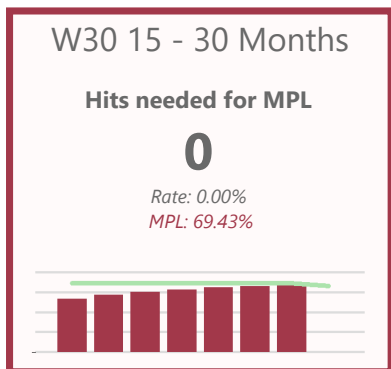
Well-Child Visits in the First 30 Months of Life

The percentage of members who had the following number of well-child visits with a PCP during the last 15 months. Well-Child Visits in the First 15 Months. Children who turned 15 months old during the measurement year: Six or more well-child visits.



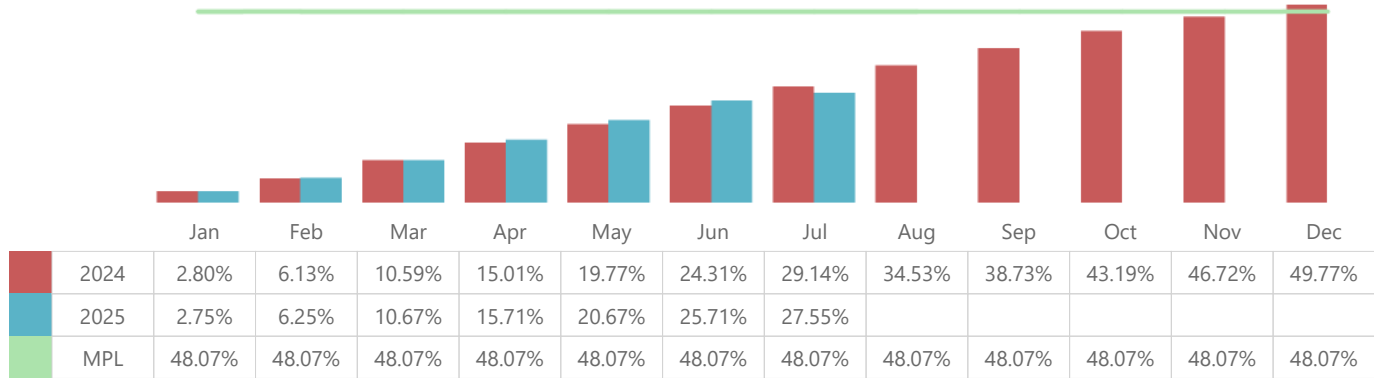
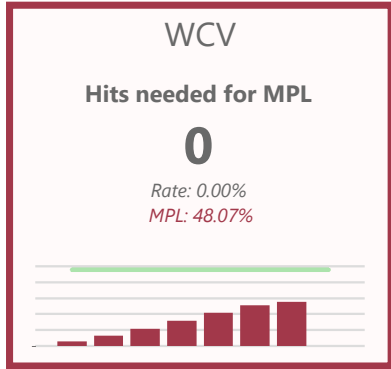
Well-Child Visits in the First 30 Months of Life

The percentage of members who had the following number of well-child visits with a PCP during the last 15 months. Well-Child Visits for Age 15 Months–30 Months. Children who turned 30 months old during the measurement year: Two or more well-child visits.



Child and Adolescent Well-Care Visits

The percentage of members 3–21 years of age who had at least one comprehensive well-care visit with a PCP or an OB/GYN practitioner during the measurement year.

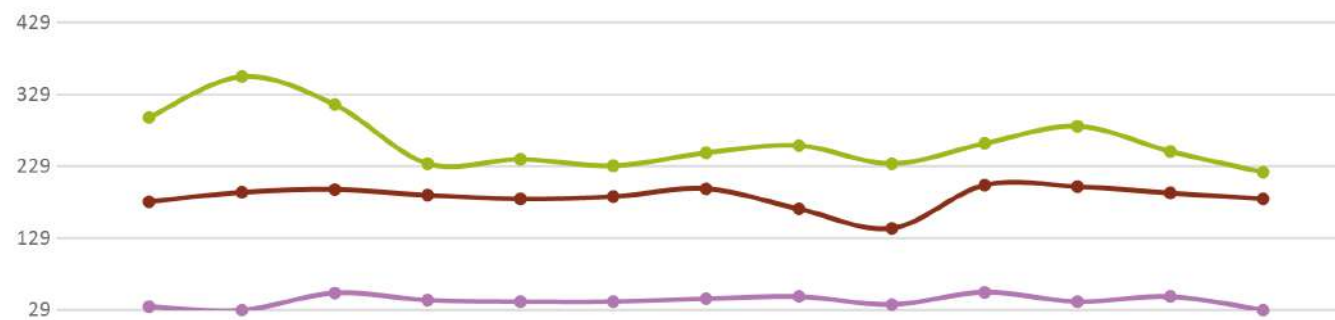
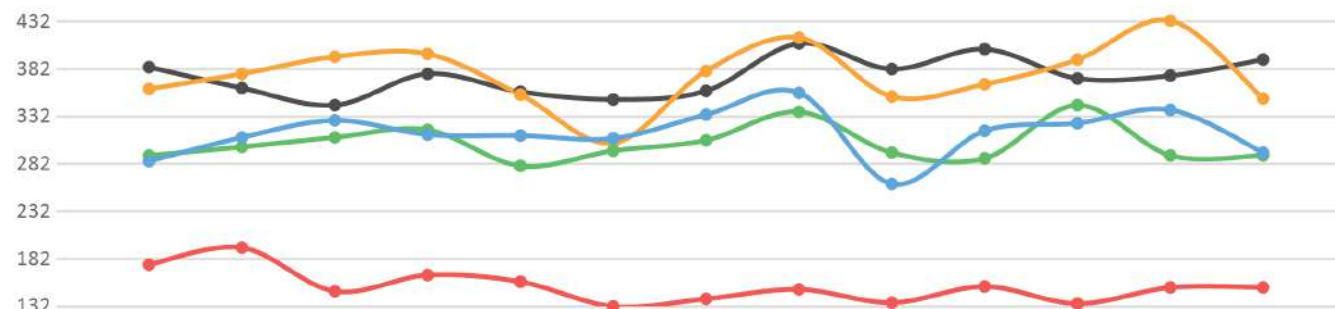


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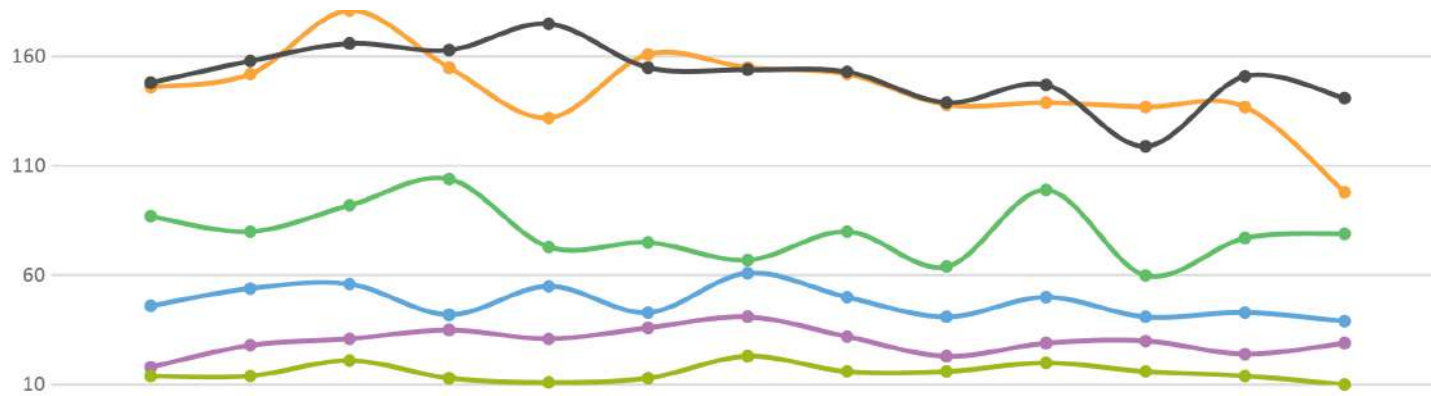
Inpatient Admits by Hospital



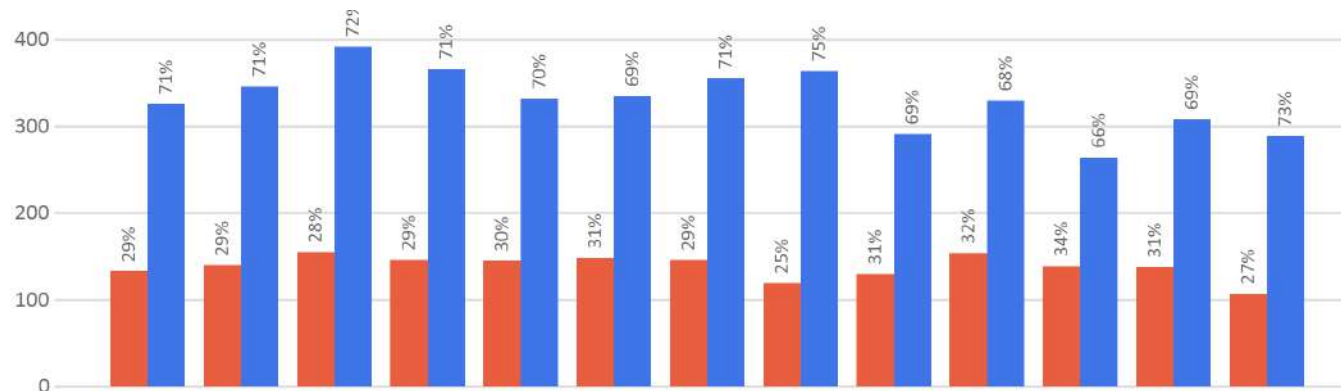
	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
OUT OF AREA	297	354	315	233	239	230	248	258	233	261	285	250	221
OTHER LOCAL HOSPITALS	180	193	197	189	184	187	198	170	143	203	201	192	184
ADVENTIST HEALTH DELANO	34	29	53	43	41	41	45	48	37	54	41	48	29

Governed Reporting System

Obstetrics Metrics



	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
BAKERSFIELD MEMORIAL	148	158	166	163	175	155	154	153	139	147	119	151	141
KERN MEDICAL	146	152	181	155	132	161	155	152	138	139	137	137	98
MERCY HOSPITAL	87	80	92	104	73	75	67	80	64	99	60	77	79
ADVENTIST HEALTH	46	54	56	42	55	43	61	50	41	50	41	43	39
DELANO REGIONAL HOSPITAL	18	28	31	35	31	36	41	32	23	29	30	24	29
OTHER	14	14	21	13	11	13	23	16	16	20	16	14	10



	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
VAGINAL DELIVERY	326	346	392	366	332	335	355	364	291	330	264	308	289
C-SECTION DELIVERY	133	140	155	146	145	148	146	119	130	154	139	138	107



KERN HEALTH SYSTEMS

BOARD OF DIRECTOR'S MEETING



2025

Chief Executive Officer's Report

Emily Duran

August 14, 2025

KHS CORPORATE STRATEGIC PLAN

The KHS strategic plan outlines the priority areas for the organization and serves as a roadmap for 2023 – 2025. Included under **Attachment A: Strategic Plan Status Report - Q2 2025** is a breakdown of the key strategic plan accomplishments from the 2nd Quarter of 2024. Overall, KHS remains on track in accomplishing the strategic goals, as outlined in the attachment.

LEGISLATIVE SUMMARY

Federal – In July 2025, HR1 (One Big Beautiful Bill) passed. This update summarizes key provisions of HR 1 and their potential impact on our health plan. As stated in HR 1 provisions, the implementation timeline spans multiple years, and we are actively reviewing the legislation and preparing for the changes. We anticipate further guidance from CMS and DHCS on implementation.

Key Areas of Impact and Implementation Timelines:

Eligibility Requirements: The bill places a moratorium on the implementation of the September 2023 and March 2024 eligibility final rules (issued by the Biden Administration) until September 30, 2034. It also requires state to regularly obtain beneficiary address information from reliable data sources by October 1, 2029, and verify expansion enrollee's eligibility every six months by December 31, 2026. State must also review the Social Security Administration's Death Master File quarterly.

Work Requirements: Work requirement for able-bodied adults aged 19-64 without dependents (expansion population) are slated for implementation by December 31, 2026. CMS is required to issue an interim final rule by June 1, 2026. CMS can exempt a state from compliance if it is making good faith efforts to comply but is encountering barriers until December 31, 2028.

State Directed Payments (SDPs) and Provider Taxes: The final Senate version removes the proposed moratorium on new provider taxes and increasing provider tax rates. However, for expansion states only, the 6% hold harmless threshold would be gradually lowered by 0.5% per year, starting in FY 2028, until the threshold is 3.5% in FY 2032 (except for nursing facilities and intermediate care facilities). The final bill would also cap reimbursement rates for State Directed Payments at 100% of the equivalent Medicare amount.

MCO Tax: The bill specifies conditions under which a provider tax would not be considered generally redistributive. CMS could apply a transition period of states impacted, not to exceed three fiscal years from the date of enactment. CMS recently released a draft rule that is being considered related to this, which will be impacted by the final bill language.

Cost Sharing Requirements: Require states to enact cost sharing beginning October 1, 2028, for expansion individuals with incomes greater than 100% of federal poverty level (FPL). Cost-sharing levels would be left to the discretion of the states but would be capped at \$35 per service. The final Senate version adds an exception for services provided by federally qualified health centers, certified community behavioral health clinics, or rural health clinics.

Retroactive Coverage: Retroactive Coverage will be limited to one month for the expansion population and two months for the non-expansion beneficiaries, effective for applications made on or after the first day of the first quarter that begins after December 31, 2026.

Abortion Payment Restrictions: There will be restrictions on payments to certain “prohibited entities” that provide abortions effective for one year upon enactment. DHCS has already issued an APL outlining these restrictions and their implications for providers.

Important Note: The Senate version removed the House provision that would have reduced the federal match (FMAP) for states that cover undocumented residents.

Our advocacy is ongoing to ensure proper transitions in the implementation of HR 1. We have already met with Congressman David Valadao to discuss the need for flexibilities in the legislation and a transition period for the MCO tax. Our collaboration with this office, along with partnerships with our healthcare trade associations, continues to strengthen our advocacy efforts. We are dedicated to proactively navigating these changes and will continue to provide updates.



H.R. 1-OBBA, Subtitle B, Chapter 1-Medicaid Summary

The following summary document outlines key Medicaid provisions of H.R. 1 impacting California, including anticipated or known impact at the state, health plan, provider and member level. The summary also outlines effective dates, including whether regulatory guidance is anticipated. LHPC is continuing to engage with the administration, association partners, and other relevant stakeholders to assess the impact and refine our understanding of the rules. As more information becomes available, we intend to iterate on this document for information sharing purposes and to identify advocacy opportunities at both the state and federal level. The timeline below outlines key effective dates, additional details in the table.

Immediate	2025	2026	2027	2028	2029	2030
<ul style="list-style-type: none"> • Provider tax moratorium for new taxes • Uniformity requirement technical effective date • State Directed Payments frozen at current rate and new 50% limited to Medicare max • Cuts to Planned Parenthood • Moratorium on Final Rules Implementation related to Eligibility and Enrollment and LTC Maximum Staffing Levels 	<ul style="list-style-type: none"> • Rural Health Grant Application and Approvals. Approvals must be completed by December 31, 2025 	<ul style="list-style-type: none"> • Alien Medicaid eligibility limitations (October 1) • Expansion FMAP reduction for emergency services (October 1) • Asset limit, reinstatement effective date due to AB 116, H.R. 1 rules do not go into effect until 2028 	<ul style="list-style-type: none"> • Decreased member validation • Increased Frequency of Redeterminations for MCE Population • Limiting retro coverage to 30 days for MCE and 60 days for all others • Work Requirement implementation in first quarter of 2027 (with option to extend until December 2028) • 1115 Waiver Budget Neutrality • Alien Medicare eligibility limitations 	<ul style="list-style-type: none"> • HCBS Eligibility adjustments • Cost-sharing for MCE populations between 100-150% FPL (October 1) • Potential uniformity requirement effective date if CMS grants max transition time • Provider tax phase-down begins (0.5% annually until level reaches 3.5%) • State Directed Payments phase-down begins (10% annually until 100% of Medicare) • Marketplace eligibility enhancements to income and citizenship verification • Decreased provider validation 	<ul style="list-style-type: none"> • Address verification requirements for the State and HHS 	<ul style="list-style-type: none"> • Limitation of HHS authority to waive payment for Medicaid payment error rates in excess of 0.03

State – At the end of June, Governor Newsom signed the state budget (AB/SB116). This update summarizes key highlights related to the Medi-Cal budget and its potential impact on our health plan. Please note, this budget serves as a placeholder, as potential federal changes could trigger a special legislative session in the fall, which may result in modifications.

Key takeaways include:

Enrollment Freeze: The Freeze will apply to undocumented individuals (UIS) aged 19 and older, effective “no sooner than” January 1, 2026. Pregnant individuals losing eligibility will remain covered throughout their pregnancy and for 12 months afterward.

Premiums: Implementation of \$30 monthly premiums for UIS individuals aged 19-59 starting “no sooner” than July 1, 2027, with pregnant women exempt. After 90 days of nonpayment, members will only be eligible for pregnancy-related services and emergency medical treatment and must pay any outstanding balance in full.

Dental: Elimination of state-only dental coverage for UIS population effective July 1, 2026, rather than July 1, 2027. Applies to UIS population 19 years and older.

PPS Rates: Elimination of enhanced rates for FQHCs for state-only funded services for UIS services beginning July 1, 2026

Asset Test: The budget maintains a \$130,000 asset cap for individuals and adds \$65,000 for each additional household member, capping at 10 members, effective January 1, 2026.

Prop 56: Elimination of supplemental Medi-Cal provider payments for dental services no sooner than July 1, 2026. Maintains supplemental payments for family planning and women's health services.

Important Note: The Legislature rejected the Governor's proposal to increase the required Medical Loss Ratio (MLR) from 85% to 90%. Also, the budget did not include language eliminating LTC for the UIS population.

The legislature is currently in recess, and we are closely monitoring legislation that may impact our health plan. We will continue to analyze the budget and trailer bills closely and provide updates as we seek further clarification on its implications for our organization. Additionally, we are currently working with our healthcare trade associations to ensure our voice is heard in Sacramento on priority bills. The 2025 bill tracking document can be found under **Attachment B: Bill Tracking**.

MEDICARE D-SNP

Background

The CalAIM initiative focuses on transforming Medi-Cal to reduce health disparities, improve health outcomes, and enhance care delivery, particularly for the most vulnerable populations. Dual-eligible members, who qualify for both Medicare and Medi-Cal, often face complex healthcare needs and coordination challenges, which led to the creation of Dual Special Needs Plans (D-SNPs). These Medicare Advantage plans provide tailored care coordination and wrap-around services for this population. In alignment with CalAIM's January 1, 2026, timeline, KHS will implement a D-SNP line of business to integrate care across both programs, requiring significant regulatory compliance, new internal infrastructure, and process development.

Update

KHS successfully submitted our bid and our plan benefit package (PBP) to CMS on June 2nd. The bid and PBP submissions required close coordination with our actuaries, Milliman, and our selected pharmacy benefit manager (PBM), MedImpact. Comments and questions received from CMS are being addressed as they are received and are being submitted back within required timeframes.

Implementation with each chosen supplemental benefit vendor has begun including completing required documents to ensure a successful implementation.

Regular implementation meetings with Universal Health Care MSO and MedImpact are occurring to implement the contractual delegated functions.

Ongoing CMS/DHCS model materials are being developed and will be submitted for review as required

ARTIFICIAL INTELLIGENCE AT KERN HEALTH SYSTEMS

In the past month, KHS has implemented an advanced Artificial Intelligence solution to optimize Medical re-enrollment outreach. The system's adaptive capabilities enabled it to accommodate members renewal scenarios and has produced 138,860 outreach calls. Through this deployment, KHS achieved a workforce cost savings of \$1.2 million.

- **Improved Efficiency**

Transitioning to AI-driven solutions improves efficiency and resource allocation, optimizing business operations.

- **Reduced Expenses**

The annual cost of manual outreach calls is \$2,243,791, while the AI solution costs \$386,490 per year, significantly reducing expenses.

- **Significant Savings**

Switching to an AI-driven solution results in net savings of \$1,857,300 annually compared to manual outreach calls.



