



**KERN HEALTH
SYSTEMS**

**REGULAR MEETING OF THE
BOARD OF DIRECTORS**

Thursday, October 12, 2023

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, October 12, 2023

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 SILENT CELL PHONES AND OTHER ELECTRONIC DEVICES DURING THE MEETING

BOARD TO RECONVENE

Directors: Watson, Thygerson, Patel, Abernathy, Acharya, Bowers, Elliott, Hoffmann, Ma, McGlew, Meave, Nilon, Patrick, 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 Section 54956.9)

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))
- CA-5) Minutes for Kern Health Systems Board of Directors regular meeting on August 17, 2023 (Fiscal Impact: None) –
APPROVE
- 6) Kern County Board of Supervisors appointment of Albert Ma, M.D., 5th District Community Representative, for term expiring June 30, 2026 (Fiscal Impact: None) –
RECEIVE AND FILE

-
- 7) Report on Kern Health Systems Foundation (Fiscal Impact: None) –
RECEIVE AND FILE
 - 8) Report by Granger Network on leadership development (Fiscal Impact: None) –
RECEIVE AND FILE
 - 9) Report on Kern Health Systems Nominating Committee for the proposed
appointment of officer to serve as KHS Board Treasurer, effective October 12,
2023
APPOINT TREASURER
 - 10) Report on Kern Health Systems Nominating Committee for the proposed
appointment of members to serve on the KHS Finance Committee, effective
October 12, 2023
APPOINT COMMITTEE MEMBERS
 - 11) Report on Kern Health Systems Nominating Committee for the proposed
appointment of members to serve on the KHS Compliance Committee, effective
October 12, 2023
APPOINT COMMITTEE MEMBERS
 - 12) Proposed Agreement with Dell, for additional Microsoft licensing to enhance Kern
Health Systems Member Engagement platform, from October 13, 2023 through
December 31, 2024 (Fiscal Impact: \$464,336.85; Budgeted) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
 - 13) Report on Kern Health Systems Financial Statements for July 2023 and August
2023 (Fiscal Impact: None) –
RECEIVE AND FILE
 - CA-14) Report on Accounts Payable Vendor Report, Administrative Contracts between
\$50,000 and \$200,000 for July 2023 and August 2023 and IT Technology
Consulting Resources for the period ended July 31, 2023 (Fiscal Impact: None) –
RECEIVE AND FILE
 - CA-15) Proposed Kern Health Systems provider contracts (rates confidential per Welfare
and Institutions Code Section 14087.38(m)) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
 - CA-16) Kern Health Systems Chief Compliance and Fraud Prevention Officer report
(Fiscal Impact: None) –
RECEIVE AND FILE
 - CA-17) Report on Kern Health Systems Operation Performance and Review of the Kern
Health Systems Grievance Report (Fiscal Impact: None) –
RECEIVE AND FILE

- 18) Kern Health Systems Chief Medical Officer report (Fiscal Impact: None) –
RECEIVE AND FILE
- 19) Kern Health Systems Chief Executive Officer report (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-20) Miscellaneous Documents –
RECEIVE AND FILE
 - A) Minutes for Kern Health Systems Physician Advisory Committee meeting on
June 7, 2023
 - B) Minutes for Kern Health Systems Physician Advisory Committee meeting on
August 2, 2023
 - C) Minutes for Kern Health Systems Finance Committee meeting on August
11, 2023
 - D) Minutes for Kern Health Systems Physician Advisory Committee meeting on
September 6, 2023

ADJOURN TO DECEMBER 14, 2023 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, August 17, 2023

8:00 A.M.

BOARD RECONVENED

Directors: Watson, Thygerson, Patel, Abernathy, Acharya, Bowers, Elliott, Hoffmann, McGlew, Meave, Nilon, Patrick, Singh, Tamsi, Turnipseed
ROLL CALL: 10 Present; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi

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

CLOSED SESSION

- 1) Request for Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) – SEE RESULTS BELOW