Current AI Use-Case

Model	
Outreach Demand	17,893

Output	Pre AI	AI
Outreach Capacity	509	5,250
Days to Meet Demand	35	3
Weeks to Meet Demand	7	1

Impact	Pre AI	AI	% Change
Inbound Calls	61	76	25%
Walk-Ins	12	42	250%
Outbound Calls	509	5,250	931%

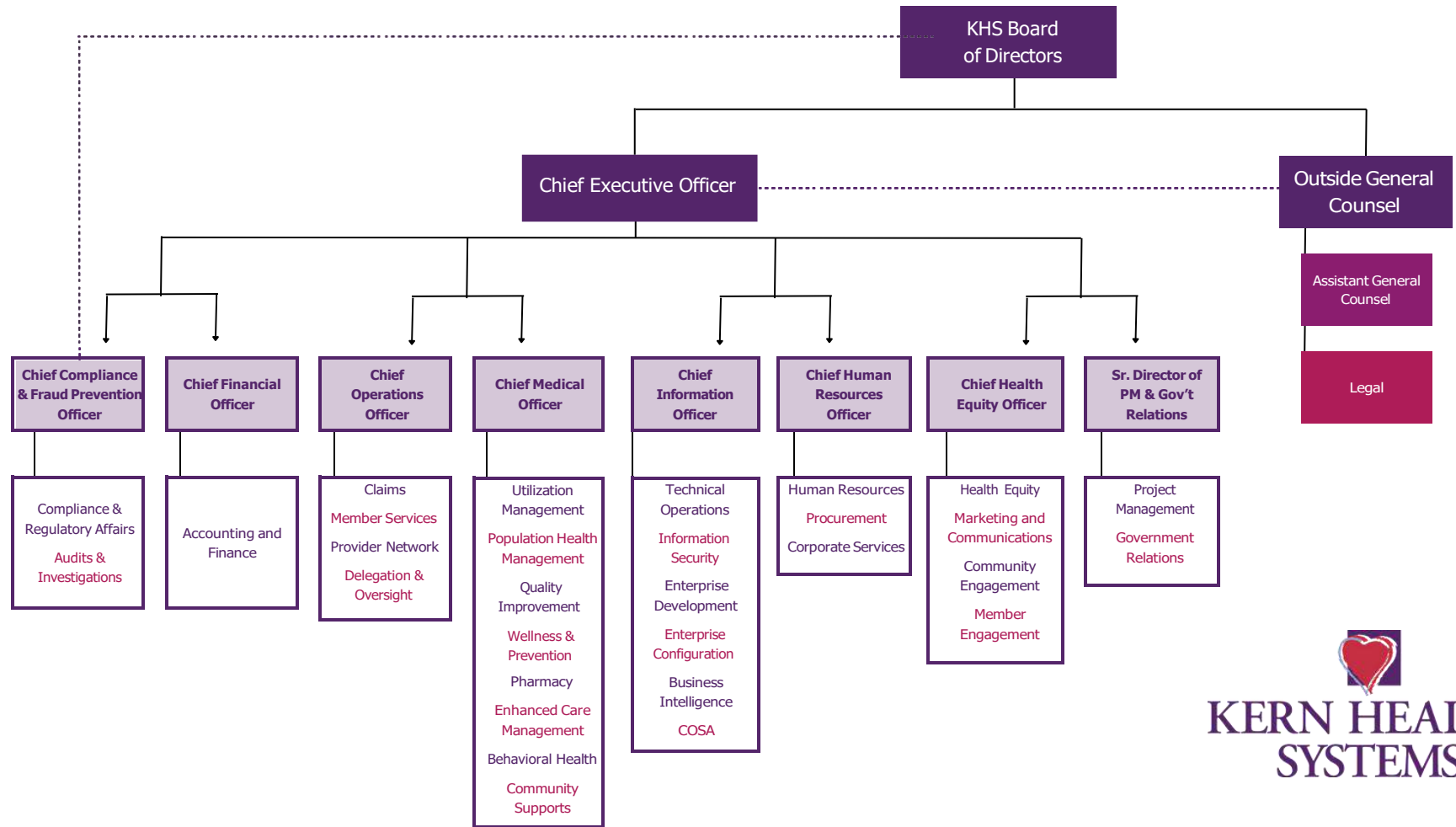
Value	Pre AI	AI	% Change
Member Engagement	73	118	62%

Use-Case	Timeline			
	Aug	Sep	Oct	Nov
Gaps in Care				
Appointment Coordination				
Appointment Reminders				
New Member Orientation				
Population Health Management				
Member Card Request				
Transportation				

KHS LEADERSHIP - ORGANIZATIONAL CHART UPDATE

An updated 2025 Leadership Organization Chart is attached for your reference. This version reflects the addition of our new outside general counsel.

2025 Leadership Organization Chart



COMMUNITY SUPPORT SERVICES

The Community Support Services (CSS) program is part of the CalAIM initiative, which provides members with wrap-around services to address complex medical and health needs. The program also addresses members' health-related social needs, reduces unnecessary hospitalizations, and promotes stability, independence, and overall well-being. Kern Health Systems (KHS) began implementing these services in 2022 and as of today, offers the following 14 services to our members.

1. **Housing Transition Navigation:** Members experiencing homelessness or at risk of experiencing homelessness receive help to find, apply for, and secure housing
2. **Housing Deposits:** Housing Deposits Members receive assistance with housing security deposits, utilities set-up fees, first and last month's rent, and first month of utilities.
3. **Housing Tenancy and Sustainability:** Members receive support to maintain safe and stable tenancy once housing is secured, such as coordination with landlords to address issues, assistance with the annual housing recertification process, and linkage to community resources to prevent eviction
4. **Recuperative Care (Medical Respite):** Members with unstable housing who no longer require hospitalization but still need to heal from an injury or illness, receive short-term residential care.
5. **Short Term Post Hospitalization:** Members who do not have a residence, and who have high medical or mental health and substance use disorder needs, receive short-term housing for up to six months to continue their recovery.
6. **Respite Service:** This provides short-term relief for member caregivers.
7. **Day Habilitation Program:** Members who are experiencing homelessness, are at risk of experiencing homelessness, or formerly experienced homelessness, receive mentoring by a trained caregiver on the self-help, social, and adaptive skills needed to live successfully in the community.
8. **Nursing Facility Transition/Diversion:** Members living at home or in a nursing facility are transferred to an assisted living facility to live in their community and avoid institutionalization in a nursing facility, when possible.
9. **Community Transition:** Members transitioning from a nursing facility to a private residence where they will be responsible for their own expenses, receive funding for set-up services, such as security deposits, set-up fees for utilities, and health-related appliances, such as air conditioners, heaters, or hospital beds.
10. **Personal Care and Homemaker:** Members who require assistance with Activities of Daily Living or Instrumental Activities of Daily Living receive in-home support, such as bathing or feeding, meal preparation, grocery shopping, and accompaniment to medical appointments
11. **Environmental Accessibility:** Members receive physical modifications to their home to ensure their health and safety and allow them to function with greater independence.
12. **Medically Tailored Meals:** Members receive deliveries of nutritious, prepared meals and healthy groceries to support their health needs. Members also receive vouchers for healthy food and/or nutrition education.

13. Sobering Centers: Members who are found to be publicly intoxicated are provided with a short-term, safe, supportive environment in which to become sober.

14. Asthma Remediation: Members receive physical modifications to their homes to avoid acute asthma episodes caused by environmental triggers like mold.

While these services have provided meaningful support to many members, KHS must make strategic decisions to ensure the long-term sustainability and clinical value of its offerings. Internal data and cost analyses indicate that certain services have not yet demonstrated a positive return on investment (ROI), prompting a proposed reduction.

Due to this, KHS has proposed to the Department of Health Care Services (DHCS) to sunset 8 of the current 14 CalAIM community support services, listed below. This decision was based on a comprehensive evaluation of service utilization, cost-effectiveness and member outcomes.

- **Nursing Facility Transition/Diversion, Personal Care and Homemaker, Sobering Centers, Community Transition, Asthma Remediation, Medically Tailored Meals, Day Habilitation Program, and Respite Services.**

KHS will be keeping the housing services as they will assist with the new transitional rent benefit going live in January 2026. Transitional Rent Covers up to six months of rent for members who are experiencing or at risk of homelessness and meet certain additional eligibility criteria. The intention is to reconsider these services in the future if robust evidence emerges that supports clearer, more precise eligibility criteria, along with enhanced flexibility granted by the state to Managed Care Plans. Such flexibility would enable tailored service delivery that directly addresses the unique needs of members who are truly eligible and stand to benefit the most. This targeted approach would reduce the risk of misuse and enhance overall program outcomes.

The discontinuation of these services is scheduled for January 2026, pending DHCS approval, so no formal termination actions have been initiated to date, and Community-Based Organizations or members have not yet received official notifications regarding the upcoming changes. KHS is committed to maintaining transparent communication throughout this process and will collaborate closely with our stakeholders to ensure a member-centered transition.

STUDENT BEHAVIORAL HEALTH INCENTIVE PROGRAM (SBHIP)

Background

The State Budget for 2021 – 2022 included \$13.2 million over three years in incentive funding to build infrastructure, partnerships, and capacity for school behavioral health services in Kern County.

Status Update

Kern County Superintendent of Schools (KCSOS) is the fiduciary intermediary for fund distribution for the SBHIP initiative in Kern County. In total, Kern Health Systems (KHS) was allocated to be awarded \$9,661,335 under the SBHIP program, for which funds are earned through the school districts achieving the established milestones of each targeted intervention. The four domains of focus-- substance use disorder, parenting and family services, behavioral health and wellness, and strengthening partnerships, all focused to improve access and assistance at the school sites through a care delivery system to the students and their families. Data sharing agreements for the exchange of basic student/member information were implemented between KHS and KCSOS, thereby creating a county/district wide electronic records system. KHS, Blue Cross, and Kaiser successfully executed a Memorandum of Understanding (MOU) as required under the SBHIP program to align with DHCS expectations for the project.

KHS was notified of DHCS's approval of the final Project Outcomes Report for all the participating districts for successfully completing their milestones and outcomes. The final distribution of the remaining funding allocations to KHS for the SBHIP project were received April 25, 2025. KCSOS requested to extend their SBHIP agreement with KHS through June 2026 to allow 7 of the 8 districts to fully implement their workplans. This extension will allow for complete implementation of the targeted intervention commitments by each school district as the project transitions to the next phase of behavioral health services integration into the Kern County school districts.

The SBHIP initiative has now transitioned towards a fully operational programs within the Local Education Agency (LEA) system with ongoing support under the Children and Youth Behavioral Health Initiative (CYBHI) in January 2025. Under CYBHI, the Medi-Cal delivery system and commercial health plans will be required to reimburse providers for a predefined set of medically necessary outpatient mental health and substance use disorder services provided to a student, 25 years of age or younger, at or near a school-site. The CYBHI Act requires that DHCS-funded grants achieve four core objectives- build partnerships, capacity, and infrastructure supporting ongoing school-linked behavioral health services for children and youth; expand access to licensed medical and behavioral health professionals, counselors, peer support specialists, community health workers, and behavioral health coaches serving children and youth; build a statewide, community-based organization provider network for behavioral health prevention and treatment services for children and youth; and enhance coordination and partnerships with respect to behavioral health prevention. and treatment services for children and youth via appropriate data sharing systems.

KHS AUGUST 2025 ENROLLMENT:

Member Demographics

Member Age		Ethnicity		Language	
0-5	12%	Hispanic	64%	English	65%
18-Jun	30%	Caucasian	15%	Spanish	33%
19-44	35%	Unknown	12%	Other	2%
45-64	17%	African American	5%		
65+	6%	Asian Indian	2%		
		Filipino	1%		
		Other	1%		

Percentage Increase in Membership from previous month

	Enrollment Type						Total KHS Medi-Cal Managed Care Enrollment
	FAMILY-ADULT	FAMILY-CHILD	FAMILY-OTHERS'	Seniors & Persons with Disabilities (SPDs)	Adult Expansion	Long Term Care	
2025-07	74,837	167,804	25,804	20,444	117,328	495	406,712
2025-08	73,928	166,720	25,741	20,283	115,498	481	402,651
% Change	-1.2%	-0.6%	-0.2%	-0.8%	-1.6%	-2.8%	-1.0%

Enrollment Update: The “automated discontinuance process” for Medi-Cal Redeterminations continues when beneficiaries do not complete the Annual Eligibility Redetermination process. Most of the Public Health Emergency (PHE) eligibility flexibilities expired on June 30, 2025. Many fewer Medi-Cal eligibles go through the ex parte process – or “happy path” – for Medi-Cal renewals (the Kern County auto-renewal rate dropped from 80% to less than 40%). Rather, they need to complete the manual Medi-Cal redetermination process (more than 60% in Kern County).

COMMUNITY EVENTS

Due to anticipated budget constraints, KHS is scaling back on community sponsorships. We believe our community partners will be understanding and we will continue to support our members directly.

KHS will share sponsorship in the following events in August and September:

Organization Name	Event Name	Purpose	Donated Amount
Southern Kern Unified School District	2nd Annual Ice Cream Social & Backpack Giveaway	Support the purchase of educationally appropriate items for the 2025-2026 school year.	\$1,000
Mojave Chamber of Commerce	National Night Out & Back-to-School event	Provide backpacks and essential school supplies for students. This special community celebration will bring together local families, businesses, and first responders to create a safe and engaging environment for children in the East Kern communities of Mojave, Boron, Rosamond, and California City.	\$500
The Blessing Corner	Annual Back2School Fun Day	Support families by providing children with immunizations, health screenings, dental and hygiene kits, Black infant health information, and nutrition tips. Families will also receive free haircuts, backpacks, school supplies, school clothes, shoes, and other essentials for the new school year.	\$3,000

Organization Name	Event Name	Purpose	Donated Amount
Vision y Compromiso	Back to School Summer Fest	This event will provide food, resources, backpacks and school supplies to kids in the community before returning to school.	\$2,500
Kern Medical Center	KM Party in the Parking Lot	This event will offer wellness checks, immunizations, food, haircuts, backpacks, and Medi-Cal renewal assistance.	\$2,000
Kern County Hispanic Chamber of Commerce	28th Annual Hispanic Business Expo	Participants can explore Expo section where dozens of local businesses will be on hand to meet with consumers and share valuable information while networking at the social to wrap up and celebrate the day's successes.	\$1,500
Grindstone Inc.	Math, English, and Stem Advance Learning Summer Program	Strive to impact the community in Academics pertaining to Math, English and STEM Boot Camps, Food Box Distribution, and providing solutions to problems in our communities.	\$3,000
2025 River Rhythms Summer Concert Series in the Kern River Valley and Kern Valley Healthcare District Crab Fest and Health Fair	Kern Valley Hospital Foundation	Sponsorship of events in the Kern River Valley (River Rhythms, Crab Fest, KVHD Health Fair) support the Kern Valley Hospital Foundation.	\$5,000
Greater Bakersfield Legal Assistance, Inc.	Gala & Recognition Ceremony	Funds raised will go towards GBLA to keep promoting social change and justice by providing free high quality legal services to the low-income and elderly community. Assistance with navigating healthcare system when services are denied.	\$2,000
Kern Dance Alliance	MOVE	Transform our communities through arts-based healthcare, education, and community building initiatives focused on using the arts to promote economic development and prosperity in the Central Valley.	\$5,000
Kern County Cancer Foundation	Kern Cancer Run/Walk Festival	A dual purpose: to raise funds and awareness for local kids who are bravely battling cancer, all while creating a fun and supportive community event.	\$1,000
Bakersfield Memorial Hospital Foundation	Starry Nights	Funds raised will support Bakersfield Memorial Hospital's Imaging Campaign.	\$3,500
Habitat for Humanity Golden Empire Inc.	Harvest for Habitat	Proceeds support the Habitat for Humanity Golden Empire in serving families in Kern County. Beyond helping families buy and repair homes, Habitat for Humanity empowers communities to help families access safe, decent, and affordable homes.	\$2,500
Bakersfield Museum of Art	BMoA Community Events - Celebrate Pride & Family Day	Benefits the ArtWorks program, which features high school juniors and seniors from Kern County. Additionally, the museum hosts events like Art After Dark and Family Day's, which bring art projects, live music, and performances to downtown Bakersfield.	\$2,000
American Cancer Society	Relay for Life - Tehachapi Bark for Life	Proceeds benefit American Cancer Society efforts to prevent, detect, treat cancer and community education.	\$3,333

KHS will also participate in the following events in August and September:

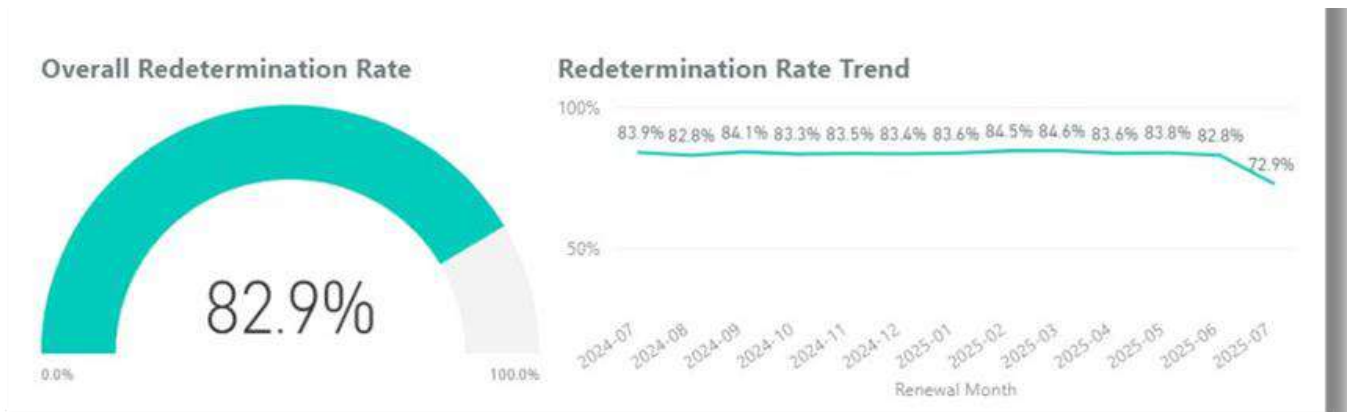
Organization Name	Event Name	Location	Date	Time
Fellowship Baptist Church	Back to School Backpack Giveaway	3001 Stine Rd. Bakersfield, CA 93309	8/2/2025	8:30am - 1:30pm
Golden Hills Community Services District	Community Partners Day	21415 Reeves St. Tehachapi, CA 93561	8/2/2025	9:00am-12:00pm
CAPK - Friendship House Community Center	School Backpack Giveaway and More	2424 Cottonwood Rd. Bakersfield, CA 93307	8/2/2025	9:00am - 12:00pm
Chase Bank	Back-To-School Backpack & School Supply Giveaway	2631 Oswell St. Bakersfield, CA 93306	8/5/2025	9:00am - 11:00am
Kern County Department of Child Support Services	Ready-Set Back 2 School Health and Wellness Fair	3801 Chester Ave. Bakersfield, CA 93301	8/7/2025	9:00am - 12:00pm
La Campesina Radio	Cuadrilla de La Semana	TBD	8/7/2025	10:00am - 12:00pm
Mojave Unified School District	Informational Back to School Bash	19950 Hacienda Blvd. California City, CA 93505	8/8/2025	3:30pm - 6:30pm
South High School	Back-to-School Resource Fair	1101 Planz Road Bakersfield, CA 93304	8/8/2025	10:00am - 2:00pm
Safe Haven Kids' League	Annual Back to School Backpack Giveaway	10350 Heather Ave. California City, CA 93505	8/9/2025	1:00pm - 5:00pm
Mojave Unified School District	Informational Back to School Bash	15800 O St. Mojave, CA 93501	8/9/2025	4:00pm - 6:00pm
CAPK	National Farmers Market Week Celebration	2819 F St. Bakersfield, CA 93301	8/9/025	7:45am - 12:00pm
Alzheimer's Disease Association (ADAKC)	Caring for the Caregiver Conference	The Bakersfield Marriott, 801 Truxtun Avenue, Bakersfield, CA 93301	8/9/2025	8:00am - 1:00pm
California Department of Corrections and Rehabilitation	2025 Parole and Community Team (PACT)	3201 F St. Bakersfield, CA 93301	8/13/2025	10:00am - 12:00pm
Beyond the Stars No Limits	2nd Annual Back to School Mental Health Check-In	1000 S Owens St. Bakersfield, CA 93307	8/16/2025	10:00am - 1:00pm

Organization Name	Event Name	Location	Date	Time
Free Will Baptist Church	Wasco Resource Fair	938 7th Street Wasco, CA 93280	8/16/2025	9:00am - 1:00pm
Ridgecrest Kiwanis Club	Child Spree	201 E. Bowman Road Ridgecrest, CA 93555	8/16/2025	7:00am - 9:00am
Almond Tree Middle School	Resource Fair	200 W. 15th Ave. Delano, CA 93215	8/20/2025	4:00pm - 7:00pm
Cerro Coso Community College	Cerro Coso Rocks	3000 College Heights Blvd. Ridgecrest, CA 93555	8/21/2025	2:30pm - 6:00pm
Save A Life Today (SALT)	Stomp Out Suicide Walk/Run	Riverwalk Park 11298 Stockdale Hwy. Bakersfield, CA 93311	9/6/2025	7:00am - 11:00am
Cirugia Sin Fronteras	7th Annual “Sharing the Hope” Health Fair	Yokuts Park, 4200 Empire Dr. Bakersfield, CA 93309	9/6/2025	8:00am - 1:00pm
Shafter Family Resource Center	Attendance Launch	340 S. Valley Shafter, CA 93263	9/22/2025	5:00pm - 7:00pm

Medi-Cal Renewal Updates

As anticipated, in July we experienced a substantial increase in the number of members who need to renew their Medi-Cal. This workload will continue each month. We continue to collaborate closely with the county to ensure continuity of care for our members. We are having weekly meetings with Kern County Human Services leadership due to the increase in this critical work. KFHC continues direct outreach activities to members who must complete the Medi-Cal renewal process or those in a hold status who have 90 days (from disenrollment date) to complete their renewal to be retroactively enrolled to their disenrollment date. The daily data Kern County Human Services provides to KFHC power these activities. Previously we were receiving weekly files from the county, however due to current outreach efforts, they are now providing daily data files. Member communications include: text messages, mail, phone calls, in person, and the KFHC member portal. We are experiencing great success with our AI phone outreach campaign that allows us to attempt multiple phone calls to all members who must renew their Medi-Cal, including daily calls to those nearing their disenroll date and those who have disenrolled and are in the 90 day grace period. We are also working closely with safety net providers by sharing renewal data and supporting renewal assistance efforts. KFHC also shares the data with member facing staff (screen pop) and providers (KFHC provider portal) and works with local Medi-Cal enrollment entities and community-based organizations to support Medi-Cal renewal efforts.

Below are Medi-Cal Redetermination Trending Rates.



KFHC Media Clips

We compiled local media coverage that KHS received in June 2025-July 2025. Please see

[Attachment C: Public Relations and Publicity Media Clips.](#)

KHS MEMBER ENGAGEMENT | COMMUNITY HIGHLIGHTS

Babies in Bloom - Lamont/Arvin Baby Shower

Kern Family Health Care recently hosted a special baby shower event for our members in the Lamont and Arvin communities, celebrating and supporting expectant parents with a day of care, connection, and resources. Attendees enjoyed a sit-down lunch, received diaper bags filled with essentials and educational materials, and participated in raffles, maternity photoshoots, and several personal care wellness stations. The event featured informative presentations and booths from partners including CAPK, Clinica Sierra Vista WIC, Dr. Philipp R. Melendez, and KFHC departments such as Behavioral Health, Wellness & Prevention, and Population Health Management. Additional support was provided by KFHC Member Services, Cultural & Linguistics, Community Engagement, and RN staff.



KHS MEMBER ENGAGEMENT | COMMUNITY HIGHLIGHTS

Supporting Kern County Veterans Through Permanent Housing

Kern Family Health Care (KFHC) is proud to support the upcoming launch of Covery Cottages, a permanent housing community created specifically for veterans aged 55 and older.

Through a \$500,000 grant awarded to the California Veterans Assistance Foundation, KFHC helped bring this critical project to life. Covery Cottages will provide 12 fully equipped studio apartments and a dedicated community space for veterans who are experiencing or at risk of homelessness.

This initiative reflects our unwavering commitment to the wellbeing of vulnerable populations. By investing in long-term, stable housing, KFHC is helping ensure that those who have served our country are honored with the dignity, stability, and support they deserve.

This milestone not only advances housing equity in Kern County, but also exemplifies our values in action—especially Equity, Compassion, and Innovation—as we continue to address social determinants of health in meaningful ways



COMMUNITY HEALTH - YOUTH PARTNERSHIPS

Youth Housing Milestone: Elevate Apartments Opens for At-Risk Young Adults

Kern Family Health Care (KFHC) proudly joined community partners last week to celebrate the grand opening of Elevate Apartments—a transformative 36-unit, non-congregate housing development designed for young adults ages 18–24 who are experiencing or at risk of homelessness.

This milestone project was made possible in part through a \$1.3 million investment from KFHC via the Housing and Homelessness Incentive Program (HHIP). More than just housing, Elevate Apartments offer residents a path forward—providing access to job training, healthcare, and long-term housing support.

By supporting Elevate, KFHC continues to address the root causes of homelessness and health inequity, while promoting stability, opportunity, and hope for some of Kern County’s most vulnerable youth. This project reinforces our core values of Equity, Innovation, and Compassion, while advancing our strategic commitment to improving health outcomes through upstream community investments.



ELEVATE

Care on Wheels

KHS partnered with Kern Medical to host an onsite mobile wellness clinic dedicated to improving access to preventive care for our 2025 summer extern cohort. This initiative offered externs a unique opportunity to prioritize their own health while deepening their understanding of KFHC's member-centered approach to care.

Led by our Quality Performance team with support from Human Resources, the clinic provided wellness checks and closed care gaps for 22 of the 30 participating externs, many of whom fall within populations measured under the Managed Care Accountability Set (MCAS)—particularly within the children's domain of care.

This effort not only advanced whole-person care and improved health outcomes for our future workforce, but also supported our organization's broader MCAS performance goals. It exemplifies our commitment to Access, Equity, and Innovation, while reinforcing KFHC's mission to care for our community through strategic, preventive, and inclusive healthcare solutions.



KHS PROVIDER HIGHLIGHTS

Cerro Coso Community College

The KHS team conducted a site visit to Cerro Coso Community College in Ridgecrest, CA where team members had discussions around the nursing program that is in development, mobile units, nutrition, and access to non-academic resources for the students such as behavioral health. Despite being a geographically isolated community, Ridgecrest is making significant strides in expanding healthcare education and services, demonstrating both resilience and commitment to long-term impact.



KHS ORGANIZATIONAL HIGHLIGHTS

Houchin Community - Blood Drive

This month, more than 50 KHS employees participated in an onsite blood drive hosted in partnership with Houchin Blood Bank. Their collective effort directly supports the urgent, ongoing need for blood and platelets across the nation—where someone requires a blood donation every two seconds.

From trauma victims to cancer patients and newborns, blood donations are critical to saving lives. Our employees' compassion and generosity are a reflection of our commitment to community wellness and service.

This successful turnout exemplifies our values and serves as yet another example of how our employees go beyond their daily roles to make a meaningful difference in the lives of others.



HOUCHIN 
COMMUNITY BLOOD BANK



Juneteenth Panel Discussion

In recognition of Juneteenth, KHS proudly hosted a special panel discussion to honor the history, significance, and ongoing impact of this important day in American history. Juneteenth serves as a powerful reminder that freedom is not just a moment in time, but a continued journey toward equity, justice, and inclusion.

The event featured insightful contributions from esteemed community leaders, including Dr. Steven Bloomberg, Michael Bowers, Tee Daniels, and Dr. Shaylyn Marks, who shared personal perspectives and historical context surrounding Juneteenth's legacy.

This meaningful dialogue reflects our ongoing commitment to listening, learning, and leading with compassion—and reinforces the values of Equity, Integrity, and Collaboration as we work to foster a more inclusive and informed workplace and community.



Employee Volunteer Impact

Earlier this July, employees demonstrated their commitment to community service through two impactful volunteer efforts.

Fifteen team members volunteered at the Community Action Partnership of Kern (CAPK), where they supported the USDA-funded Senior Food Program. This initiative provides low-income seniors with monthly 30-pound boxes of nutritious staples such as milk, cereal, fruits, vegetables, and proteins. During a single shift, our employees packed an impressive 14 pallets—totaling 672 food boxes—to help ensure hundreds of local seniors receive essential nourishment.

The following weekend, ten KHS volunteers served at the Bakersfield Homeless Center, preparing and distributing 100 meals to individuals experiencing homelessness. With compassion and a welcoming spirit, our team offered more than food—they extended dignity, kindness, and a sense of connection.

These back-to-back weekends of service exemplify how our employees live out our core values—beyond the workplace. Through their time, energy, and heartfelt dedication, our staff continue to make a tangible difference in the lives of the communities we serve.





Strategic Plan Status Report: Q2 2025

Goal 1	
Goal Name Description	<u>Quality and Equity</u> Deliver exceptional quality outcomes and health equity for KHS members
Strategy 1	Increase overall quality with a drive toward achieving Managed Care Accountability Set (MCAS) Minimum Performance Levels (MPL) and closing disparity gaps.
Accomplishments	<ul style="list-style-type: none"> The annual MCAS audit was finalized in June. Preliminary rates reflect MPL achieved for 12 MCAS measures and within 5% of MPL for 3 additional measures. Member Incentives Program expanded for children's domain of care, focused on infants and teens. Partnership with the California Immunization Registry (CAIR) established and routine provider level usage reports provided monthly to identify opportunities for education and improvement. In alignment with DHCS' bold goals, the Well-Child Visits (WCV) MCAS measure is driving member outreach with a focus on non-engaged members with historical gap closure. Multiple Primary Care Providers conducted evening and weekend clinics to improve access and availability for well-care visits.
Strategy 2	Meet National Committee for Quality Assurance (NCQA) standards and work toward accreditation.
Accomplishments	<ul style="list-style-type: none"> Submitted survey evidence for Health Plan Accreditation on 4/8/2025. Submitted survey evidence for Health Equity on 6/10/2025. Mock audit file reviews completed for Utilization Management, Population Health Management and Credentialing. Health Plan awarded accredited status as of 6/10/2025. Continued configuration efforts for internal regulatory software for on-going monitoring of NCQA standard compliance.
Strategy 3	Further maturity of the organization's Health Equity programs under the direction of the Chief Health Equity Officer.
Accomplishments	<ul style="list-style-type: none"> Equity and Practice Transformation Program - Practices submitted deliverables to demonstrate evidence of milestone achievement. Cycle 2 Milestones spanned Nov. 2024 - April 2025. Our 12 EPT program participants earned \$714,754 payments for 2024. Completed Transgender, Gender Diverse & Intersex training in compliance with DHCS APL 24-018, DHMC 24-017 & SB 923. Completed Kern Health Equity Partnership (KHEP) Access to care study and Community Conversations, 2025 Gender & Sexuality Healthcare Symposium, 2025 Black Infant & Maternal Health Conference.



Strategic Plan Status Report: Q2 2025

Goal 2	
Goal Name Description	<u>Workforce</u> Develop initiatives for the recruitment and retention of both internal and external workforce needed to fulfill KHS' mission
Strategy 1	Identify Provider Network needs and gaps to inform target areas and approaches.
Accomplishments	<ul style="list-style-type: none"> The Q2 2025 Network Adequacy Committee (NAC) meeting was held in May. During the meeting, the group discussed the ongoing accessibility challenges identified in Central and East Kern through Plan monitoring efforts. The KHS Grant team provided a report on the Plan's 2023-2025 Provider Recruitment and Retention Grant Program. Provider Network team continued to monitor the Plan's compliance with CMS geographic access standards. As of July 2025 – the Plan has 43 Specialty/Provider Types subject to CMS standards. Of those 43, we have 17 in which we are not currently meeting the 90% requirement. 13 of them are at 87% or higher, and only 1 is under 80%. On a biweekly basis these gaps are shared with a team that consists of Provider Relations, Provider Network Analytics, Contracting, Provider Recruiting, and Delegation Oversight to develop plans to close the gaps.
Strategy 2	Strengthen and expand the KHS provider network through innovative and effective recruitment and retention programs.
Accomplishments	<ul style="list-style-type: none"> As of this reporting period, KHS has successfully recruited 34 new providers and retained 31, marking an increase of five (5) new recruits since the last quarter. Feedback from the providers has been consistent, requesting a shift in focus from recruitment to retention strategies to better sustain the current workforce. KHS also engaged with local Community Colleges this quarter as part of our workforce development strategy. Taft College, a recipient of funding through the Healthcare Workforce Initiative, utilized the funding to assist with the nursing application process and future infrastructure improvements for its nursing program. Additionally, KHS visited Cerro Coso College in Ridgecrest to discuss the development of its nursing program, deployment of mobile units, and ways to improve access to non-academic resources for students, such as behavioral health services.
Strategy 3	Identify business needs and gaps in current workforce to inform target areas and approaches.
Accomplishments	<ul style="list-style-type: none"> Completed Great Place To Work Trust Index Survey to gather feedback from employees on current state of Employer Value Proposition. Conducted pilot talent review to survey for potential successors to Chief Medical Officer role.



Strategic Plan Status Report: Q2 2025

	<ul style="list-style-type: none">• Six Senior Directors engaged in vendor-led coaching program to identify desire and potential for executive role and gaps to be developed.
Strategy 4	Meet the growing operational demands of the organization by creating recruitment and retention programs for internal staffing and leadership needs.
Accomplishments	<ul style="list-style-type: none">• Launched Internal Mobility Program to provide KHS staff with resources for career growth and development.• Completed the first cohort of the KHS Mentorship Program to connect internal staff with leadership to guide career development.• Established pilot framework for Leadership Development and Succession Program for CMO position.



Strategic Plan Status Report: Q2 2025

Goal 3	
Goal Name Description	<u>CalAIM</u> Continue to develop, implement, and grow the programs and policies included under DHCS' CalAIM initiative
Strategy 1	Continued growth and maturity of existing CalAIM programs – Population Health Management, Enhanced Care Management, Community Supports, and Long-Term Care.
Accomplishments	<ul style="list-style-type: none"> • Launched one (1) new ECM program provider in Quarter 2, bringing the total number of ECM program provider sites to 3 launched in 2025 so far, and a total of 41 overall. ChildNet Youth and Family Services began providing ECM services as of April 1, 2025. The ECM Team continues to work with several other ECM program providers to onboard them by the end of 2025. • Community Supports Services (CSS) onboarded one additional Community-Based Organizations (CBO). Kern Psychiatric Health and Wellness Center was contracted to provide Day Habilitation Services under the Community Supports program. • In Population Health Management (PHM), the End Stage Renal Disease Program contract has been fully executed and is ready for implementation. PHM has partnered with providers to deliver comprehensive and continuous care for members, aiming to reduce non-dialysis costs, improve patient care, and enhance efficiency. These efforts are expected to result in fewer hospital readmissions and unnecessary emergency room or urgent care visits.
Strategy 2	Strengthen Existing and Establish New Community Partnerships to Support CalAIM.
Accomplishments	<ul style="list-style-type: none"> • Community Based Organizations continue their efforts through the “Community-Based Initiative”, including improving access to healthcare, promoting education on healthy eating habits, distributing food and clothing, collaborating with local organizations to host health fairs, and expanding mobile health services at our rural underserved areas of Kern County. In addition, some of these CBOs have shifted their focus to assist with Medi-Cal renewals. • The team continued to attend, support, and participate in the CalAIM PATH HC2 Collaborative meetings monthly along with our local Managed Care plans including Anthem Blue Cross and Kaiser Permanente. The team also participated in and provided support for the quarterly in-person CalAIM PATH HC2 Collaborative meeting that took place at Bakersfield College. • The team coordinated an ECM and CSS Provider Appreciation Dinner Event during Quarter 2. The event was well-attended and highlighted program successes and growth. • MOU Progress reports for Q1 were submitted and approved by DHCS and KHS is currently preparing the Q2 2025 progress report. Signed MOUs now consist of Kern County Probations, CAPK WIC, Kern County Public Health Department, CSV WIC and First 5 Kern. KHS has been developing an online training and education module for KHS staff and providers on the MOUs and the services



Strategic Plan Status Report: Q2 2025

	<p>provided under WIC and the Public Health Department, with plans to roll out this training in the last half of the year. Quarterly MOU meetings with IHSS, Kern Regional Center and Child Welfare continue to be facilitated with plans to sign and execute the Kern Regional Center by the end of the year. Implementing the data sharing provision with the executed MOU agencies is currently underway.</p>
Strategy 3	<p>Ongoing collaboration between KHS staff and the Department of Health Care Services (DHCS) on the development and implementation of future CalAIM initiatives.</p>
Accomplishments	<ul style="list-style-type: none"> • The ECM team continued to engage in meetings with the Kern County Probation Department, the Kern County Sheriff Department, Kern Behavioral Health and Recovery Services, the Kern County Department of Human Services, Kern Medical, and our partner Managed Care plans including Anthem Blue Cross and Kaiser Permanente, for the purposes of collaborating and maintaining relationships regarding the implementation of the Justice-Involved Initiative/pre-release services in Kern County. Both the Kern County Probation Department and the Kern County Sheriff Office initially planned to go live with pre-release services for all county juvenile and adult facilities in Kern County as of July 1, 2025. However, DHCS did not approve Kern County’s correctional facility readiness assessment plans that were submitted, and parties are now working toward a potential go-live of October 1, 2025. • CDC-R launched pre-release services for all prisons throughout California as of February 1, 2025. To date KHS has received 123 referrals to link members appropriately from pre-release services to ECM program providers. Throughout Quarter 2, CDC-R, along with DHCS, have been meeting with all MCPs throughout the state on a weekly basis to address referral management, workflows, and data exchange/sharing as this work progresses. • PHM has participated in DHCS meetings on the implementation of Medi-Cal Connect. DHCS has shared that key features will be introduced in the coming months, including the Longitudinal Member Record, Quality Dashboard, Risk Stratification Segmentation and Tiering (RSST), and a secure Stakeholder Portal with a Learning Management System. These tools are intended to enhance care coordination, improve performance tracking, and support targeted service delivery through centralized data and machine learning. • CSS and KBHRS remain engaged in strategic planning discussions to formalize a partnership for the implementation of Transitional Rent services in January 2026. CSS is also working to refine criteria for several Community Supports services to better align with the Department of Health Care Services (DHCS) requirements. CSS actively participates in monthly Technical Assistance meetings with DHCS to receive guidance and provide feedback on new and updated policy guidance. Additionally, CSS collaborates with the Local Health Plans of California (LHPC) to share best practices and align implementation strategies with statewide standards.



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Goal 4	
Goal Name Description	<p><u>Medicare Duals Special Needs Plan (D-SNP)</u></p> <p>Develop and implement a competitive Medicare Duals Special Needs Plan (D-SNP) product in alignment with State and Federal requirements</p>
Strategy 1	Development of the long-term D-SNP strategy and implementation roadmap.
Accomplishments	<ul style="list-style-type: none"> • KHS successfully submitted our CMS bid including Plan Benefit Package (PBP), Pharmacy Benefit Manager (PBM) Formulary, and Bid Pricing Tool (BPT). • The supplemental benefit package has been selected and contracts have been initiated. Implementation kick off meetings have been scheduled. • State Medicaid Agency Contract (SMAC) was fully executed and submitted to CMS.
Strategy 2	Analysis of the appropriate market factors to maximize the competitiveness of the product.
Accomplishments	<ul style="list-style-type: none"> • Implementation kickoff meetings with each supplemental benefit vendor have been scheduled. Marketing materials are in the process of being developed and will be submitted to CMS for approval. • Internal Sales team created and state licensing underway. Developed Sales strategy and materials for submission to CMS.
Strategy 3	Design and implementation of an efficient Medicare D-SNP offering with competitive advantages, leveraging KHS innovation and new business/new product development capabilities.
Accomplishments	<ul style="list-style-type: none"> • KHS has completed a large portion of the Pharmacy Benefit Manager (PBM) Implementation Assessment. • The technical team stood up the necessary infrastructure and initiated configuration of KHS core systems to support implementation. • KHS, in collaboration with delegated partners, began enrollment testing and established data exchange processes. • Policy and procedure development has begun, and a comprehensive regulatory reporting inventory has been established. • Development of integrated operational workflows is underway to ensure alignment and execution across key functions.



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Goal 5	
Goal Name Description	<u>Behavioral Health</u> Improve the integration, coordination and outcomes for members experiencing behavioral and mental health conditions
Strategy 1	Development and maturity of an internal Behavioral Health Department.
Accomplishments	<ul style="list-style-type: none"> • Aligned with the Quality Improvement (QI) department on strategic priorities to support framework development and collaboration. • Launched a BH audit process focusing on medical necessity, chart reviews, and billing accuracy. • Advanced BH data reporting capabilities to identify trends, performance gaps, and improvement opportunities. • Continued efforts on the oversight for the D-SNP line of business for BH in partnership with Delegation Oversight. • Continued automation of the Substance Use Disorder (SUD) Consent Form to streamline workflows. • Continued development of Applied Behavior Analysis (ABA) clinical guidelines to support consistent, appropriate service delivery. • Coordinated with the Utilization Management team to align Prior Authorization processes with All Plan Letter (APL) requirements. • Strengthening collaboration through participation in the LHPC BHT Sub Workgroup to share and gather best practices for expanding access to BHT services statewide. • Advanced provider portal updates to support improved coordination between Behavioral Health and Primary Care Providers.
Strategy 2	Evaluate and ensure the mental health provider network is adequate to provide all outlined non specialty mental health services (NSMHS).
Accomplishments	<ul style="list-style-type: none"> • There was an increase in the availability of several key mental health provider types in the network: Licensed Marriage and Family Therapists (LMFT) increased from 96 to 99 providers. Licensed Clinical Social Workers (LCSW) increased from 122 to 125 providers. Psychiatrists increased from 124 to 219 providers. • Engaged with the Provider Network Management team to address ABA provider access, capacity, and network adequacy issues. • There was an increase in the availability within the ABA provider network: Behavioral Technicians increased from 349 to 433 providers. Behavioral Analysts increased from 251 to 265 providers.
Strategy 3	Communication and coordination with County Behavioral Health regarding DHCS requirements.
Accomplishments	<ul style="list-style-type: none"> • Launched collaborative efforts with Dignity Hospital and KernBHRS to strengthen inpatient care coordination, improve continuity of care, and support hospital discharges.



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	<ul style="list-style-type: none">• Continued progress on establishing bidirectional data exchange with KernBHRS to support integrated care coordination.• Supported Enhanced Care Management (ECM) and Community Supports Services (CSS) implementation through regular meetings and alignment on MOU requirements.• Ongoing efforts to align with and implement Memorandum of Understanding (MOU) requirements in coordination with County Behavioral Health partners.
Strategy 4	Further evaluate and develop the implementation of Primary Care Provider Roles with Substance Use Disorder services / Medication Assisted Treatment (MAT) services.
Accomplishments	<ul style="list-style-type: none">• BH actively identifying reporting needs to strengthen oversight and performance monitoring of the MAT program.



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Goal 6	
Goal Name Description	<u>Member Engagement</u> Increase member engagement in their health care
Strategy 1	Identify and implement innovative and effective offerings designed to engage members more in their health care.
Accomplishments	<ul style="list-style-type: none"> Coordinated MOU with Self Help for no-cost office space in Wasco, McFarland, and Lamont offices for Member Engagement Representative occupancy. Provided support to Health Equity for Regional Advisory Committees held in many areas of Kern County to engage members and the community. Expanded presentation schedules in all areas of the county to inform and educate members and the community about benefits and services.
Strategy 2:	Work with internal staff and external partners to develop strategies that ensure continuity of coverage for our members.
Accomplishments	<ul style="list-style-type: none"> Utilizing AI phone call outreach technology for improvement of reach for the Medi-Cal Renewal campaign strategy. Worked with Kern County Department of Human Services leadership to increase the frequency of renewal data to daily vs weekly. Updated the Medi-Cal Renewals flyer and text messages and expanded flyer distribution. Collaborated with Provider Network team to improve Medi-Cal Renewal awareness when the member shows up for an appointment. Continued Community Enrollment Navigator efforts for in-person assistance meeting members where they are.
Strategy 3:	Leverage convenient technology to enhance the effectiveness of engagement and suit members' needs.
Accomplishments	<ul style="list-style-type: none"> Coordinated efforts with Member Services and IT to successfully implement an AI solution to make outbound calls and warm transfer to live staff for Medi-Cal renewals. Began implementation of the member and provider portal project to upgrade the existing portals. Continued the project to automate and customize text messaging.



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Goal 7	
Goal Name Description	<u>KHS Foundation</u> Explore the opportunity for KHS to create a non-profit foundation to further its mission in the community
Strategy 2	Begin collaboration with law firm on the corporate formation documents and finalize the development phase of the foundation.
Accomplishments	<ul style="list-style-type: none">The foundation committee had no activity during Q2. Due to uncertainties with State and Federal policy and budgets, activity will be paused through the rest of 2025.

ATTACHMENT B***Bill Tracking:***

Title	Description	Status
AB 45	<p>This bill would recast the above-described provisions, and instead prohibit the collection, use, disclosure, sale, sharing, or retention of the personal information of a natural person who is physically located at, or within a precise geolocation of, a family planning center, except collection or use as necessary to perform the services or provide the goods requested. The bill would authorize an aggrieved person to institute and prosecute a civil action against a natural person, association, proprietorship, corporation, trust, foundation, partnership, or any other organization or group of people acting in concert for a violation of these provisions. The bill would also make other no substantive changes.</p> <p>This bill would, subject to specified exceptions, prohibit geofencing, or selling or sharing personal information with a third party to geofence, as defined, an entity that provides in-person health care services in California for specified purposes, and would prohibit the use of personal information obtained in violation of this provision. The bill would provide that violators are subject to an injunction and liable for a civil penalty assessed and recovered in a civil action brought by the Attorney General, and deposited in the California Reproductive Justice and Freedom Fund. The bill would also provide that a statement signed under penalty of perjury, as specified, that the personal information will not be used for selling or sharing personal information in violation of these geofencing provisions is prima facie evidence that the personal information was not sold or shared in violation of these geofencing provisions. By expanding the crime of perjury, this bill would impose a state-mandated local program.</p> <p>This bill would, similar to the provisions of the CMIA, prohibit the release of research records, in a personally identifying form, developed or acquired by a person in the course of conducting research relating to anyone seeking or obtaining health care services, or relating to personal information, in response to a subpoena or a request or to law enforcement if that subpoena, request, or the purpose of law enforcement for the medical</p>	07/16/25 - From committee: Do pass and re-refer to Com. on APPR.