8:20 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 AUGUST 2023** – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL CREDENTIALING; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON D'ASSUMPCAO, SMITH, AIYLAM; DIRECTOR ELLIOTT ABSTAINED FROM VOTING ON WYLY; DIRECTOR HOFFMANN ABSTAINED FROM VOTING ON CHERIYAN, CHETHA, COVENAS, DEWITT, HLAING, IDEMUDIA, LMBERT, MARTINEZ, MARTINEZ, MU, PANITHI, RAUF, ROSHAN, SIDHU, SUNG, VILLACHICA, YOMI; DIRECTOR MEAVE ABSTAINED FROM VOTING ON AMAZONA, MEJIA, CHERIYAN, CHETHA, COVENAS, DEWITT, HLAING, IDEMUDIA, LMBERT, MARTINEZ, MARTINEZ, MU, PANITHI, RAUF, ROSHAN, SIDHU, SUNG, VILLACHICA, YOMI; DIRECTOR TURNIPSEED ABSTAINED FROM VOTING ON VU-QUANG, Nwigwe,

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 **RE-CREDENTIALING AUGUST 2023** – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL CREDENTIALING; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON AIYLAM, JACOBSSON, MUNEZ, ROSA; DIRECTOR ACHARYA ABSTAINED FROM VOTING ON ROSHAN, SOBOL, WALKER; DIRECTOR BOWERS ABSTAINED FROM VOTING ON DESAI, DOCTOR, IBGINOSA; DIRECTOR ELLIOTT ABSTAINED FROM VOTING ON PEDOUIM; DIRECTOR HOFFMANN ABSTAINED FROM VOTING ON ELIZONDO, HASHEMI, IKE, MIRANDA, SANYA, WOODS; DIRECTOR MEAVE ABSTAINED FROM VOTING ON ELIZONDO, HASHEMI, IKE, MIRANDA, SANYA, WOODS; DIRECTOR TURNIPSEED ABSTAINED FROM VOTING ON DELANO FAMILY PHARMACY, LASCANO

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 2) 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

- 3) 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))

CHAIRMAN WATSON ANNOUNCED THAT THE BYLAWS COMMITTEE MET WITH OUR COUNTY COUNSEL TO REVIEW EDITS AND REQUEST ADDITIONAL INFORMATION AND PLANS TO MEET AGAIN

CHAIRMAN WATSON AND EMILY DURAN ARE WORKING ON A COMMUNICATION TO GO TO BOARD, LOOKING FOR A TREASURER AND MEMBERS TO SERVE ON THE NOMINATING COMMITTEE AND COMPLIANCE COMMITTEE SO, BE ON THE LOOK OUT FOR THAT

- CA-4) Minutes for Kern Health Systems Board of Directors regular meeting on June 15, 2023 (Fiscal Impact: None) – APPROVED
Nilon-Turnipseed: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- 5) Appreciation recognition of Alex Garcia for 3+ years of dedicated service as a member of the Kern Health Systems Board of Directors (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Turnipseed: 10 Ayes; 5 Absent - Patel, Abernathy, McGlew, Patrick, Tamsi
- 6) Kern County Board of Supervisors appointment of Ross Elliott, 1st District Community Representative, for term expiring April 21, 2026, appointment of Ganesh Acharya, 4th District Community Representative, for term expiring April 21, 2025 and reappointment of Jay Tamsi, 3rd District Community Representative, for term expiring June 30, 2026 (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Turnipseed: 10 Ayes; 5 Absent - Patel, Abernathy, McGlew, Patrick, Tamsi
- 7) Proposed Amendment No. 1 to Agreement with Emily Duran, for services as Kern Health Systems Chief Executive Officer (Fiscal Impact: None) – APPROVED; AUTHORIZED CHAIRMAN TO SIGN
Hoffmann-Nilon: 9 Ayes; 1 Abstention - Elliott; 5 Absent - Patel, Abernathy, McGlew, Patrick, Tamsi
- 8) Report on Proposed Kern Health Systems 2023-2025 Grant Programs (Fiscal Impact: Up to \$4 million per year for two years; Not-budgeted) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO PERFORM GRANT ADMINISTRATION, REVIEW AND APPROVAL PROCESS
Nilon-Meave: 10 Ayes; 5 Absent - Patel, Abernathy, McGlew, Patrick, Tamsi
- 9) Report on Proposed Kern Health Systems 2023-2025 Strategic Initiatives (Fiscal Impact: Up to \$6 million per year for two years; Not-budgeted) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO PERFORM STRATEGIC INITIATIVES ADMINISTRATION, REVIEW AND APPROVAL PROCESS
Elliott-Bowers: 10 Ayes; 5 Absent - Patel, Abernathy, McGlew, Patrick, Tamsi