	<p>information is based on, or for the purpose of enforcement of, either another state's laws that interfere with a person's rights to choose or obtain an abortion or a foreign penal civil action.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB45</p>	
AB 50	<p>Existing law, the Pharmacy Law, establishes in the Department of Consumer Affairs the California State Board of Pharmacy to license and regulate the practice of pharmacy. Existing law requires a pharmacist, when furnishing self-administered hormonal contraceptives, to follow specified standardized procedures or protocols developed and approved by both the board and the Medical Board of California in consultation with the American Congress of Obstetricians and Gynecologists, the California Pharmacists Association, and other appropriate entities. Existing law requires those standardized procedures or protocols to require that the patient use a self-screening tool that will identify related patient risk factors and that require the pharmacist to refer the patient for appropriate follow-up care, as specified.</p> <p>This bill would limit the application of those requirements to self-administered hormonal contraceptives that are prescription-only, and would authorize a pharmacist to furnish over-the-counter contraceptives without following those standardized procedures or protocols. The bill would additionally authorize a pharmacist to furnish up to a 12-month supply at one time of over-the-counter contraceptives at the patient's request. The bill would make related conforming changes.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB50</p>	<p>06/24/25 - Read second time. Ordered to third reading.</p>

<p>AB 55</p>	<p>Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law sets forth certain criteria for Medi-Cal reimbursement to alternative birth centers for facility-related delivery costs.</p> <p>Under existing law, as a criterion under both the licensing provisions and the Medi-Cal reimbursement provisions described above, the facility is required to be a provider of comprehensive perinatal services as defined in the Medi-Cal provisions.</p> <p>This bill would remove, under both sets of criteria, the certification condition of being a provider of comprehensive perinatal services as defined in the Medi-Cal provisions. The bill would require the facility to provide pregnancy and postpartum services, consistent with certain standards. The bill would remove the above-described proximity requirement and would instead require a written plan policy for hospital transfer. The bill would require the plan policy to include certain requirements with regard to providing the hospital with specified medical records, speaking with the receiving provider, and providing the patient patients and clients with the estimated transfer time. time, including a clear explanation of the facility's overall emergency transfer plan, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB55</p>	<p>06/30/25 - In committee: Referred to APPR. suspense file.</p>
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AB 220	<p>The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires the department to establish a subacute care program in health facilities, as specified, to be available to patients in health facilities who meet subacute care criteria. Existing law requires that medical necessity for pediatric subacute care be substantiated by specified conditions. Existing regulations require a treatment authorization request for each admission to a subacute unit.</p> <p>This bill would require a provider seeking authorization for pediatric subacute or adult subacute care services pursuant to these provisions to submit with a treatment authorization request, including an electronic treatment authorization request, a specified form when requesting authorization for subacute care services. The bill would prohibit a Medi-Cal managed care plan from developing or using its own criteria to substantiate medical necessity for pediatric subacute or adult subacute care services with a condition or standard not enumerated in those forms. The bill would prohibit a Medi-Cal managed care plan from requiring a subsequent treatment authorization request upon a patient's return from a bed hold for acute hospitalization. The bill would authorize the department to impose . sanctions on Medi-Cal managed care plans for violations of these provisions, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB220</p>	<p>07/14/25 - In committee: Referred to APPR. suspense file.</p>
AB 260	<p>This bill would authorize the State Department of Public Health to adopt regulations to include or exclude mifepristone and other medication abortion drugs from the requirements of the Sherman Food, Drug, and Cosmetic Law, but would exclude the drugs from those requirements if the drugs are no longer approved by the United States Food and Drug Administration (FDA). The bill would authorize a pharmacist to dispense mifepristone or other drug used for medication abortion without the name of the patient, the name of the prescriber, or the name and address of the pharmacy, subject to specified requirements. The bill would require the pharmacist to maintain a log, as specified, that is not open to inspection by law enforcement without a subpoena, and would prohibit the disclosure of the information to an individual</p>	<p>07/07/25 - In committee: Referred to APPR. suspense file.</p>

	<p>or entity from another state. The bill would prohibit criminal, civil, professional discipline, or licensing action against a pharmacist for manufacturing, transporting, or engaging in specified other acts relating to mifepristone or other medication abortion drugs, and would prohibit the California State Board of Pharmacy from denying an application for licensure or taking disciplinary action against an applicant or licensee for engaging in certain acts relating to mifepristone or other medical abortion drugs.</p> <p>This bill would prohibit criminal, civil, professional discipline, or licensing action against a licensed clinic or health facility for manufacturing, transporting, or engaging in certain other acts relating to mifepristone or other medication abortion drugs that are lawful in California.</p> <p>This bill would require the department to update the Medi-Cal provider enrollment requirement and procedures for remote service providers who offer reproductive health care services exclusively through telehealth modalities, as specified, and to permit the use of a cellular telephone as the primary business phone for reproductive health care providers. The bill would authorize a health care provider to establish a new patient relationship using asynchronous store and forward if the visit is related to reproductive health care services and meets specified requirements.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB260</p>	
AB 280	<p>This bill would require a plan or insurer to annually verify and delete inaccurate listings from its provider directories, and would require a provider directory to be 60% accurate on July 1, 2026, with increasing required percentage accuracy benchmarks to be met each year until the directories are 95% accurate on or before July 1, 2029. The bill would subject a plan or insurer to administrative penalties for failure to meet the prescribed benchmarks. The bill would require a plan or insurer to provide coverage for all covered health care services provided to an enrollee or insured who reasonably relied on inaccurate, incomplete, or misleading information contained in a health plan</p>	<p>07/15/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

	<p>or policy's provider directory or directories and to reimburse the provider the out-of-network amount for those services. The bill would prohibit a provider from collecting an additional amount from an enrollee or insured other than the applicable in-network cost sharing, which would count toward the in-network deductible and out-of-pocket maximum. The bill would require a plan or insurer to provide information about in-network providers to enrollees and insureds upon request, including whether the provider is accepting new patients at the time, and would limit the cost-sharing amounts an enrollee or insured is required to pay for services from those providers under specified circumstances. The bill would require the health care service plan or the insurer, as applicable, to ensure the accuracy of a request to add back a provider who was previously removed from a directory and approve the request within 10 business days of receipt, if accurate. The bill would authorize a health care service plan or insurer to include a specified statement in the provider listing before removing the provider from the directory if the provider does not respond within 5 calendar days of the plan or insurer's annual notification. Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program.</p> <p>On or before January 1, 2026, this bill would authorize the Department of Managed Health Care and the Department of Insurance to update uniform formats for plans and insurers to use to request directory information from providers and to establish a methodology and processes to ensure accuracy of provider directories and consistency with other laws, regulations, or standards.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB280</p>	
AB 302	<p>This bill would authorize a protected individual, or the agency on behalf of a protected individual, to request that a person or governmental entity a business, as defined, to refrain from publishing or selling the protected individual's personal information , as defined, or remove to delete the protected individual's personal information from any existing publication and would require a person or governmental entity to comply</p>	<p>06/23/25 - Read second time, amended, and re- referred to</p>

	<p>with that request, as specified. information, as specified. The bill would also authorize a protected individual, or the protected individual's authorized representative, to request a governmental entity, defined, in part, to mean a local agency, to refrain from publishing the protected individual's personal information or to remove the protected individual's personal information from any existing publication, as prescribed. Upon receipt of the request, the bill would require a governmental entity to take prescribed action, including taking steps reasonably necessary to ensure that the personal information is not published. By imposing additional duties on local agencies, the bill would impose a state-mandated local program. The bill would authorize a protected individual and certain public attorneys, including the Attorney General, to punish noncompliance with this provision those provisions with a certain civil action.</p> <p>This bill would also prohibit a person from knowingly publishing, as defined, or selling the personal information of a protected individual if the person knows, or reasonably should know, that publishing or selling the personal information poses an imminent and serious threat to the protected individual and certain harms result from the publishing or selling of the personal information. The bill would punish a violation of this provision as a misdemeanor and would make a violator liable for a civil penalty, as specified. By creating a new crime, the bill would impose a state-mandated local program.</p> <p>This bill would define "protected individual" to mean a current or former representative elected in the state, as determined by the Secretary of State, an appointed officer of a court or a magistrate in the state, or a spouse, a child, or a dependent who resides in the same household as those individuals.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260AB302</p>	<p>Com. on HEALTH.</p>
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AB 350	<p>The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes a schedule of benefits under the Medi-Cal program and provides for various services, including certain dental services, that are rendered by Medi-Cal enrolled providers. Under existing law, silver diamine fluoride treatments are a covered benefit for eligible children 0 to 6 years of age, inclusive, as specified, and application of fluoride or other appropriate fluoride treatment is covered for children 17 years of age and under.</p> <p>This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2026, to provide coverage for the application of fluoride varnish in the primary care setting for children under 21 years of age. Because a willful violation of this provision by a health care service plan would be a crime, the bill would impose a state-mandated local program.</p> <p>This bill would make the application of fluoride or other appropriate fluoride treatment, including fluoride varnish, a covered benefit under the Medi-Cal program for children under 21 years of age. The bill would require the State Department of Health Care Services to establish and promulgate a policy governing billing and reimbursement for the application of fluoride varnish, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB350</p>	<p>07/07/25 - Read second time and amended. Re-referred to Com. on APPR.</p>
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<p>AB 432</p>	<p>This bill would instead require the board, in determining its continuing education requirements, to include a course in menopausal mental or physical health. The bill would require physicians who have a patient population composed of 25% or more of women to complete a mandatory continuing medical education course in perimenopause, menopause, and postmenopausal care.</p> <p>(2) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law sets forth specified coverage requirements for health care service plan contracts and health insurance policies.</p> <p>This bill would require a health care service plan contract or health insurance policy that covers outpatient prescription drugs, except as specified, that is issued, amended, or renewed on or after January 1, 2026, to include coverage for evaluation and treatment options for symptoms of perimenopause and menopause. The bill would require a health care service plan or health insurer to annually provide clinical care recommendations, as specified, for hormone therapy to all contracted primary care providers who treat individuals with perimenopause and menopause. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB432</p>	<p>07/09/25 - From committee chair, with author's amendments: Amend, and re-refer to committee.</p>
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AB 489	<p>Existing law establishes various healing arts boards within the Department of Consumer Affairs that license and regulate various healing arts licensees. Existing laws, including, among others, the Medical Practice Act and the Dental Practice Act, make it a crime for a person who is not licensed as a specified health care professional to use certain words, letters, and phrases or any other terms that imply that they are authorized to practice that profession.</p> <p>This bill would make provisions of law that prohibit the use of specified terms, letters, or phrases to falsely indicate or imply possession of a license or certificate to practice a health care profession, as defined, enforceable against an entity who develops or deploys artificial intelligence (AI) or generative artificial intelligence (GenAI) technology that uses one or more of those terms, letters, or phrases in its advertising or functionality. The bill would prohibit the use by AI or GenAI technology of certain terms, letters, or phrases that indicate or imply that the advice, care, reports, or assessments being provided through AI or GenAI is being provided by a natural person with the appropriated health care license or certificate.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB489</p>	<p>07/16/25 - From committee: Do pass and re-refer to Com. on APPR.</p>
AB 512	<p>Existing law provides for the regulation of disability insurers by the Department of Insurance. Existing law generally authorizes a health care service plan or disability insurer to use utilization review, under which a licensed physician or a licensed health care professional who is competent to evaluate specific clinical issues may approve, modify, delay, or deny requests for health care services based on medical necessity. For a request prior to or concurrent with the provision of health care services, existing law requires utilization review decisions to be made within 5 business days from the plan's or insurer's receipt of the information reasonably necessary and requested by the plan or insurer to make the determination, or within 72 hours if the enrollee or insured faces an imminent and serious threat to their health or the normal timeframe would be detrimental to their life or health, as specified.</p>	<p>07/14/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

	<p>This bill would shorten change the timeline for prior or concurrent authorization requests to no more than 48 hours for standard requests or 24 hours for urgent requests from the plan's or insurer's receipt 3 business days from the plan's or insurer's receipt via electronic submission, or 5 business days from receipt via submission that is not electronic, of the information reasonably necessary and requested by the plan or insurer to make the determination. The bill would require a utilization review decision to be made within 24 hours from receipt of a prior or concurrent authorization request via electronic submission, or 48 hours from receipt via submission that is not electronic, if the enrollee or insured faces an imminent and serious threat to their health or the normal timeframe would be detrimental to their life or health. Because a willful violation of this provision by a health care service plan would be a crime, the bill would impose a state-mandated local program.</p> <p>https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill_id=202520260AB512</p>	
AB 539	<p>Existing law provides that a health care service plan or a health insurer that authorizes a specific type of treatment by a health care provider shall not rescind or modify this authorization after the provider renders the health care service in good faith and pursuant to the authorization.</p> <p>This bill would require a prior authorization for a health care service by a health care service plan or a health insurer to remain valid for a period of at least one year from the date of approval, or throughout the course of prescribed treatment, if less than one year.</p> <p>https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill_id=202520260AB539</p>	<p>06/23/25 - In committee: Set, second hearing. Hearing canceled at the request of author.</p>

<p>AB 543</p>	<p>The bill would require the department to implement a program of presumptive eligibility for persons experiencing homelessness who appear to be otherwise eligible for full-scope Medi-Cal coverage without a share of cost. The bill would authorize an enrolled Medi-Cal provider to make a presumptive eligibility determination for those persons.</p> <p>The bill would bill would authorize a managed care plan to establish reasonable requirements governing participation in the plan network, if protocols and network participation requirements are consistent with the goal of authorizing services to Medi-Cal beneficiaries who are experiencing homelessness. The bill would require a managed care plan to have appropriate mechanisms, procedures, or protocols to ensure timely communication between the contracted street medicine provider, the Medi-Cal beneficiary's plan or independent practice association, and the beneficiary's primary care provider for purposes of care coordination.</p> <p>The bill would require a managed care plan to provide a beneficiary with the ability to inform the managed care plan online, in person, or via telephone that the beneficiary is experiencing homelessness. The bill would require the department to inform a managed care plan if a beneficiary has indicated that they are experiencing homelessness based on information furnished on the Medi-Cal application.</p> <p>The bill would require the department to ensure that the Medi-Cal program and the California Statewide Automated Welfare System (CalSAWS) mutually share data on the status of Medi-Cal applicants or beneficiaries experiencing homelessness, including through codes relating to unsheltered status, to the extent not in conflict with privacy laws. The bill would require the coordination to enable a person applying for the Medi-Cal program to identify that they are experiencing homelessness. The bill would also require a managed care plan, if informed by a beneficiary that they are experiencing homelessness, to share that information with the relevant county for inclusion in CalSAWS. The bill would condition implementation of the above-described provisions on receipt of any necessary federal approvals and the</p>	<p>07/07/25 - In committee: Referred to APPR. suspense file.</p>
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	<p>availability of federal financial participation.</p> <p>The bill would authorize a Medi-Cal managed care plan to elect to offer Medi-Cal covered services through a street medicine provider, as defined. Under the bill, a managed care plan that elects to do so would be required to allow a Medi-Cal beneficiary who is experiencing homelessness to receive those services directly from a contracted street medicine provider, regardless of the beneficiary's network assignment, as specified. The bill would also require the managed care plan to allow a contracted street medicine provider enrolled in Medi-Cal to directly refer the beneficiary for covered services within the appropriate network, as specified.</p> <p>In the case of a Medi-Cal beneficiary who is experiencing homelessness and who receives services within the fee-for-service delivery system, the bill would require the department to reimburse a street medicine provider enrolled in Medi-Cal for providing Medi-Cal covered services.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB543</p>	
AB 618	<p>This bill would require each Medi-Cal managed care plan, county specialty mental health plan, Drug Medi-Cal certified program, and DMC-ODS program to electronically provide data for members of the respective entities to support member care. The bill would require the department to determine minimum data elements and the frequency and format of data sharing through a stakeholder process and guidance, with final guidance to be published by the department by January 1, 2027, in compliance with privacy laws.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB618</p>	<p>07/07/25 - In committee: Referred to APPR. suspense file.</p>

AB 682	<p>This bill would require a health care service plan or health insurer that imposes prior authorization to report specified prior authorization data from the previous calendar year on its internet website on or before February 1, 2026, and annually on or before February 1 thereafter. The bill would require a health care service plan or health insurer to annually report specified claims and prior authorization data to the relevant department by February 1 of each year, beginning February 1, 2027. The bill would require the departments to post this information, disaggregated by plan or insurer, on their internet websites by April 15 of each year, beginning April 15, 2027. The bill would authorize the Director of the Department of Managed Health Care to reject a report required pursuant to these provisions, and would authorize the commissioner to assess an administrative penalty against a health insurer for a failure to correct a deficiency in the report. The bill would authorize the director and commissioner to make rules and regulations specifying the form and content of the reports posted online and submitted to the relevant department, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260AB682</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>
AB 688	<p>This bill, the Telehealth for All Act of 2025, would require the department, commencing in 2028 and every 2 years thereafter, to use Medi-Cal data and other data sources available to the department to produce analyses in a publicly available Medi-Cal telehealth utilization report.</p> <p>The bill would require the analyses to address telehealth access and utilization data, including various metrics on telehealth visits and claims, disaggregated by geographic, demographic, and social determinants of health categories to identify disparities. The bill would require the department to identify additional data elements for inclusion in future reports to help to identify and address access-to-care issues or provide greater insight into utilization of telehealth modalities.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB688</p>	<p>07/07/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

AB 787	<p>This bill would require a full service health care service plan, specialized mental health or dental plan, health insurer, or specialized mental health insurer to include in its provider directory or directories a statement at the top of the directory advising an enrollee or insured to contact the plan or insurer for assistance in finding an in-network provider. The bill would require the plan or insurer to respond within one business day if contacted for that assistance, and to provide a list of in-network providers confirmed to be accepting new patients within 2 business days. Because a violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260AB787</p>	<p>07/07/25 - In committee: Referred to APPR. suspense file.</p>
AB 843	<p>This bill would require a health care service plan or health insurer to take reasonable steps to provide meaningful access to each individual with limited English proficiency, including companions with limited English proficiency, eligible to receive services or likely to be directly affected by its programs and activities. The bill would require a health care service plan or health insurer to offer a qualified interpreter or to utilize a qualified translator when interpretation or translation services are required, as specified. The bill would prohibit a health care service plan or health insurer from requiring an individual with limited English proficiency to provide or pay for the costs of their own interpreter. The bill would require a health care service plan or health insurer to comply with specified requirements when providing remote interpreting services. The bill would make a health care service plan or health insurer that violates these provisions liable for administrative penalties, as specified.</p> <p>This bill would authorize a health care service plan or health insurer to satisfy the notice requirement by taking reasonable steps to inform the enrollee or insured of any required actions, including by providing a sight translation of a document.</p> <p>This bill would require a health care service plan or health insurer to also provide the information regarding the availability of language assistance services, as described above, (A) when</p>	<p>07/08/25 - Re-referred to Com. on APPR.</p>

	<p>specified forms are provided, (B) in clear and prominent physical locations, as specified, and (C) upon request.</p> <p>This bill would require a health care service plan or health insurer to additionally report to the applicable department on internal policies and procedures relating to language access, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB843</p>	
AB 951	<p>Existing law requires a health care service plan contract or health insurance policy to provide coverage for behavioral health treatment for pervasive developmental disorder or autism.</p> <p>This bill would prohibit a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2026, from requiring an enrollee or insured previously diagnosed with pervasive developmental disorder or autism to receive a rediagnosis to maintain coverage for behavioral health treatment for their condition. The bill would require a treatment plan to be made available to the plan or insurer upon request. Because a willful violation of this provision by a health care service plan would be a crime, the bill would impose a state-mandated local program.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260AB951</p>	<p>07/30/25 - Chaptered by Secretary of State - Chapter 84, Statutes of 2025.</p>
AB 1018	<p>This bill would generally regulate the development and deployment of an automated decision system (ADS) used to make consequential decisions, as defined. The bill would define “automated decision system” to mean a computational process derived from machine learning, statistical modeling, data analytics, or artificial intelligence that issues simplified output, including a score, classification, or recommendation, that is used to assist or replace human discretionary decision-making and materially impacts natural persons.</p> <p>This bill would, beginning January 1, 2027, require a deployer of a covered ADS to take certain actions, including provide certain disclosures to a subject of a consequential decision made or facilitated by the covered ADS and provide the subject with an</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

	<p>opportunity to appeal the outcome of the consequential decision, as prescribed.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260AB1018</p>	
AB 1041	<p>This bill would require those departments, on or before January 1, 2028, to adopt regulations to establish minimum standards or policies and credentialing, and to develop a standard credentialing form to be used by full service health care service plans and health insurers and their designees for credentialing and recredentialing purposes. The bill would require every full service health care service plan or health insurer or their designees to use the standardized credentialing form on and after , January 1, 2028, or six months after the form is developed, whichever is later. The bill would require those departments to update the form as necessary to comply with changes in laws and regulations as specified.</p> <p>This bill would, except as provided above, require every health care service plan or health insurer or their designees that credential health care providers for their networks to make a determination regarding the credentials of a provider within 90 days after receiving a completed provider credentialing application. The bill would require every health care service plan or health insurer or their designees to activate the provider upon successful approval and notify the applicant of the activation, as specified. If the health care service plan or health insurer or their designees do not meet the 90-day requirement, the bill would require the applicant’s credentials to be provisionally approved for 120 days unless specified circumstances apply, including that the applicant is subject to discipline by the licensing entity for that applicant.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260AB1041</p>	<p>07/07/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

<p>AB 1328</p>	<p>Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including emergency or nonemergency medical or nonmedical transportation services.</p> <p>Under this bill, commencing on January 1, 2027, and subject to an appropriation, Medi-Cal fee-for-service reimbursement for nonemergency ambulance transportation services, as defined, would be in an amount equal to 80% of the amount set forth in the federal Medicare ambulance fee schedule for the corresponding level of service, adjusted by the Geographic Practice Cost Index, as specified. The bill would require the department to establish a directed payment program for Medi-Cal managed care in order to follow a similar treatment to reimbursement rates for nonemergency ambulance transportation services.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260AB1328</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>
<p>SB 7</p>	<p>This bill would require an employer to provide a written notice that an ADS, for the purpose of making employment-related decisions, not including hiring, is in use at the workplace to all workers that will foreseeably be directly affected by the ADS, as specified. The bill would require the employer to maintain an updated list of all ADS currently in use. The bill would require an employer to notify, as provided, a job applicant that the employer utilizes an ADS in hiring decisions, if the employer will use the ADS in making decisions for that position. The bill would prohibit an employer from using an ADS that does certain functions and would limit the purposes and manner in which an ADS may be used to make decisions. The bill would require an employer to allow a worker to access their data collected or used by an ADS and to correct errors in data, as specified.</p> <p>This bill would require an employer to provide a written notice to a worker that has been affected by a discipline decision made by an ADS, and grant the worker who was subject to that decision the right to appeal the decision within 30 days of the notification. The bill would require an employer to provide an explanation for</p>	<p>07/17/25 - From committee: Do pass and re-refer to Com. on APPR.</p>

	<p>the decision within 14 business days of receiving an appeal, designate a human reviewer who meets specified criteria to objectively evaluate all evidence, and rectify the decision, as provided, within 21 business days if the human reviewer determines that the employment-related decision should be overturned.</p> <p>This bill would prohibit an employer from discharging, threatening to discharge, demoting, suspending, or in any manner discriminating or retaliating against any worker for taking certain actions asserting their rights under the bill. The bill would require the Labor Commissioner to enforce the bill's provisions, as specified, and would authorize a public prosecutor or any worker who has suffered a violation or their representative to bring a civil action. The bill would set forth specified types of relief that a plaintiff may seek and that an employer that violates these provisions is subject to, including a \$500 civil penalty per violation.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB7</p>	
SB 32	<p>Existing law requires a health care service plan or health insurer that provides or arranges for the provision of hospital or physician services to comply with specified timely access to care requirements, including ensuring that its network has adequate capacity and availability of licensed health care providers to offer enrollees and insureds appointments that meet specified timeframes.</p> <p>This bill would require, on or before July 1, 2027, the Department of Managed Health Care, the Department of Insurance, and the State Department of Health Care Services to consult together and with stakeholders develop and adopt standards for the geographic accessibility of perinatal units to ensure timely access for enrollees and insureds, as specified. The bill's provisions would become inoperative on July 1, 2033, and would be repealed on January 1, 2034.</p> <p>https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill_id=202520260SB32</p>	<p>07/16/25 - July 16 set for first hearing. Placed on suspense file.</p>

SB 228	<p>This bill would specify that the State Department of Health Care Services is responsible for implementing comprehensive community-based perinatal services for purposes of the Medi-Cal program. By July 1, 2027, the bill would require the State Department of Health Care Services, in consultation with the State Department of Public Health, to clarify each department's roles and responsibilities in the Comprehensive Perinatal Services Program by regulation. The bill would, among other things, require the State Department of Health Care Services to develop a training on administering the program, require all perinatal providers in the program to attend the training, and require all Medi-Cal managed care plans to ensure providers receive the training.</p> <p>The bill would also require the State Department of Health Care Services, commencing January 1, 2028, and every 3 years thereafter, to submit to those committees, and post on its internet website, reports that identify the number of pregnant and postpartum individuals that received and were offered Comprehensive Perinatal Services Program services during the previous 3 years. The bill would also state the intent of the Legislature to enact additional legislation relating to the program in order to implement several legislative recommendations made in a specified report issued by the California State Auditor's office including by, among other things, requiring the State Department of Health Care Services to create and use a perinatal services data form to engage in additional data collection duties, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB228</p>	<p>07/09/25 - From committee: Do pass and re-refer to Com. on APPR.</p>
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<p>SB 246</p>	<p>This bill would require the department, subject to any necessary federal approvals and the availability of federal financial participation, to make additional Medi-Cal payments to district and municipal public hospitals (DMPHs), defined as non designated public hospitals, and to their affiliated government entities, in recognition of the Medi-Cal managed care share of GME costs. Under the bill, these payments would be made in a manner consistent with the methodology for GME payments to DPHs and their affiliated government entities and would consist of the above-described direct and indirect GME payment components. The bill would authorize the department to seek federal approval for other forms of GME payments to DMPHs and their affiliated government entities, as specified.</p> <p>Under the bill, the nonfederal share of payments under these provisions would consist of voluntary IGTs of funds provided by DMPHs or their affiliated government entities, or other eligible public entities, to the extent permitted under certain federal regulations and other applicable federal Medicaid laws, and with no state General Fund moneys being used to fund the nonfederal share of payments. The bill would establish the DMPH GME Special Fund, with moneys deposited being continuously appropriated to the department for purposes of these provisions.</p> <p>The bill would require the department to seek any necessary federal approvals for GME payments, effective no sooner than January 1, 2026. The bill would authorize the Director of Health Care Services to modify the requirements set forth in these provisions to the extent necessary to meet federal requirements or to maximize federal financial participation, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB246</p>	<p>06/17/25 - From committee: Do pass and re-refer to Com. on APPR.</p>
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<p>SB 250</p>	<p>Existing federal Medicaid law requires the state to publish an online directory of physicians and, at state option, other providers, as specified. Existing state law sets forth Medi-Cal managed care provisions relating to a Medi-Cal applicant or beneficiary being informed of the health care options available regarding methods of receiving Medi-Cal benefits, including through certain provider directories. The department has administratively created an online provider directory through an internet website known as Medi-Cal Managed Care Health Care Options.</p> <p>This bill would require, as part of the health care options information posted by the department, in the provider directory that lists accepted Medi-Cal managed care plans, through the Medi-Cal Managed Care Health Care Options internet website and any other applicable mechanisms, that the directory include skilled nursing facilities as one of the available searchable provider types. The bill would require the department to annually update that provider directory to ensure that information is accurate and readily accessible to the public.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB250</p>	<p>07/03/25 - Read second time. Ordered to third reading.</p>
<p>SB 278</p>	<p>Existing law generally imposes penalties on a person who negligently, willfully, or maliciously discloses the results of a human immunodeficiency virus (HIV) test to a third party in a manner that identifies or provides identifying characteristics of the person to whom the test results apply, as specified. Existing law, notwithstanding the above-described restrictions, authorizes the recording of the HIV test results by the physician who ordered the test in the test subject's medical record and authorizes other disclosure of the results without written authorization of the test subject, or the subject's representative, to the test subject's providers of health care, excluding a regulated health care service plan, for purposes of diagnosis, care, or treatment of the patient.</p> <p>This bill would authorize the disclosure of results of an HIV test that identifies or provides identifying characteristics of a Medi-Cal beneficiary without written authorization of the test subject,</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

	<p>or the subject's representative, to the Medi-Cal managed care plan to which the beneficiary is assigned, if applicable, for the purpose of administering quality improvement programs, including, but not limited to, value-based payment programs and healthy behavior incentive programs, designed to improve HIV care for Medi-Cal beneficiaries. The bill would make an exception for Medi-Cal beneficiaries who have opted out through a mechanism that the department would be required to develop by December 31, 2026, as specified.</p> <p>Under the bill, HIV test results that do not identify or provide identifying characteristics of the test subjects would be authorized for disclosure without written authorization by the Medi-Cal managed care plan to departmental staff for the above-described purpose.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB278</p>	
SB 324	<p>This bill would require a Medi-Cal managed care plan, for purposes of covering the ECM benefit, or if it elects to cover a community support, to give preference to contracting with community providers, as defined. In determining which community providers to contract with, the bill would authorize Medi-Cal managed care plans to take into consideration whether whenever those providers are available in the respective county and have experience in providing the applicable ECM or community support. The bill would require the department, in enforcing these provisions, to require Medi-Cal managed care plans to set goals every other year to increase the contracting and utilization of community providers and local entities, as defined. The bill would require these goals to be set in consultation with the department, as specified.</p> <p>Existing law requires the department to develop, in consultation with Medi-Cal managed care plans and other appropriate stakeholders, a monitoring plan and reporting template for the implementation of ECM or community supports.</p> <p>This bill would expressly include providers of ECM or community supports within the consultation process and would</p>	<p>07/03/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

	<p>additionally require the department to develop standardized and streamlined templates to be used by managed care plans, as specified, and to develop guidance to allow community providers to subcontract with other community providers.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB324</p>	
SB 338	<p>This bill would establish the Virtual Health Hub for Rural Communities Pilot Program, and would require the State Department of Public Health to administer the program to expand access to health services for farmworkers in rural communities. The bill would require the department to distribute grants to partnerships of 2 separate community-based organizations, except as specified, to establish and deploy virtual health hubs, as defined, and to administer the program and to provide technical assistance to the grant recipients for any licensing or reporting requirements necessary to fulfill the program obligations. The bill would outline criteria for the grants and require the department to give priority to community-based organizations that meet specified criteria, including, but not limited to, a history of serving medically underserved communities.</p> <p>The bill would require the grant recipients, among other things, to deploy virtual health hubs, as defined, in 2 rural communities based on farmworker population and access to health care and to submit specified information on the program to the department. Under the bill, the virtual health hubs would include, at a minimum, computers, Wi-Fi, cubicles for virtual visits, and exam rooms for telemedicine.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB338</p>	<p>07/03/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

<p>SB 363</p>	<p>Existing law establishes the Independent Medical Review System within each department, under which an enrollee or insured may seek review if a health care service has been denied, modified, or delayed by a health care service plan or health insurer and the enrollee or insured has previously filed a grievance that remains unresolved after 30 days.</p> <p>This bill would require a health care service plan or health insurer to annually report to the appropriate department the total number of claims processed by the health care service plan or health insurer for the prior year. The bill would require a health care service plan or health insurer to annually report its number of treatment denials or modifications, separated by type of care into general and specific categories and disaggregated by age, as specified, to the appropriate department, commencing on or before June 1, 2026. The bill would require the departments to compare the number of a health care service plan's or health insurer's treatment denials and modifications to (1) the number of successful independent medical review overturns of the plan's or insurer's treatment denials or modifications and (2) the number of treatment denials or modifications reversed by a plan or insurer after an independent medical review for the denial or modification is requested, filed, or applied for. For a health care service plan or health insurer with 10 or more independent medical reviews in a given year, the bill would make the health care service plan or health insurer liable for an administrative penalty, as specified, if more than half of the independent medical reviews filed with a health care service plan or health insurer result in an overturning or reversal of a treatment denial or modification in any one individual category of the specified general types of care. The bill would make a health care service plan or health insurer liable for additional administrative penalties for each independent medical review resulting in an additional overturned or reversed denial or modification in excess of that threshold. The bill would require the departments to annually include data, analysis, and conclusions relating to these provisions in specified reports.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB363</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>
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<p>SB 373</p>	<p>This bill would require pupils to also be given a copy of their rights and procedural safeguards and would require both parents and pupils to be given information on how to contact the State Department of Education's Equitable Services Ombudsman. By imposing additional duties on local educational agencies, the bill would impose a state-mandated local program.</p> <p>(2) Existing law permits, under certain circumstances, contracts to be entered into for the provision of special education and related services by nonpublic, nonsectarian schools or agencies, as defined. Existing law authorizes a master contract for special education and related services provided by a nonpublic, nonsectarian school or agency only if the school or agency has been certified by the Superintendent of Public Instruction as meeting specified standards. Existing law requires, before certification, the Superintendent to conduct an onsite review of the facility and program for which the applicant seeks certification, as specified.</p> <p>This bill would require, before certifying a nonpublic, nonsectarian school or agency, the Superintendent to take additional actions, including, among other things, to review policies on restraint to evaluate consistency with California laws. Existing law requires, commencing with the 2020–21 school year, a local educational agency that enters into a master contract with a nonpublic, nonsectarian school to conduct at least one onsite monitoring visit during each school year to the nonpublic, nonsectarian school at which the local educational agency has a pupil attending and with which it maintains a master contract. Existing law requires the monitoring visit to include, among other things, an observation of the pupil during instruction and a walkthrough of the facility. Existing law requires the local educational agency to report the findings resulting from the monitoring visit to the department within 60 calendar days of the onsite visit. Existing law requires, before June 30, 2020, the department to, with input from special education local plan area administrators, create and publish criteria for reporting this information to the department.</p> <p>This bill would require the monitoring visit to include an in-person, private meeting with the pupil to evaluate their health and</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>
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	<p>safety. The bill would require the local educational agency to report the findings resulting from the monitoring visit to the department using a specified form developed and published by the department on its internet website. The bill would require, on or before July 1, 2026, the department to update the form to require additional findings to be reported to the department. The bill would also require the local educational agency to conduct a quarterly check-in with a pupil attending the nonpublic, nonsectarian school through an unmonitored telephone call.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB373</p>	
SB 402	<p>Existing law requires a health care service plan contract or a health insurance policy to provide coverage for behavioral health treatment for pervasive developmental disorder or autism and defines “behavioral health treatment” to mean specified services and treatment programs, including treatment provided pursuant to a treatment plan that is prescribed by a qualified autism service provider and administered either by a qualified autism service provider or by a qualified autism service professional or qualified autism service paraprofessional. Existing law defines “qualified autism service provider,” “qualified autism service professional,” and “qualified autism service paraprofessional” for those purposes. Those definitions are contained in the Health and Safety Code and the Insurance Code.</p> <p>This bill would move those definitions to the Business and Professions Code. The bill would also make technical and conforming changes.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB402</p>	<p>07/17/25 - Read second time. Ordered to third reading.</p>
SB 418	<p>This bill would require a health care service plan contract or health insurance policy issued, amended, renewed, or delivered on or after the bill's operative date to cover up to a 12-month supply of a United States Food and Drug Administration (FDA)-approved prescription hormone therapy, and the necessary supplies for self-administration, that is prescribed by a network provider within their scope of practice and dispensed at one time, as specified. The bill would make the same prescription hormone</p>	<p>07/09/25 - Read second time and amended. Re-referred</p>

	<p>therapy a covered benefit under the Medi-Cal program, as specified. The bill would prohibit a plan, an insurer, or the Medi-Cal program from imposing utilization controls or other forms of medical management limiting the supply of this hormone therapy to an amount that is less than a 12-month supply, but would not prohibit a contract, a policy, or the Medi-Cal program from limiting refills that may be obtained in the last quarter of the plan, policy, or coverage year if a 12-month supply of the prescription hormone therapy has already been dispensed during that year. The bill would repeal these provisions on January 1, 2035.</p> <p>This bill would prohibit a subscriber, enrollee, policyholder, or insured from being excluded from enrollment or participation in, being denied the benefits of, or being subjected to discrimination by, any health care service plan or health insurer licensed in this state, on the basis of race, color, national origin, age, disability, or sex. The bill would define discrimination on the basis of sex for those purposes to include, among other things, sex characteristics, including intersex traits, pregnancy, and gender identity. The bill would prohibit a health care service plan or health insurer from taking specified actions relating to providing access to health programs and activities, including, but not limited to, denying or limiting health care services to an individual based upon the individual's sex assigned at birth, gender identity, or gender otherwise recorded. The bill would prohibit a health care service plan or health insurer,, specified circumstances, from taking various actions, including, but not limited to, denying, canceling, limiting, or refusing to issue or renew health care service plan enrollment, health insurance coverage , or other health-related coverage, or denying or limiting coverage of a claim, or imposing additional cost sharing or other limitations or restrictions on coverage, on the basis of race, color, national origin, sex, age, disability, as specified. Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program.</p> <p>Existing law requires a pharmacist to dispense, at a patient's request, up to a 12-month supply of an FDA-approved, self-administered hormonal contraceptive pursuant to a valid prescription that specifies an initial quantity followed by periodic</p>	<p>to Com. on APPR.</p>
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	<p>refills.</p> <p>This bill would additionally require a pharmacist to dispense, at a patient's request, up to a 12-month supply of an FDA-approved, prescription hormone therapy pursuant to a valid prescription that specifies an initial quantity followed by periodic refills, unless an exception is met.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB418</p>	
SB 439	<p>Existing law establishes the Health Care Benefits Fund to support the University of California's implementation of the California Health Benefit Review Program. Under the program, the University of California assesses legislation proposing to repeal or mandate a benefit or service requirement on health care insurance plans or health insurers. Under the program, the University of California provides a written analysis that includes, among other data, financial impacts of legislation on publicly funded state health insurance programs, including the Medi-Cal program and the Healthy Families Program. Existing law imposes an annual charge on health care service plans and health insurers for the 2022–23 to 2026–27 fiscal years, inclusive, as specified, to be deposited into the fund. Existing law prohibits the total annual assessment on health care service plans and health insurers from exceeding \$2,200,000. Under existing law, the fund and the program become inoperative on July 1, 2027, and are repealed as of January 1, 2028.</p> <p>This bill would extend the operation of the California Health Benefit Review Program and the Health Care Benefits Fund through July 1, 2033, and would authorize the continued assessment of the annual charge on health care service plans and health insurers for that purpose for the 2026–27 to 2032–33 fiscal years, inclusive. The bill would increase the allowable total annual assessment on health care service plans and health insurers to \$3,200,000.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB439</p>	<p>07/02/25 - July 2 set for first hearing. Placed on suspense file.</p>

<p>SB 497</p>	<p>This bill would additionally prohibit a provider of health care, a health care service plan, or a contractor from releasing medical information related to a person seeking or obtaining gender-affirming health care or gender-affirming mental health care in response to a criminal or civil action, including a foreign subpoena, based on another state's law that interferes with an individual's right to seek or obtain gender-affirming health care or gender-affirming mental health care. The bill would also prohibit a provider of health care, health care service plan, contractor, or employer from cooperating with or providing medical information to an individual, agency, or department from another state or, to the extent permitted by federal law, to a federal law enforcement agency that would identify an individual and that is related to an individual seeking or obtaining gender-affirming health care, as specified. The bill would prohibit these entities from releasing medical information related to sensitive services, as defined, in response to a foreign subpoena that is based on a violation of another state's laws authorizing a criminal action against a person or entity for provision or receipt of legally protected health care activity, as defined. The bill would also generally prohibit the issuance of a subpoena based on a violation of another state's law that interferes with a person's right to seek or obtain gender-affirming health care or gender-affirming mental health care, as specified.</p> <p>This bill would prohibit a state or local agency or employee, appointee, officer, contractor, or official or any other person acting on behalf of a public agency from providing any CURES data or expend any resources in furtherance of any interstate investigation or proceeding seeking to impose civil, criminal, or disciplinary liability upon the provision or receipt of legally protected health care activity, as defined. The bill would prohibit out-of-state law enforcement from having access to CURES data through the interstate data sharing hub and would require a warrant, subpoena, or court order for a law enforcement agency to obtain information from CURES as part of a criminal investigation.</p> <p>This bill would make it a misdemeanor for a person to access the CURES database when not authorized by law, and would make it</p>	<p>07/16/25 - From committee: Do pass and re-refer to Com. on APPR.</p>
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	<p>a misdemeanor for a person who is authorized to access the database to knowingly furnish information from the CURES database to a person who is not authorized by law to receive that information. By creating new crimes, the bill would impose a state-mandated local program.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB497</p>	
SB 503	<p>Existing law requires a health facility, clinic, physician's office, or office of a group practice that uses generative artificial intelligence to generate written or verbal patient communications pertaining to patient clinical information, as defined, to ensure that those communications include both (1) a disclaimer that indicates to the patient that a communication was generated by generative artificial intelligence, as specified, and (2) clear instructions describing how a patient may contact a human health care provider, employee, or other appropriate person. Existing law exempts from this requirement a communication read and reviewed by a human licensed or certified health care provider.</p> <p>This bill would require developers and deployers of artificial intelligence systems to make reasonable efforts to identify artificial intelligence systems used to support clinical decision-making or health care resource allocation that are known or have a reasonably foreseeable risk for biased impacts in the system's outputs resulting from use of the system in health programs or activities. The bill would require developers and deployers to make reasonable efforts to mitigate the risk for biased impacts in the system's outputs resulting from use of the system in health programs or activities. The bill would require deployers to regularly monitor these artificial intelligence systems and take reasonable and proportionate steps to mitigate any bias that may occur. The bill would specify that a person, partnership, state or local governmental agency, or corporation may be both a developer and a deployer.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB503</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

SB 508	<p>Existing law authorizes a person licensed as a physician and surgeon in another state, as specified, to deliver health care via telehealth to an eligible patient, as defined. Existing law defines “eligible patient” as a person who, among other requirements, has a life-threatening disease or condition, as defined, and has not been accepted to participate in the clinical trial nearest to their home for the immediately life-threatening disease or condition, as specified, or in the medical judgment of a physician and surgeon, as defined, it is unreasonable for the patient to participate in that clinical trial due to the patient’s current condition and state of disease.</p> <p>This bill would also include within the definition of “eligible patient” a patient whose immediately life-threatening disease or condition is in remission and the patient is continuing care with the previously established eligible out-of-state physician and surgeon, and would provide that those patients are not subject to the clinical trial requirement, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB508</p>	<p>07/01/25 - July 1 set for first hearing canceled at the request of author.</p>
SB 530	<p>This bill would extend the operation of those standards to January 1, 2029. The bill would also require a managed care plan to ensure that each subcontractor network complies with certain appointment time standards unless already required to do so. The bill would set forth related reporting requirements with regard to subcontractor networks.</p> <p>This bill would recast those provisions and would specify, under both circumstances, that there be an appropriate level of care and access that is consistent with professionally recognized standards of practice, with a departmental determination that the alternative access standards will not have a detrimental impact on the health of enrollees. The bill would require the department to consider the sufficiency of payment rates offered by the Medi-Cal managed care plan to the provider type or for the service type when evaluating requests for the utilization of alternative access standards. The bill would also require the department to publish, and periodically update as necessary, the criteria for evaluation</p>	<p>07/16/25 - From committee: Do pass and re-refer to Com. on APPR.</p>

	<p>and authorizing alternative access standards under the above-described provisions, as specified. The bill would make other changes to the procedure for a managed care plan to submit a previously approved alternative access standard request.</p> <p>This bill would require that the evaluation be performed using a direct testing method and an examination of complaints data, as specified. The bill would, effective for contract periods commencing on or after January 1, 2026, additionally require the report to include, for each of the preceding 3 years, the number and percentage of enrollees that are subject to an approved alternative access standard, and the number and percentage of alternative access standards requested, approved, and denied, as specified.</p> <p>Existing law defines “specialist” for purposes of these provisions, including with regard to a managed care plan’s requirement to maintain a network of providers located within the time or distance standards.</p> <p>This bill would expand the scope of the definition for “specialist” to include providers of immunology, urology, and rheumatology, among other additional areas of medicine.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB530</p>	
SB 626	<p>This bill would modify the term “maternal mental health condition” to “perinatal mental health condition” and additionally include in its definition a mental health condition that occurs during the perinatal period. The bill would authorize a licensed health care practitioner to satisfy the above-described requirement by referring the patient or client to another licensed health care practitioner who is authorized to screen, diagnose, and treat the patient or client for a perinatal mental health condition. The bill would require a licensed health care practitioner who provides perinatal care for a patient or client to diagnose and treat the patient or client for a perinatal mental health condition in accordance with the standards appropriate to the provider’s license, training, and scope of practice, as specified.</p> <p>Existing law requires a health care service plan or health insurer to develop a maternal mental health program designed to promote</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

	<p>quality and cost-effective outcomes. Existing law requires the program to, among other things, conduct specified maternal mental health screenings during pregnancy and the postpartum period. Existing law requires the program guidelines and criteria to be provided to relevant medical providers, including all contracting obstetric providers. For purposes of these provisions, existing law defines “maternal mental health” to mean a mental health condition that occurs during pregnancy or during the postpartum period, as specified.</p> <p>The bill would require program guidelines and criteria to be provided to relevant licensed health care practitioners, as defined, including all contracting obstetric providers. The bill would require a health care service plan or health insurer to provide case management and care coordination for an enrollee or insured during the perinatal period. The bill would require a plan or an insurer to annually report the utilization and outcomes of case management services to the appropriate department and to post that reported information to its internet website.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB626</p>	
SB 660	<p>This bill would require the Department of Health Care Access and Information, on or before January 1, 2026, and subject to an appropriation in the annual Budget Act, to take over the establishment, implementation, and all of the functions related to the California Health and Human Services Data Exchange Framework, including the data sharing agreement and policies and procedures, from the agency.</p> <p>The bill would expand the entities that are specifically required to execute a data sharing agreement with the California Health and Human Services Data Exchange Framework and authorize the Department to determine other categories of entities required to execute a data sharing agreement, as specified. The bill would require the Department, no later than July 1, 2026, to establish a process to designate qualified health information organizations as data sharing intermediaries that have demonstrated their ability to meet requirements of the California Health and Human Services Data Exchange Framework. The bill would require the</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>

	<p>Department to annually report to the Legislature on the California Health and Human Services Data Exchange Framework, including compliance with data sharing agreements.</p> <p>The bill would expand the membership of the stakeholder advisory group and also establish the CalHHS Data Exchange Board as a separate entity from the stakeholder advisory group. The board would be composed of 14 members who are appointed or serve ex officio. The board, among other things, would be required to review, modify, and approve modifications to the California Health and Human Services Data Exchange Framework data sharing agreement and any new policies and procedures developed by the center.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB660</p>	
SB 812	<p>Existing law requires a health care service plan contract or health insurance policy issued, amended, renewed, or delivered on or after January 1, 2024, that provides coverage for medically necessary treatment of mental health and substance use disorders to cover the provision of those services to an individual 25 years of age or younger when delivered at a school site.</p> <p>This bill would expand the definition of school site to additionally require a contract or policy that provides coverage for medically necessary treatment of mental health and substance use disorders to cover the provision of those services to an individual 25 years of age or younger when delivered at a qualified youth drop-in center.</p> <p>Because of the expansion of the definition of school site to include qualified youth drop-in centers, this bill would expand the above-described reimbursement requirement to those services when provided at a qualified youth drop-in center, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB812</p>	<p>07/17/25 - Read second time and amended. Re-referred to Com. on APPR.</p>



Public Relations and Publicity Media Clips Report

June 2025-July 2025

Features

Local symposium seeks to improve 2SLGBTQIA+ healthcare through education and advocacy

Featured On: Kern Sol News | June 25, 2025

“Oftentimes, healthcare can fail to understand and meet the needs of the LGBTQ+ community, especially in rural areas such as Kern County. For many, this means feeling unseen, unvalidated, and facing harmful misconceptions—even in spaces meant to offer care.

Bakersfield College hosted its second annual Advancing Health Equity: Sexuality and Gender Healthcare Symposium on June 19.” [Click here to read more.](#)

Community Voices: Cuts in Medi-Cal funding will destabilize Kern County families, businesses

Featured On: The Bakersfield Californian | July 02, 2025

“As the U.S. Congress is considering a budget package that could result in billions of dollars in cuts to Medi-Cal, I want to alert our community to a risk we face if lawmakers move forwards with these plans.” [Click here to read more.](#)

A look at potential local effects of the 'Big Beautiful Bill'

Featured On: 23ABC | July 03, 2025

“In a statement from a Kern Family Health Care spokesperson, they noted that a \$1 trillion dollar cut is expected over the next decade, and “While the full effects of this legislation are still unfolding, thousands of Medi-Cal beneficiaries may lose eligibility, and vital funding for local safety-net providers may be at risk.” [Click here to read more.](#)

Local impact of Medi-Cal revisions unclear, but hospitals say it won't be good

Featured On: The Bakersfield Californian | July 11, 2025

“In an email, the county’s Medi-Cal administrator, Kern Family Health Care, said it was still too early to determine the full impacts of the legislation. ‘We are currently reviewing the legislation to fully understand its potential impacts. At the moment, it is too early to determine how many individuals may be affected,’ said Jackie Byrd, spokesperson for Kern Family Health Care.” [Click here to read more.](#)



Public Relations and Publicity Media Clips Report

June 2025-July 2025

Features

Kern Family Healthcare habla sobre la renovación de su seguro de Medi-cal

Featured On: Telemundo Bakersfield | July 18, 2025

“Le damos la bienvenida a Maritza Jiménez, ella es supervisora de relaciones comunitarias en Kern Family Health Care. Te damos la gracia Maritza por estar aquí. Nos enviaste unas preguntas pero antes de eso, pláticanos, ¿qué es Medi-Cal?” [Click here to read more.](#)

Mentions

Building a better Bakersfield: 35th annual event to honor individuals, organizations

By: The Bakersfield Californian | June 13, 2025

“Nonprofit of the Year Sponsored by **Kern Family Health Care**
Honors a nonprofit organization for its significant and lasting impact on the community.” [Click here to read more.](#)

BMoA to celebrate Pride at Art After Dark

By: The Bakersfield Californian | June 20, 2025

“Community partners will be set up in the garden including AltaOne Federal Credit Union, Kern Valley Public Radio, PFLAG, Blue Zones Project Bakersfield, Cal Care Therapy, Kern County Public Health, Kern Behavioral Health and Recovery Services, Free Mom Hugs, The Center for Sexuality & Gender Diversity, Bakersfield College Lavender Initiatives, Ovation Theatre, JPMorgan Chase, Valley Strong Credit Union, **Kern Family Health Care**, Pride Chamber of Commerce, Clinica Sierra Vista and California Rural Legal Assistance Inc.” [Click here to read more.](#)

Health News to Use: July 2025

By: Kern County Family Magazine | June 26, 2025

“Watermelon is not only a refreshing treat, but it provides a host of additional nutritional benefits as well, making it an ideal food for your next backyard barbecue.” [Click here to read more.](#)

Mentions

Leading with purpose: Traco Matthews champions equity across California

By: Kern Sol News | June 27, 2025

“Through his day job as the Chief Health Equity Officer for **Kern Health Systems** and as a pastor, Matthews explained that his purpose in life is to be committed to seeing this work proliferate in the state, the community, and around the nation.” [Click here to read more.](#)

Bakersfield to host racial equity event on July 15 as part of state roadshow

By: Kern Sol News | July 14, 2025

“The roadshow is one of several stops throughout the state to increase public engagement around racial equity issues in California. The event is supported by **Kern Family Health Care** and Building Healthy Communities Kern.” [Click here to read more.](#)

Health News to Use: August 2025

By: Kern County Family Magazine | July 29, 2025

“There is no definitive age when a child may need to get eyeglasses. However, the American Association for Pediatric Ophthalmology and Strabismus notes that children's visual systems are still developing during the first 12 years of their life, and during this period wearing glasses can be important for normal vision development.” [Click here to read more.](#)

End of Document



COMMITTEE: *UTILIZATION MANAGEMENT COMMITTEE*
DATE OF MEETING: *MAY 14, 2025*
CALL TO ORDER: *12:07 PM BY MANINDER KHALSA, MD, UM MEDICAL DIRECTOR - CHAIR*

Members Present On-Site:	Ashok Parmar, MD –Specialist Pain Medicine	Parikshat Sharma, MD – Outpatient Specialist	Karan Srivastava, MD – Orthopedic Surgeon
Members Virtual Remote:	Maninder Khalsa, MD – KHS UM Medical Director Philipp Melendez, MD – OB/GYN	Abdolreza Saadabadi, MD - Psychologist	
Members Excused=E Absent=A			
Staff Present:	Linda Corbin, Health Services Consultant (Remote) Amy Daniel, Executive Health Services Coordinator Dan Diaz, CCM Manager, RN Erin Endes, Health Services Manager (Remote) Alma Garcia, NCQA Accreditation Specialist	Jiwan Gill-Sharma, UM Inpatient Clinical Supervisor Loni Hill-Pirtle, Director of Enhanced Case Mgmt. Kulwant Kaur, UM Outpatient Clinical Supervisor RN Christine Pence, Senior Director of Health Services	Steve Pocasangre, NCQA Accreditation Specialist Christine Pence, Senior Director for Health Services Melinda Santiago, Director of Behavioral Health Nate Scott, Director of Member Services Isabel Silva, Director of Health & Wellness

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
Quorum	Attendance / Roll Call	Committee quorum requirements were met as the composition as described in the committee charter.	N/A
Call to Order	Dr. Maninder Khalsa, KHS UM Medical Director called the meeting to order at 12:07 PM.		N/A
Committee Minutes	<u>Approval of Minutes</u> The minutes of February 26, 2025 were presented for review and approval.	<input checked="" type="checkbox"/> ACTION: Dr. Sharma moved to approve minutes of February 26, 2025, seconded by Dr. Parmar. Motion carried.	5/14/25
OLD BUSINESS	There was no old business to present.	N/A	N/A
NEW BUSINESS	<u>Welcome & Introduction</u> Introductions: Dr. Khalsa welcomed the members of UM Committee.	<input checked="" type="checkbox"/> CLOSED: Informational only.	N/A

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p><u>Policy Review and Approval</u></p> <p>Dr. Khalsa informed the committee that the following policy and procedures were revised and sent out prior to committee meeting for review and approval.</p> <ul style="list-style-type: none"> • Policy 3.07-P Vision Care • Policy 3.55-I Coordination of Care for Out of Network <p>Christine reviewed the changes for the referenced policies and the members had no further discussion or input on these revisions and new policies.</p>	<p><input checked="" type="checkbox"/> ACTION: Dr. Sharma moved to approve the policy and procedure revisions for 3.07, and 3.55 as presented, seconded by Dr. Srivastava. Motion carried.</p>	5/14/25
	<p><u>UM Report 1st Quarter 2025</u></p> <p>Dr. Khalsa presented the 1st 2025 UM Report. The following highlights were noted:</p> <ul style="list-style-type: none"> • UM Timeliness of Decisions – KHS remains compliant at 99.6% for Urgent and 100% for Routine timelines. • UM Referral Notification is complaint at 91% for member notification and 100% provider notification and MD Signature. • Outpatient Referrals – continues to increase 110842 from last quarter which was 100817. • Adult & Pediatric Referrals – remain consistent in comparison to past quarters. • Denial Percentage – 1st Quarter denied referrals are 2.1% January, 3.1% February and 2.8% March. • IRR Q1 Results – All staff and Med Directors have successfully passed the required IRR testing with passing score of 95% or higher • Internal Auditing for 1st Quarter included System Controls Audit was conducted and UM Director and Leadership to continue to monitor until improvements over all 3-quarters are demonstrated. <p>Christine presented the HICE 1st Quarter 2025 Summary. Dr. Srivastava requested clarification on readmissions if they are 30-days or 60-days and Christine informed the members readmissions within 30-days.</p>	<p><input checked="" type="checkbox"/> CLOSED: Report accepted as presented with no further discussion or questions from the committee members.</p>	5/14/25

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED																				
	<p><u>UM/Internal Auditing Activities</u></p> <p>Christine Pence reported on the UM Auditing Activities that included monitoring the process of referrals that have been delayed by the UM Department.</p> <table border="1"> <thead> <tr> <th></th><th>January</th><th>February</th><th>March</th></tr> </thead> <tbody> <tr> <td>Total referrals for the month</td><td>34,424</td><td>33,841</td><td>36,240</td></tr> <tr> <td>Total referrals that were delayed</td><td>58</td><td>58</td><td>98</td></tr> <tr> <td>Percent of referrals delayed</td><td><1%</td><td><1%</td><td><1%</td></tr> <tr> <td>Audit sample size</td><td>10 referrals</td><td>10 referrals</td><td>10 referrals</td></tr> </tbody> </table> <p>Audit results were shared with UM Staff with appropriate staff reminders identified in this audit.</p>		January	February	March	Total referrals for the month	34,424	33,841	36,240	Total referrals that were delayed	58	58	98	Percent of referrals delayed	<1%	<1%	<1%	Audit sample size	10 referrals	10 referrals	10 referrals	<p><input checked="" type="checkbox"/> CLOSED: Report accepted as presented with no further discussion or questions from the committee members.</p>	5/14/25
	January	February	March																				
Total referrals for the month	34,424	33,841	36,240																				
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Percent of referrals delayed	<1%	<1%	<1%																				
Audit sample size	10 referrals	10 referrals	10 referrals																				
OPEN FORUM	<p><u>Open Forum</u></p> <p>Dr. P. Sharma discussed increasing access by utilizing assisted living facilities to place more patients and extend contracts to these types of facilities.</p>	<p><input checked="" type="checkbox"/> CLOSED: Informational discussion only.</p>	N/A																				
NEXT MEETING	Next meeting will be held Wednesday, August 13, 2025 at 12:00 PM	<p><input checked="" type="checkbox"/> CLOSED: Informational only.</p>	N/A																				
ADJOURNMENT	<p>The Committee adjourned at 12:55 PM</p> <p><i>Respectfully submitted: Amy L. Daniel; Executive Health Services Coordinator</i></p>	N/A	N/A																				

For Signature Only – Utilization Management Committee Minutes 5/14/2025

The foregoing minutes were APPROVED AS PRESENTED on: _____
Date Name

The foregoing minutes were APPROVED WITH MODIFICATION on: _____
Date Name



22 B

COMMITTEE: **DRUG UTILIZATION REVIEW (DUR) COMMITTEE**
DATE OF MEETING: **MAY 19, 2025**
CALL TO ORDER: **6:38 P.M. BY DR. MARTHA TASINGA, CMO, CHAIR**

Members Present On-Site:	Kimberly Hoffmann, PharmD – Psychiatric	James “Patrick” Person, RPh – Retail Vasanthi Srinivas, MD – OB/GYN	Martha Tasinga, MD – KHS Chief Medical Officer Bruce Wearda, RPh – KHS Director of Pharmacy
Members Virtual Remote:	Todd Farrer, MD – Family Practice Abdolreza Saadabadi, MD – Network Provider, Psy.D.	Sarabjeet Singh, MD - Network Provider, Cardiology	
Members Excused=E Absent=A	Alison Bell, PharmD – Geriatrics (E) Dilbaugh Gehlawat, MD – Pediatrician (E)	Joseph Tran, PharmD – Specialty (A)	
Staff Present:	Amy Daniel, KHS Executive Health Svcs Coordinator Christina Kelly, KHS Pharmacy Supervisor	John Miller, MD, KHS Medical Director Sukhpreet Sidhu, MD, KHS Medical Director	

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
Quorum	Attendance / Roll Call	Committee quorum requirement met.	N/A
APPROVAL OF MINUTES	The Committee’s Chairperson, Bruce Wearda, RPh, presented the meeting minutes of 02/24/25 for approval.	<input checked="" type="checkbox"/> ACTION: Dr. Vasanthi Srinivas moved to approve minutes of February 24, 2024, seconded by Pat Person. 8 approved, 0 nays.	05/19/25
OLD BUSINESS	<ul style="list-style-type: none">None	N/A	
NEW BUSINESS	<ul style="list-style-type: none">Report of Plan Utilization Metrics <p>Bruce Wearda reviewed this information with the committee. The committee had the following comments:</p> <p>Dr. Srinivas was curious about the cost/reimbursement of the Gardasil vaccine. It appeared to be low. Bruce said he would look</p>		05/19/25

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>into this and report back to the committee at the next meeting.</p> <p>Dr. Miller pointed out there is a significant difference in cost between Eylea and Avastin eye injections. He said they would revisit and reeducate staff.</p> <ul style="list-style-type: none"> • Educational Articles <p>“Measles Vaccination Prevents Outbreaks, Protects Californians” This was in response to the measles outbreaks primarily in Texas. DCHS wanted to send out a reminder to the providers.</p> <ul style="list-style-type: none"> • DUR General Topics • Pharmacists and ADE Prevention <p>Kim Hoffmann wanted to know how many pharmacists need to be on the DUR Committee and will it change in the future? Bruce answered that there is not a specific number, but they are looking for certain types of pharmacists with experience in psychiatry and geriatrics.</p> <ul style="list-style-type: none"> • Medicare/DSNP Application <p>The plan submitted the application in February, CMS received it. The plan must submit its bid in early June. The plan has received conditional approval contingent upon it's bid.</p> <p>Pat Person asked if pharmacy reimbursement was going to be comparable to other plans. He indicated it would be ok as long as the reimbursement covers the cost. Then Bruce added that the rates should be, and there should be no active campaign to move customers to mail-order.</p> <ul style="list-style-type: none"> • NCQA <p>Bruce said the plan is attempting to obtain NCQA Accreditation. Documents (Policies, Procedures, Etc.) were</p>	<p><input checked="" type="checkbox"/> ACTION: Bruce to bring the information back to the next committee meeting.</p> <p><input checked="" type="checkbox"/> ACTION: N/A - Committee had no commentary.</p> <p><input checked="" type="checkbox"/> ACTION: N/A</p>	<p>Pending</p> <p>05/19/25</p>

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>submitted in April 2025. File Reviews will be conducted May 27-28, 2025. The file results will be issued in mid-late June.</p> <ul style="list-style-type: none"> DCHS/Executive Order N 01-19 <p>1. Global DUR</p> <p>Bruce said that we had turned in our CMS-DUR Annual Survey. They are due to DCHS June 2, 2025.</p> <p>2. May Revise</p> <p>The Governor's revision announced on May 14, 2025 was shared with the committee. Issues concerning pharmacy and healthcare were highlighted.</p>	<p><input checked="" type="checkbox"/> ACTION: N/A</p>	
OPEN FORUM	<p>Topics of discussion brought up were:</p> <ul style="list-style-type: none"> Kim Hoffmann had a question about how providers would be reimbursed under the new proposed revision. Bruce suggested there could be an impact with the MCO tax, and Prop 56 modifications. Both which are proposed to be reduced. 	<p><input checked="" type="checkbox"/> ACTION: N/A</p>	05/19/25
NEXT MEETING	Next meeting will be held Monday, August 25, 2025 at 6:30 pm	<p><input checked="" type="checkbox"/> CLOSED: Informational only.</p>	N/A
ADJOURNMENT	The Committee adjourned 7:34 pm.	<p><input checked="" type="checkbox"/> ACTION: Dr. Abdolreza Saadabadi moved to adjourn the meeting. It was seconded by Kim Hoffmann. 8 Ayes, 0 Nays.</p>	05/19/25

Respectfully submitted: Amy Daniel, KHS Executive Health Services Coordinator
For Signature Only – Drug Utilization Review Committee Minutes 05/19/25

The foregoing minutes were APPROVED AS PRESENTED on: _____
Date Name

The foregoing minutes were APPROVED WITH MODIFICATION on: _____
Date Name



COMMITTEE: **PHYSICIAN ADVISORY COMMITTEE**
 DATE OF MEETING: **JUNE 4, 2025**
 CALL TO ORDER: **7:03 AM BY MARTHA TASINGA, MD – KHS CHIEF MEDICAL DIRECTOR**

Members Present On-Site:	Martha Tasinga, MD – KHS Chief Medical Officer Atul Aggarwal, MD – Network Provider, Cardiology (E) Hasmukh Amin, MD – Network Provider, Pediatrics	Gohar Gevorgyan, MD – Network Provider, FP Ashok Parmar, MD– Network Provider, Pain Medicine	
Members Virtual Remote:	David Hair, MD - Network Provider, Ophthalmology Abdolreza Saadabadi, MD, PhD		
Members Excused=E Absent=A	Miguel Lascano, MD – Network Provider, OB/GYN (E) Raju Patel, MD – Network Provider, Internal Medicine (E)		
Staff Present:	Alan Avery, Chief Operating Officer Michelle Curioso, Director of PHM Amy Daniel, Executive Administrative	Jake Hall, Deputy Director of Contracting Yolanda Herrera, Credentialing Manager John Miller MD, QI Medical Director	Yesenia Sanchez, Credentialing Coordinator Sukhpreet Sidhu MD, PHM Medical Director

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
Quorum	Attendance / Roll Call	Committee quorum requirements met.	N/A
Call to Order	Dr. Martha Tasinga MD, KHS Chief Medical Officer, called the meeting to order at 7:03 am.		N/A
Public Presentation	Dr. Vinod Kumar and Melissa Gilkes-Smith from Heart and Vascular Leg Center (affiliate of Silver Summit Medical Group) was given the opportunity to present and request the committee's consideration to modify the KHS Vascular Guidelines to include vascular specialist such as Vascular Medicine, Endovascular Medicine and Interventional Cardiology.	<input type="checkbox"/> PENDING: Dr. Tasinga provided and overview of the Committee's decision to create vascular guidelines limiting and redirecting referrals to vascular surgery trained providers in 2019. Some discussion points that led to these guidelines included: a significant number of vascular cases which were exceedingly higher than the Medi-Caid cases in Texas; introduced evidence-based recommendations from the American Board of Vascular Surgery to	Tentatively August 2025

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>Both addressed the high need for specialist in Kern County to meet the needs of vascular cases focusing on the simple vascular procedures which are mostly endovascular procedures non-invasive. Dr. Kumar explained his Vascular Center's comprehensive and multidisciplinary approach to a "whole patient care center". Additionally, Melissa and Dr. Kumar expressed high rating from both providers and patients that wish to continue treatment with Dr. Kumar's center.</p> <p>Material handouts were presented to the committee members for review and consideration.</p> <p>Dr. Kumar and Melissa were thanked for their presentation and excused by the committee for closed session discussion.</p>	<p>develop criteria as to which providers can perform vascular cases that also included a designated pathway for providers to gain additional experience and certification; submission and approval of KHS Guidelines from the DHCS and DMHC as a center of excellence narrow network for vascular cases and guidelines as a mechanism to reduce case load.</p> <ul style="list-style-type: none"> • Dr. Gevorgyan expressed her appreciation of Dr. Kumar's follow-up on her Medicare and private insurance patients all of whom are happy with their results and timely scheduling. • Dr. Parmar asked how second opinions are handled and Dr. Tasinga informed the committee that second opinions are paid for the 1st visit and can be with an in-town in-network provider or tertiary provider. • Dr. Amin requested additional information be presented to the committee to include the following: <ol style="list-style-type: none"> 1. Dr. Tasinga's summary of past issues and history leading to implement vascular guidelines. 2. Table further discussion until all facts and reports are available to review past and current data. 3. If access issues or delays, provide grievance report, number of claims with case outcomes. 	
Committee Announcements	<p>Dr. Tasinga informed the members that KHS has temporarily closed the Behavioral / Mental Health Network due to the influx of applications primarily for telehealth/tele remote services only. We are only accepting applications who can provide in-person services at this time.</p> <p>Dr. Parmar provided a brief update on the Obesity Management Program. Members with BMI of 35 or more will be followed for 1-year with support and documented outcomes to track reductions.</p>	<input checked="" type="checkbox"/> CLOSED – Informational Only	8/4/25

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	provide nutritional counseling. The program will also include children 12 years and older as well as prenatal members with gestational diabetes. The program is located at the 2121 Niles and is taking referrals.		
Committee Minutes	<u>Approval of Minutes</u> Dr. Tasinga presented the meeting minutes of May 7, 2025 for review and approval.	<input checked="" type="checkbox"/> ACTION: Dr. Amin moved to approve minutes of May 7, 2025, seconded by Dr. Parmar. Motion carried.	6/4/25
PEER REVIEW REPORTS ACTIVITIES	<u>Peer Review Reports</u> CREDENTIALING REPORT Mental Health Pre-Approvals from Reports dated 06/02/2025: In compliance with Senate Bill 2581, Dr. Tasinga, KHS CMO, pre-approved the Mental/Behavioral Health providers as listed on 06/02/2025 Credentialing Reports, all files met clean file criteria, in compliance with the 60-day turnaround requirements. Mental Health Providers pre-approved by Dr. Tasinga were accepted as presented with no additional questions or alternative actions. Comprehensive Reviews regarding mental health & behavioral health providers were reviewed under the Initial Credentialing Report below.	<input checked="" type="checkbox"/> ACTION: Dr. Amin moved to approve the Behavioral/Mental Health Credentialing Report dated 06/02/2025, seconded by Dr. Aggarwal. Motion carried,	6/4/25
	INITIAL CREDENTIALING REPORT Initial Applicants List Dated 06/04/2025. The clean files were accepted as presented with no additional discussion. The following initial applications were presented for comprehensive review:	<input checked="" type="checkbox"/> ACTION: Dr. Amin moved to approve the Credentialing, Recredentialing and New Vendor Contracts from the reports dated 5/27/25 and 6/4/2025, seconded by Dr. Aggarwal. Motion carried.	6/4/25
	<ul style="list-style-type: none"> <div style="background-color: black; width: 100%; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 100%; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 100%; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 100%; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 100%; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 100%; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 100%; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 100%; height: 1.2em; margin-bottom: 2px;"></div> 	<input checked="" type="checkbox"/> ACTION: Dr. Amin moved to approve Comprehensive Reviews as listed with approval recommendations (3-yr appointment) & PRV092761 (1-year modified appointment), seconded by Dr. Aggarwal. Motion carried	6/4/25

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PEER REVIEW PROTECTED UNDER CALIFORNIA B&P CODE SECTION 1157
CALIFORNIA HEALTH & SAFETY CODE SECTIONS 1370-1371
WELFARE AND INSTITUTIONS CODE SECTION 14087.58
KHS PROPRIETARY PROPERTY - CONFIDENTIAL

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>		
OLD BUSINESS			
NEW BUSINESS	<p><u>Delegated Credentialing – 1st Quarter 2025 HICE Reports</u> Yolanda Herrera KHS Credentialing Manager informed the committee that the delegates have submitted their 1st Quarter HICE Credentialing Updates and Rosters indicating initial appointments, recredentialing and terminations during the reporting period. There were no significant changes in the provider network or to the delegates credentialing programs.</p>	<p><input checked="" type="checkbox"/> ACTION: Dr. Amin moved to approve the 1st Quarter Delegation HICE Reports, seconded by Dr. Parmar. Motion carried.</p>	6/4/25
	<p><u>QI Track and Trend June Report 2025</u> John Miller, MD, KHS Medical Director Quality Improvement, presented the Potential Quality Issues (PQI) Track and Trend Report data for 5/1/2025-5/31/2025.</p> <p>The report was accepted as presented with no further action requested or taken by the committee.</p>	<p><input checked="" type="checkbox"/> ACTION: Dr. Amin moved to approve the QI Track and Trend June Report as presented and reviewed, seconded by Dr. Gevorygan. Motion carried.</p>	6/4/25
OPEN FORUM	There was no open discussion.	<input checked="" type="checkbox"/> CLOSED – Informational Only	N/A
NEXT MEETING	Next meeting will be held Wednesday, August 6, 2025	Informational only.	N/A

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
ADJOURNMENT	<p>The Committee adjourned at 7:52 am.</p> <p>Respectfully submitted: Amy Daniel, KHS Executive Health Services Coordinator</p>	N/A	N/A

For Signature Only – Physician Advisory Committee Minutes 05/07/2025:

The foregoing minutes were APPROVED AS PRESENTED on: _____
Date Name

The foregoing minutes were APPROVED WITH MODIFICATION on: _____
Date Name

SUMMARY

FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Friday, June 13, 2025

8:30 A.M.

COMMITTEE RECONVENED

Members: Elliott, Bowers, McGlew, Turnipseed, Watson
ROLL CALL: 4 Present; 1 Absent – Bowers

NOTE: The vote is displayed in bold below each item. For example, McGlew-Bowers denotes Director McGlew made the motion and Director Bowers seconded the motion.

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

NOTE: DIRECTOR BOWERS ARRIVED AT 8:33 A.M.; AFTER THE ROLL CALL

COMMITTEE ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

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

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

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

SUMMARY

Finance Committee Meeting
Kern Health Systems

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FINANCIAL MATTERS

- CA-3) Minutes for Kern Health Systems Finance Committee meeting on April 11, 2025 -
APPROVED
McGlew-Turnipseed: 4 Ayes; 1 Absent - Bowers
- 4) Report from the Milliman actuary firm regarding capital reserves and liquidity (Fiscal Impact: None) – AARON GATES AND NICK JOHNSON, MILLIMAN, HEARD; RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Watson-Bowers: 5 Ayes
- 5) Report on Kern Health Systems investment portfolio for the first quarter ending March 31, 2025 (Fiscal Impact: None) – IRA COHEN, UBS FINANCIAL, HEARD; RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Turnipseed: 5 Ayes
- 6) Proposed renewal and binding of insurance coverages for crime, excess crime, property, fiduciary liability, cyber insurance, excess cyber insurance, managed care errors and omissions, flood insurance and deadly weapon response program from July 1, 2025 through June 30, 2026 (Fiscal Impact: \$960,000 Estimated; Budgeted) – CHRIS TOBIN AND CANDACE PORTER, ALLIANT, HEARD; APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Bowers: 5 Ayes
- 7) Proposed renewal and binding of employee benefit plans for medical (self-funded), dental, vision, life insurance, short-term and long-term disability and long-term care from January 1, 2026, through December 31, 2026 (Fiscal Impact: \$13,000,000 Estimated; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Bowers-Watson: 5 Ayes
- 8) Report on Kern Health Systems financial statements for February 2025, March 2025 and April 2025 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Bowers-McGlew: 5 Ayes
- 9) Report on Accounts Payable Vendor Report, Administrative Contracts between \$50,000 and \$200,000 for February 2025, March 2025 and April 2025 and IT Technology Consulting Resources for the period ended March 31, 2025 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Watson-Bowers: 5 Ayes

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- 10) Proposed New Agreement with Crowe and DELL for the implementation and licensing of a new Accounting Enterprise Resource Planning (ERP) System from July 1, 2025, through June 30, 2030, with a Not-to-Exceed amount of \$1,585,000 for implementation (Crowe) and for increasing the current Microsoft Enterprise Agreement by \$353,550 for the Microsoft Dynamics 365 Finance and Operations software and licenses (DELL) over the term of the contract. (Fiscal Impact: \$1,938,550; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Bowers-McGlew: 5 Ayes
- 11) Proposed New Agreement with Citiguard, Inc. for Security Guard Services from August 1, 2025, through July 31, 2028, with a Not-to-Exceed amount of \$653,177 over the term of the contract. (Fiscal Impact: \$653,177; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Watson: 5 Ayes
- 12) Proposed Contract Extension with Bitfocus for the Licensing for the Homeless Management Information System (HMIS) from June 22, 2025, through September 30, 2026. Increasing the Not-to-Exceed amount by \$239,588 from \$416,665 to \$656,253 over the term of the contract. (Fiscal Impact: \$239,588; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Watson: 5 Ayes
- 13) Proposed Contract Extension with Milliman Care Guidelines (MCG) for Evidence Based Clinical Care Guidelines from August 5, 2025, through August 4, 2030. Increasing the Not-to-Exceed by \$8,878,564 from \$5,692,237 to \$14,570,801 over the term of the contract. (Fiscal Impact: \$8,878,564; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Bowers-McGlew: 5 Ayes
- CA-14) Proposed Contract Amendment with ImageNet for the Health Risk Assessment/ Optical Character Recognition (HRA/OCR) Process from June 20, 2025, through April 4, 2027. Increasing the Not-to-Exceed by \$75,092 from \$197,000 to \$272,092 over the term of the contract. (Fiscal Impact: \$75,092; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Turnipseed: 4 Ayes; 1 Absent - Bowers

ADJOURN TO FRIDAY, AUGUST 8, 2025 AT 8:30 A.M

**COMMITTEE: EXECUTIVE QUALITY IMPROVEMENT HEALTH EQUITY COMMITTEE (EQIHEC)****DATE OF MEETING: June 17, 2025****CALL TO ORDER: 7:15 AM BY TRACO MATTHEWS, CHAIR**

Members Present	Jennifer Ansolabehere - KC Public Health Satya Arya, MD - ENT.	Allen Kennedy – Quality Team DME Chan Park, MD – Vanguard Family Medicine Todd Jeffries – Bakersfield Community Healthcare	Rukiyah Polk - CAC Chair Jasmine Ochoa – Asst. Director of Health Services Traco Matthews – KHS Chief Health Equity Officer (Non-Voting)
On-Site:	Danielle Colayco, PharmD – Komoto		
Members Virtual Remote:			
Members Excused=E Absent=A	Debra Cox – Omni Family Health (A) Philipp Melendez, MD – OB/GYN (A) Martha Tasinga - KHS Chief Medical Officer (A)		
Staff Present:	Pawan Gill - Health Equity Manager Anastasia Lester - Sr. Health Equity Analyst Ann StoryGarza - Assistant General Counsel Amy Sanders - Member Services Manger Adriana Salinas – Director of Community & Social Services	Maninder Khalsa - Medical Director Nate Scott - Member Services Director John Miller - Quality Improvement Medical Doctor Vanessa Nevarez – Health Equity Coordinator Michelle Curioso – Director of Pop Health Management	Abdolreza Saadabadi, MD - BH Medical Director Isabel Silva - Senior Director of Wellness & Prevention Melinda Santiago - Director of Behavioral Health Magdee Hugais - Director of Quality Improvement Christine Pence – Senior Director of Health Services

Agenda Item	Discussion/Conclusion	Recommendations/Action	Date Resolved
Quorum	8 of 11 committee members present; Martha Tasinga, Philipp Melendez, and Debra Cox were absent.	Committee quorum requirements met.	N/A
Call to Order	Traco Matthews, Chair, called meeting to order at 7:15 am.	N/A	N/A
Public Presentation	There were no public presentations.	N/A	N/A

Agenda Item	Discussion/Conclusion	Recommendations/Action	Date Resolved
Committee Announcements	Traco Matthews gave the opportunity for member updates. <ul style="list-style-type: none"> Jennifer A. announced her departure from the EQIHEC and introduced her replacement recommendation, Cassandra Mulder. 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

	<ul style="list-style-type: none"> Danielle C. announced that the Komoto Family Foundation's first scholarship program will announce their first two scholar winners for pharmacy students soon. Todd J. announced that Bakersfield Community Healthcare's adult day health and activity center are growing rapidly and are mostly attended by KFHC members. The program encourages people to stay active, and they appreciate all the referrals. 	<ul style="list-style-type: none"> N/A N/A 	<ul style="list-style-type: none"> N/A N/A
Committee Minutes	<p><u>Approval of Minutes</u></p> <ul style="list-style-type: none"> CA-3) The Committee's Chairperson, Traco Matthews, presented the EQIHEC Minutes for approval. 	<p>Action:</p> <ul style="list-style-type: none"> Satya A., Todd J. second. All aye's. Motion carried. 	6/17/25
Old Business	There was no old business to present.	N/A	N/A
New Business	<p><u>Consent Agenda Items</u></p> <ul style="list-style-type: none"> CA-4) Pharmacy Drug Utilization Review (DUR) Minutes from February 24, 2025. CA-5) Physician Advisory Committee (PAC) Redacted Minutes from February 5, 2025. CA-6) Physician Advisory Committee (PAC) Redacted Minutes from March 5, 2025. CA-7) Population Health Management Committee (PHMC) Minutes from March 5, 2025. CA-8) Utilization Management Committee (UMC) Minutes from February 26, 2025. CA-9) Member Services NCQA Qualitative/Quantitative Grievance Report. CA-10) Wellness & Prevention (W&P) Q1 2025 Activities Report, C&L Activities Report. A motion to approve Consent Agenda Items was requested 	<p>Action:</p> <ul style="list-style-type: none"> Satya A. first, Todd J. second. All aye's. Motion carried. 	6/17/25

	<p><u>11) Health Equity Transformation Steering Committee (HETSC)</u></p> <ul style="list-style-type: none"> Pawan G. presented the updated HEO (Health Equity Office) Workplan to the committee. This version reflects recent adjustments made to align with NCQA Health Equity accreditation standards. The changes include a new completion date column for each activity, a new notes section column, and minor formatting changes to improve clarity and consistency. A motion to approve was requested. Pawan G. presented the Q1 RAC (Regional Advisory Committee) Report where the topic was Behavioral Health. This new report shows regional overviews, common themes and key takeaways from the meetings. A motion to approve was requested. Pawan G. gave a NCQA Health Equity update and stated that accreditation was submitted on June 10th, 2025; the final score is anticipated to be received in August. The update also included the TGI (Transgender and Intersex) training rate at 92% completion and the employee DEI (Diversity, Equity, and Inclusion) training rollout expected to take place in October 2025. <p><u>12) Quality Improvement Workgroup (QIW)</u></p> <ul style="list-style-type: none"> Magdee H. presented the QIW Q1 2025 report which covers key updates on quality and safety initiatives, site review performance, appeals and grievances, the NCQA accreditation progress, and Enhanced Care Management (ECM) developments. Magdee H. highlighted that no QOC issues were trending unfavorably. He praised the clinical oversight team who audits and sends out education to providers. Magdee H. shared that all measures are complete, or in progress on the QIW scorecard and there are no barriers. Lastly, Magdee H. shared that KFHC plan has been accredited by NCQA. Traco M. praised the department for all their hard work. A motion to approve was requested. 	<p>Action:</p> <ul style="list-style-type: none"> Satya A. first, Allen K. second. All aye's. Motion carried. Jasmine O. first, Allen K. second. All aye's. Motion carried. Informational only. Satya A. first, Chan P. second. All aye's. Motion carried. 	<p>6/17/25</p> <p>6/17/25</p> <p>6/17/25</p>
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	<p><u>13) Quality Performance (QP)</u></p> <ul style="list-style-type: none"> Aurora D. presented QP Q1 2025 department updates which highlighted that 12 measures out of 18 are met in comparison to 8 out of 18 the previous year. Aurora D. added that the children's domain has been a struggle since 2019, however the trending performance is going up. QP is currently meeting MPL for 3 measures and within 5% for 3 additional measures. A motion to approve was requested. <p><u>14) Behavioral Health Advisory Committee (BHAC)</u></p> <ul style="list-style-type: none"> Melinda S. presented Behavioral Health Q1 2025 updates which highlighted the department's assistance in the Health Equity RACs (Regional Access Committees) where Behavioral Health was the theme. Melinda S. added that there are 400k members currently enrolled in mental health services, the target is to have 10% of members enrolled. Melinda S. also highlighted data reporting improvements and enhanced capabilities to identify trends and performance gaps. Dr. John Miller praised Melinda S. for getting more data on behavioral health providers that are actual being used and finding true medical outcomes rather than having an extensive list of providers that no one uses simply to check a box. Traco M. praised Melinda S. for her focus on FUA (Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence) and FUM (Follow-Up After Emergency Department Visit for Mental Illness) efforts. A motion to approve was requested. <p><u>15) Population Health Management (PHM)</u></p> <ul style="list-style-type: none"> Michelle C. presented the Q1 2025 population health management report which highlighted the ER Utilizers Connection and Support Program which was designed to reduce avoidable ED (Emergency Department) 	<ul style="list-style-type: none"> Satya A. first, Todd J. second. All aye's. Motion carried. Jennifer A. first, Satya A. second. All aye's. Motion carried. Allen K. first, Chan P. second. All aye's. Motion carried. 	<p>6/17/25</p> <p>6/17/25</p> <p>6/17/25</p>
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	<p>visits. The program connects members with long term, community-based care through personalized care coordination. Since launching in June, the program has supported over 620 members and conducted more than 7,000 care activities addressing needs such as primary care access, behavioral health, housing, and chronic disease support. Early outcomes show reduced ED use and improved member engagement, including cases of sustained health improvements. A motion to approve was requested.</p> <p><u>16) Utilization Management (UM)</u></p> <ul style="list-style-type: none"> • Dr. Khalsa presented the Q1 2025 UM report which contains a synopsis of both quantitative and qualitative analytics that reflect the performance of the UM department in Q1 2025. The presentation highlighted the increase in the total number of referrals and membership. Dr. Khalsa praised the UM in-patient team for the substantial progress they've had in getting people placed. He also praised Melinda Santiago, Adrianna Salinas, and Michelle Curioso's team for all working so well together in getting the number of referrals delayed to less than 1%. A motion to approve was requested. • Satya A. left the meeting at 8:25am. <p><u>17) Member Services</u></p> <ul style="list-style-type: none"> • Amy S. presented the Q1 2025 Operational Board Report that when compared to the previous four quarters showed there was an increase in volume of grievances. She added that the volume of exempt grievances increased as well. A motion to approve was requested. • Amy S. presented the Q1 2025 Grievance Summary Report which highlighted the three largest grievance categories: access to care, quality of care, and quality of services grievances remained the three largest 	<ul style="list-style-type: none"> • Satya A. first, Allen K. second. All aye's. Motion carried. 	6/17/25
		<ul style="list-style-type: none"> • Chan P. first, Allen K. second. All aye's. Motion carried. 	6/17/25
		<ul style="list-style-type: none"> • Todd J. first, Allen K. second. All aye's. Motion carried. 	6/17/25

	<p>categories. A motion to approve was requested.</p> <p><u>18) Wellness & Prevention (W&P)</u></p> <ul style="list-style-type: none"> Isabel S. presented the 2025 W&P Roadmap which summarized the goals, objectives, and activities planned for 2025 to meet KHS' contractual requirements with DHCS for wellness, prevention, health education, and cultural and linguistic (C&L) services. Isabel S. highlighted the department goals and objectives to increase awareness and enrollment of W&P programs by focusing on building trusting relationships with members. The department is working on enhancing C&L services that focus on quality which includes an interpreter training program for front line staff that are used as interpreters. Currently, there are two nationally certified Spanish interpreters, with two more in progress. Isabel S. thanked committee member Philip Melendez for being the onsite OB for the first KHS Babies in Bloom (BIB) baby shower held in Delano. Traco M. praised the nationally certified interpreters and BIB event where Behavioral Health, Wellness & Prevention, and Population Health Management were all in attendance. Danielle C. asked what the time commitment for interpretation training is and how providers can sign up. Isabel S. responded that the time commitment is one day. Isabel S. added that W&P is not targeting specific providers but if any are interested to let her know. A motion to approve was requested. 	<ul style="list-style-type: none"> Todd J. first, Allen K. second. All aye's. Motion carried. 	6/17/25
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Agenda Item	Discussion/Conclusion	Recommendations/Action	Date Resolved
Open Forum	Traco M. invited the committee to the KHS Juneteenth Panel Discussion on June 19 th and encouraged all to participate in local Juneteenth celebrations. Traco M. also encouraged the committee to participate in Pride Month activities by inviting them to the SOGI (Sexual & Gender Identity) Healthcare Symposium at BC on June 20 th . Traco M. concluded by wishing everyone a happy fourth of July and reminded everyone to take time for themselves this summer.	Informational only.	N/A
Next Meeting	The next meeting will be held Tuesday, September 16, 2025, at 7:15am.	Informational only.	N/A
Adjournment	The Committee adjourned at 8:56am. <i>Respectfully Submitted: Vanessa Nevarez, Health Equity Project Coordinator</i>	<ul style="list-style-type: none"> Chan P. first, Allen K. second. All aye's. Motion carried. 	N/A

For Signature Only – EQIHEC Minutes 6/17/25

The foregoing minutes were APPROVED AS PRESENTED on: _____
Date Name

The foregoing minutes were APPROVED WITH MODIFICATION on: _____
Date Name

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COMMITTEE: COMMUNITY ADVISORY COMMITTEE (CAC)

DATE OF MEETING: June 24, 2025

CALL TO ORDER: 11:05 AM by Rukiyah Polk - Chair

Members Present: Ashton Chase Beatriz Basulto Evelin Torres Jasmine Ochoa Jay Tamsi Jessica Lopez Lourdes Bucher Mark McAlister Michelle Bravo Nalasia Jewel Rukiyah Polk Tammy Torres	Members Absent: Alyssa Olivera Jennifer Wood-Slayton Rocio Castro	Staff Present: Amy Sanders, Member Services Manager Anastasia Lester, Sr. Health Equity Analyst Brenda Fabian, C&L Specialist Carlos Bello, W&P Program Manager Cynthia Cardon, C&L Services Manager Cynthia Jimenez, C&L Specialist Lela Criswell, Member Engagement Manager Moises Manzo, C&L Specialist Tiffany Chatman, Manager of W&P Vanessa Nevarez, Health Equity Coordinator Isabel Silva, Sr. Director of W&P
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Agenda Item	Discussion/Conclusion	Recommendations/Action	Date Resolved
Quorum	12 committee members present; Alyssa Olivera, Jennifer Wood-Slayton, and Rocio Castro were absent.	Committee quorum requirements met.	N/A
Call to Order	Rukiyah Polk, Chair, called meeting to order at 11:05 am.	N/A	N/A
Public Presentation	There were no public presentations.	N/A	N/A



Agenda Item	Discussion/Conclusion	Recommendations/Action	Date Resolved
Committee Announcements	<p>Rukiyah gave the opportunity for member updates.</p> <ul style="list-style-type: none"> Ashton C. announced that there will be HIV Testing at the Compassion Corner, Clinica Sierra Vista, on June 27th from 8:00am-12:00pm for National HIV Testing Day. The event will also include food and haircuts. Jasmine O. also announced a testing sight on June 27th for National HIV Testing Day at St. Vincent De Paul, the Bakerfield Women's Testing Center, from 1:30pm-4:00pm. 	<ul style="list-style-type: none"> Informational only. Informational only. 	<p>N/A</p> <p>N/A</p>
Committee Minutes	<p><u>Approval of Minutes</u></p> <p>CA-3) The Committee's Chairperson, Rukiyah Polk, presented the CAC Minutes for approval.</p>	<p>Action:</p> <ul style="list-style-type: none"> Tammy T. first, Evelin T. second. All aye's. Motion carried. 	6/24/25
Old Business	There was no old business to present.	N/A	N/A
New Business	<p><u>Consent Agenda Items</u></p> <p>CA-4) June 2025 Medi-Cal Membership Enrollment Report</p>	N/A	N/A



	<p>5) 1st Quarter 2025 Operation Board Update</p> <ul style="list-style-type: none"> Amy S. presented the Q1 2025 Operation Board Report that covers grievance trends. She stated that Q1 is historically high and therefore increased by 9%. The volume of exempt grievances increased also up 5.7% from the last quarter. A motion to approve was requested. <p>6) 1st Quarter 2025 Executive Summary Grievance</p> <ul style="list-style-type: none"> Amy S. presented the Q1 2025 Grievance Summary Report that provides the types of grievances that are received. Access to care, quality of care, and quality of services are the three largest categories. Ashton C. asked if the access to care grievances are broken down. Amy S. replied that they are on page 31. Beatriz B. asked how well patient autonomy is taken care of when filing a grievance. She shared that she is aware of someone who found out their name was exposed on a resolution and that the patient felt fearful, ashamed, and afraid of the consequences. Amy S. responded that it's difficult to keep the name from being exposed because KHS and the provider must request patient records and the provider has the right to know. She added that providers are not to retaliate. Amy S. assured Beatriz B. that the grievance process is 	<ul style="list-style-type: none"> Tammy T. first, Jasmine O. second. All aye's. Motion carried. Lourdes B. first, Mark M. second. All aye's. Motion carried. 	<p>6/24/25</p> <p>6/24/25</p>
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	<p>not to make members ashamed, but to improve services with providers, and identify trends to help.</p> <p>7) Qualitative/Quantitative Grievance Report</p> <ul style="list-style-type: none"> Amy S. presented the Qualitative/Quantitative Grievance Analysis Report which was created as part of the plan's NCQA accreditation process. She added that NCQA required KHS to set goals; the goals are no more than ten grievances per one thousand and no more than two grievances per category. KHS will focus on continued improvement in the areas of access to care, access to service, and quality of service. Beatriz B. commented that her coworkers have mentioned KHS's improvement on kindness, the referral process, and ability to find appointments sooner, which they are very thankful for. A motion to approve was requested. <p>8) 2026-2027 CAC</p> <ul style="list-style-type: none"> Anastasia L. presented changes to the 2026-2027 Community Advisory Committee (CAC). In the next term, meetings will be two hours long and members will be compensated \$150.00 per meeting (\$200 for the Chair and Co-Chair). Anastasia L. requested the completion of a survey from the committee 	<ul style="list-style-type: none"> Tammy T. first, Ashton C. second. All aye's. Motion carried. 	6/24/25
	<ul style="list-style-type: none"> Anastasia L. presented changes to the 2026-2027 Community Advisory Committee (CAC). In the next term, meetings will be two hours long and members will be compensated \$150.00 per meeting (\$200 for the Chair and Co-Chair). Anastasia L. requested the completion of a survey from the committee 	<ul style="list-style-type: none"> Tammy T. first, Michelle B. second. All aye's. Motion carried. 	6/24/25



	<p>members for next term's committee member selection and added that those that wish to be on the selection committee, to let her know. Rukiyah P., Ashton C., Lourdes B., Tammy T., and Nalasia J. requested to be on the selection committee. A motion to approve was requested.</p> <p>9) Member Satisfaction Survey</p> <ul style="list-style-type: none"> Lela C. presented the results of the member satisfaction survey which shows that KFHC has an overall satisfaction rate of 71.6%. This rate is higher than the 60.4% Region 9 benchmark. Lela C. added that 524 surveys were completed and received out of a sample of 5,000 KFHC members who were qualified to take the survey. Beatriz B. commented that while she has noticed improvement, one item that still needs improvement is use of the member portal. She added that it is difficult for her generation to use a computer and recommended flyers that show urgent care centers that she can hand out instead. Lela C. responded that KFHC does have a flyer and shared that members can also go to the website and click on "find a provider". Beatriz B. stated that the current directory hasn't been updated as she has tried looking for providers and they are no longer accepting, or their phone numbers are no longer in service. 	<ul style="list-style-type: none"> Nalasia J. first, Mark M. second. All aye's. Motion carried. 	6/24/25
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	<p>Lela C. responded that she was unaware and mentioned that a member can report an issue with the directory via the KFHC website. Lela C. thanked Beatriz B. for her feedback and will take the recommendations to her team. Jasmine O. recommended that KFHC create a list of questions as a guide for members during provider visits to get the most out of their appointments. She added that members often need help asking the right questions and providers need to know how to respond to members when questions are being broken down. A motion to approve was requested.</p> <p>10) APS and CHW</p> <ul style="list-style-type: none"> Tiffany C. presented the community health worker (CHW) benefit. Through a population needs assessment (PNA), it was identified that members prefer to receive education in a different way, resulting in offering CHW as a membership benefit. Some of the criteria to qualify for this benefit are chronic health diagnosis or conditions, rising risk of chronic disease, positive adverse childhood events, presence of tobacco or excessive alcohol or drug misuse, and two or more missed medical appointments in six months, to name a few. CHWs assist members through health education, screenings and assessments, and individual support and advocacy. Tiffany C. 	<ul style="list-style-type: none"> Tammy T. first, Lourdes B. second. All aye's. Motion carried. 	6/24/25
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	<p>also highlighted asthma prevention services (APS), like CHW, members need to meet criteria to receive this benefit. Tiffany C. asked the committee how KHS can best promote these benefits with communities. Ashton C. asked how referrals are handled. Tiffany C. responded that providers could use the provider portal to submit referrals. Lourdes B. asked how the CHW benefit differs from Enhanced Care Management (ECM)? Tiffany C. responded that when a member has ECM, they cannot be eligible for CHW; if a member does not qualify for ECM, then they can qualify for CHW. Beatriz B. thanked KHS for adding the CHW benefit. She added that she has been a CHW since 2009 and is happy to see that it's now included. A motion to approve was requested.</p>		
Open Forum	Rukiyah P. announced the retirement of Mark M. and his departure as a member of the CAC. She thanked him for his service.	N/A	N/A
Next Meeting	The next meeting will be held Tuesday, September 23, 2025, at 11:00am.	N/A	N/A
Adjournment	<p>The Committee adjourned at 12:20pm.</p> <p><i>Respectfully submitted:</i> <i>Vanessa Nevarez, Health Equity Project Coordinator</i></p>	Tammy T. first, Jasmine O. second. All aye's. Motion carried.	N/A





COMMITTEE: 2025 Delegated Entity Oversight Committee

DATE OF MEETING: July 1, 2025

CALL TO ORDER: 1:02 pm by Jane MacAdam - Director of Compliance and Regulatory Affairs

Members Present On-Site:	N/A		
Members Virtual Remote:	N/A		
Members Excused=E Absent=A	N/A		
Staff Present:	Linda Anchondo, Senior Program Manager Elia Bercian, Compliance Program Specialist Cynthia Cardona, Cultural and Linguistic Services Manager Michelle Curioso, Director of Population Health Management Sandeep Dhaliwal, Compliance Manager, Audits, and Investigations Misty Dominguez, Director of Health Services Special Programs Heather Fowler, Senior Regulatory and Government Program Manager Magdee Hugais, Director of Quality Improvement Christina Kelly, Pharmacy Administrative and Support Supervisor	Jessica Nguyen, Pharmacy Intern Greg Panero, Network Analytics Program Manager Maria Parra, Member Services Manager Christine Pence, Senior Director for Health Services Cassandra Rangel, Compliance Program Specialist Jeff Pollock, Regulatory and Government Program Manager Lizbeth Rodriguez, Delegation Oversight Business Analyst Amy Sanders, Member Services Manager Isabel Silva, Senior Director of Wellness and Prevention Ebeth Soliman, Member Services Supervisor Katie Sykes, Delegation Oversight Manager Bruce Wearda, Director of Pharmacy	

	Maninder Khalsa, Medical Director of Utilization Management Jane MacAdam, Director of Compliance and Regulatory Affairs Melissa McGuire, Senior Director of Delegation and Oversight Deborah Murr, Chief Compliance and Fraud Prevention Officer		
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AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
A. Action Items (From 02/10/2025 Meeting) Jane MacAdam	<ol style="list-style-type: none"> 1. Jane will send VSP Audit results. <ol style="list-style-type: none"> a. Jane will send them out separately as they are 99% done and will include them in the August meeting. 2. Jane will reach out to Claims regarding a question on the Delegation Oversight Audit for VSP. <ol style="list-style-type: none"> a. Completed/Closed 3. Katie to request reading level on a specific letter from VSP. <ol style="list-style-type: none"> a. Completed/Closed 4. KHS will provide an overview of the Q4 findings to AL management <ol style="list-style-type: none"> a. Completed/Closed 5. Martha and Greg have a breakout session to discuss creating a Provider Bulletin regarding Door-to-Door requirements. <ol style="list-style-type: none"> a. Per Katie, based on MS audits for the past 7 months the Door-to-Door audits have been above 97% and do not need a bulletin. 	<input checked="" type="checkbox"/> ACTION <ol style="list-style-type: none"> 1. Jane will send VSP audit results within the next couple of days. 2. Sandeep to send out new Delegation Oversight Committee meeting invite by end of day 7/1/2025. 	N/A

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<ul style="list-style-type: none"> b. Per Jane, will close out and will revisit if necessary. 6. Martha to schedule a meeting with Compliance to discuss the results of the Internal Focused Audit. <ul style="list-style-type: none"> a. Completed/Closed 7. Jane and Yolanda will meet regarding the NCQA Audit. <ul style="list-style-type: none"> a. Completed/Closed 8. Compliance will move the cadence of the meeting to the second month after the quarter. <ul style="list-style-type: none"> a. Sandeep to send out new meeting invite by end of day, 7/1/2025. 		
B. VSP Jane MacAdam, Robin Dow-Morales, Katie Sykes	<ul style="list-style-type: none"> 1. Delegation Oversight Audit Update: <ul style="list-style-type: none"> a. Will be added to the August committee meeting. 2. AB 1455- Claims Timeliness: <ul style="list-style-type: none"> a. No Concerns b. The report is included in the committee meeting packet c. May need to review in January when the times frames change d. Add the topic to JOM meeting as an agenda item. e. Next JOM meeting is Tuesday, July 22nd 3. JOM Meeting Minutes: <ul style="list-style-type: none"> a. The report is included in the packet b. Per Katie, The Eye Exam letter is at 6th grade 	<input checked="" type="checkbox"/> ACTION: <ul style="list-style-type: none"> 3. AB 1455 - Claims Timeliness: Add topic to JOM meeting as an agenda item. 4. Eye Exam Letter - KHS and VSP will coordinate to file with the State. 	

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	reading level c. KHS and VSP will coordinate to file with the State.		
C. CareNet Jane MacAdam, Katie Sykes	1. Delegation Oversight/Pre Delegation Audit: a. There were minimal findings. b. Will send the report within the next day or two to Stakeholders and CareNet 2. JOM Meeting Minutes: a. The report is included in the committee meeting packet b. The Delegation Oversight team has a tracker with a tab for Delegates and are making sure to follow up on and close out action items. c. Everything for CareNet has been closed out. d. The account manager is transitioning. i. Imara Gracia is still replying via the client services email 3. RFP/New Contract for nurse hotline: a. The Plan had a Q&A portion with vendors that was closed as of 6/24 i. 3-vendors submitted questions ii. The final decision will be made before the Aug/Sept Board meeting. iii. The Plan did submit the Q&A to CareNet to potentially retain our business, but they did not submitted any questions.	☑ ACTION: 5. Jane to send the Delegation Oversight/Pre Delegation Audit report findings out to Stakeholders and CareNet.	N/A
D. American Logistics Jane MacAdam,	1. DHCS Focused Audit-Transportation CAP- Internal Audit reports: a. Pending DHCS b. We submitted a final corrective action on 5/5/25	☑ ACTION: 6. Katie will assist Ebeth in locating the lower modalities audio calls that were requested. 7. MS to filter Provider no shows	N/A

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
Ebeth Soliman, Katie Sykes, Daniel Miller, Amy Sanders	<ul style="list-style-type: none"> c. They had one remaining question unrelated to transportation. d. They unofficially closed the transportation related corrective action, but we have not received notification that the CAP has been closed. <p>2. Delegation Oversight Audit:</p> <ul style="list-style-type: none"> a. The reports are included in the packet b. Overview/Monitoring of the CAP: <ul style="list-style-type: none"> i. Working on door to door for May ii. The lower modalities audio calls were requested. <ul style="list-style-type: none"> 1) Don said he dropped them in the SFTP folder <ul style="list-style-type: none"> a) Katie will assist Ebeth in locating those calls. 2) It has gotten better where the agents are not recommending or asking if they want Uber. c. Q1 Member requested to lower their own modality: <ul style="list-style-type: none"> i. January – twenty-three (23) out of thirty (30) ii. February - twenty-five (25) out of thirty (30) iii. March - twenty (20) out of thirty (30) iv. overall performance result was 76% of the ninety (90) calls audited. d. Scripting Greeting: <ul style="list-style-type: none"> i. Unable to verify greetings for two (2) 	for Q1 and Q2 for the next meeting.	

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>of the thirty (30) of the March calls due to poor recording quality</p> <ul style="list-style-type: none"> ii. Zero (0) out of fifty-eight (58) followed the proper greeting, “Kern Family Health Care Transportation Department” verbatim. iii. Twenty-eight (28) out of fifty-eight (58) calls included “Kern Family Health Transportation”. iv. Daniel and Jane discussed that the Q1 results have been shared with AL <p>e. PHI:</p> <ul style="list-style-type: none"> i. One (1) out of thirty (30) calls were a facility calling on behalf of a Member. <ul style="list-style-type: none"> 1) AL properly verified Member’s First/Last name and DOB. ii. Fifty (50) out of sixty (60) calls properly verified all three identifiers. <p>f. No Shows Rates Monitoring:</p> <ul style="list-style-type: none"> i. January: four (4) ii. March: two (2) iii. The Providers/Drivers are calling within 1-2 hours, alerting AL that they are going to no show. iv. Jane, Nate, Amy, and Katie discussed the No Show Rates. v. We are tracking the repeat Provider/Driver no shows. vi. Recommendation is implementing an APP to have better visibility and accurate Data for a Provider to no 		

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>show.</p> <p>1) Also to track Members who no show</p> <p>vii. The Plan does get a monthly grievance log and filters it for driver at fault.</p> <p>1) MS has been checking for timeliness.</p> <p>2) MS will also focus on filtering different Provider No Shows for Q1 and Q2.</p> <p>3. JOM Meeting Minutes:</p> <p>a. The minutes are included in the packet</p> <p>b. APL25-005 impacted the alternative format selection data sharing with AL:</p> <p>i. We thought we could use daily eligibility files, but it is too big of a technical lift.</p> <p>1) We have a backup plan to use BI report to share the data</p> <p>2) We should have a resolution this week or next.</p> <p>c. Met with AL regarding utilization control</p> <p>i. Completed/Closed</p> <p>d. We are working on the PCS form revision to make it a better process for lowering Member's modality</p>		
<p>E. Transportation Committee</p> <p>Katie Sykes</p>	<p>1. Overview/Updates:</p> <p>a. The information is included in the packet</p> <p>b. Monthly meeting of internal employees to discuss the challenges and success with the</p>	N/A	N/A

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>transportation benefits</p> <p>c. Almost a 50% drop in volume for LOA from last year to this year</p> <p>d. Provider network:</p> <ul style="list-style-type: none"> i. Better financial oversight ii. Thirty-seven (37) providers with about 250-ish drivers across those companies 		
F. Language Line Katie Sykes	1. JOM Meeting Minutes: <ul style="list-style-type: none"> a. The minutes are included in the packet b. Meeting all SLA items. No open items. 	N/A	N/A
G. LifeSigns Katie Sykes	1. JOM Meeting Minutes-Katie: <ul style="list-style-type: none"> a. The minutes are included in the committee meeting packet b. New report c. They do not subdelegate out any of the functions d. Nothing open 	N/A	N/A
H. AllMed Magdee Hugias	1. AllMed Prior Authorizations and Appeal: <ul style="list-style-type: none"> a. The reports are included in the packet b. Audit Trends <ul style="list-style-type: none"> i. Prior Authorizations <ul style="list-style-type: none"> 1) Audited One thousand one hundred (1,100) files, <ul style="list-style-type: none"> a) Three (3) had a peer-to-peer request, 99.7% did not need a peer-to-peer review. ii. Same specialty, Appeals 	☑ ACTION <ul style="list-style-type: none"> 8. Jane will coordinate with Magdee on the updated AllMed Prior Authorizations and Appeal reports and send them out to the Committee. 	

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<ul style="list-style-type: none"> 1) Audited One hundred fifty-nine (159) charts for January-June <ul style="list-style-type: none"> a) Four (4) were not reviewed by same specialty b) Overall, they were at 98.1 % for the same specialty review. iii. Jane will coordinate with Magdee on the updated reports and send them out to the Committee iv. July 22 will be the first JOM with AllMed 		
I. DSNP Melissa McGuire Misty Dominguez	<ul style="list-style-type: none"> 1. Universal: <ul style="list-style-type: none"> a. The reports are included in the committee meeting packet b. Delegation Oversight Audit: <ul style="list-style-type: none"> i. Claims <ul style="list-style-type: none"> 1) Review has been Completed, and findings were provided to Universal. 2) We will be checking to ensure all were remediated. ii. UM <ul style="list-style-type: none"> 1) Additional information requested and they provided it by the due date. <ul style="list-style-type: none"> a) Is with Rebellis for review. b) The final report is due by the middle or end of July. 	N/A	

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>2. PBM/MedImpact Delegation Oversight Audit:</p> <ul style="list-style-type: none"> a. We did a pre-delegation implementation overview of our pharmacy <ul style="list-style-type: none"> i. Best practices and potential gaps were provided and those have been provided to MedImpact ii. Rebellis investigated 140 different requirement points for the MedImpact PBM <ul style="list-style-type: none"> 1) 25% of everything MedImpact provided required no remediation or minor edits 2) There were Seventy-Five (75) different components for suggestions to improve <ul style="list-style-type: none"> a) Those have been shared with MedImpact. 		
<p>J. Monitoring /Auditing Results</p> <p>Lizbeth Rodriguez, Cynthia Cardona Jane MacAdam</p>	<p>1. Delegation oversight and Compliance Q1 SLA's:</p> <ul style="list-style-type: none"> a. The reports are included in the packet b. AL has been meeting all SLAs, besides the last two audits <ul style="list-style-type: none"> i. Plan to hold them accountable by Q3. c. CareNet, Harte Hanks, Language Line, LifeSigns, VSP and Zelis have met their SLAs. <p>2. Cultural Linguistics:</p> <ul style="list-style-type: none"> a. Bilingual call audits <ul style="list-style-type: none"> i. Thirty (30) Spanish calls audited ii. 99% did not have difficulty communicating with Members in non-English language. 	N/A	

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<ul style="list-style-type: none"> b. Post Survey Calls: <ul style="list-style-type: none"> i. 10,359 Spanish post call surveys ii. 98% of Members are satisfied with the linguistic performance of bilingual staff. c. Vendor bilingual: <ul style="list-style-type: none"> i. One hundred eighty-eight (188) Spanish audio calls audited ii. AL and VSP, CareNet, Harte Hanks iii. 93% of Bilingual staff did not have difficulty communicating with Members in a non-English language. d. Language Line: <ul style="list-style-type: none"> i. Thirty (30) OPI interpreter service calls ii. 100% of audited calls “met expectation” e. Member satisfactory survey and Staff satisfactory survey: <ul style="list-style-type: none"> i. Member Onsite Interpreting <ul style="list-style-type: none"> 1) Thirty-One (31) surveyed 2) 100% reported “strongly agreed” satisfaction ii. Member OPI/VRI interpreting <ul style="list-style-type: none"> 3) Thirty-one (31) surveyed 4) 100% reported “strongly agreed” satisfaction iii. Member Translations: <ul style="list-style-type: none"> 5) Thirty (30) surveyed 6) 99% reported “very satisfied” satisfaction 7) Six (6) Members reported not 		

AGENDA ITEM	DISCUSSION / CONCLUSIONS	RECOMMENDATIONS/ ACTION	DATE RESOLVED
	<p>receiving NOA/GTL translation.</p> <p>a) This has been sent to Amy & Christine.</p> <p>b) Letters were remailed to Members.</p> <p>iv. KHS Staff OPI Satisfaction:</p> <p>8) Thirty-one (31) surveyed</p> <p>9) 99% reported “strongly agreed” satisfaction</p> <p>3. Transportation Provider Enrollment Monitoring:</p> <p>a. No issues and the monitoring has been occurring monthly.</p>		
OPEN FORUM	<p>Jane and Amy will meet to discuss the lower modality process.</p> <p>Next AllMed JOM scheduled for July 22nd -MS should be part of the meeting.</p> <p>MS and QI will discuss who is reviewing and putting their name on the letter. Will take offline for discussion.</p>	<p><input checked="" type="checkbox"/> ACTION</p> <p>9. Jane and Amy will meet to discuss lower modality process</p>	N/A
NEXT MEETING	Sandeep will email a new meeting series; meetings will be held in the second month at the end of every quarter.	N/A	
ADJOURNMENT	The Committee adjourned at 1:58 p.m.	N/A	