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- CA-10) Report on Kern Health Systems investment portfolio for the 2nd quarter ending June 30, 2023 (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Turnipseed: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- CA-11) Proposed renewal and binding of insurance coverages for General Liability and Excess Liability from September 29, 2023 through September 29, 2024 and Earthquake Insurance from October 15, 2023 through October 15, 2024 (Fiscal Impact: \$515,000 Estimated; Budgeted) – APPROVED
Nilon-Turnipseed: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- CA-12) Proposed renewal and binding of employee benefit plans for medical, vision, dental, life insurance, short-term and long-term disability, and long-term care effective January 1, 2024 (Fiscal Impact: \$9,500,000 Estimated; Budgeted) – APPROVED
Nilon-Turnipseed: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- 13) Report on Kern Health Systems Financial Statements for May 2023 and June 2023 (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Elliott: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- CA-14) Report on Accounts Payable Vendor Report, Administrative Contracts between \$50,000 and \$200,000 for May 2023 and June 2023 and IT Technology Consulting Resources for the period ended May 31, 2023 (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Turnipseed: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- CA-15) Proposed Kern Health Systems provider contracts (rates confidential per Welfare and Institutions Code Section 14087.38(m)) –APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Nilon-Turnipseed: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- 16) Kern Health Systems Chief Compliance and Fraud Prevention Officer report (Fiscal Impact: None) – RECEIVED AND FILED
Singh-Hoffmann: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- 17) Report on Kern Health Systems Operation Performance and Review of the Kern Health Systems Grievance Report (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Meave: 8 Ayes; 7 Absent – Patel, Abernathy, McGlew, Patrick, Singh, Tamsi, Turnipseed

NOTE: DIRECTOR SINGH LEFT THE DAIS AT 10:40; DURING THE DISCUSSION OF ITEM 17 AND DID NOT RETURN

NOTE: DIRECTOR TURNIPSEED LEFT THE DAIS AT 10:42; DURING THE DISCUSSION OF ITEM 17 AND DID NOT RETURN

- 18) Kern Health Systems Chief Medical Officer report (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Thygerson: 8 Ayes; 7 Absent – Patel, Abernathy, McGlew, Patrick, Singh, Tamsi, Turnipseed

- 19) Kern Health Systems Chief Executive Officer report (Fiscal Impact: None) –
RECEIVED AND FILED
**Thygerson-Elliott: 8 Ayes; 7 Absent – Patel, Abernathy, McGlew, Patrick, Singh,
Tamsi, Turnipseed**
- CA-20) Miscellaneous Documents – RECEIVED AND FILED
Nilon-Turnipseed: 10 Ayes; 5 Absent – Patel, Abernathy, McGlew, Patrick, Tamsi
- A) Minutes for Kern Health Systems Finance Committee meeting on June 9, 2023
 - B) Minutes for Kern Health Systems Quality Improvement Committee meeting on
June 22, 2023
 - C) Minutes for Kern Health Systems Drug Utilization Review Committee meeting on
June 26, 2023
 - D) Minutes for Kern Health Systems Public Policy Committee meeting on June 27,
2023

ADJOURN TO OCTOBER 12, 2023 AT 8:00 A.M.
Bowers



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Kristen Watson, Ed.D., Chairman
SUBJECT: Kern Health Systems Board of Directors Appointment
DATE: October 12, 2023

Background

On August 8, 2023, the Kern County Board of Supervisors appointed Albert Ma, M.D. as Fifth District Community Representative to the Kern Health Systems Board of Directors. Dr. Ma replaces Alex Garcia.

The Board of Directors of Kern Health Systems welcomes our newest Board Member, Dr. Ma on his appointment.

The appointment letter and a complete roster of the Kern Health Systems Board of Directors are attached.

Requested Action

Receive and File.

BOARD OF SUPERVISORS
COUNTY OF KERN

SUPERVISORS

PHILLIP PETERS
ZACK SCRIVNER
JEFF FLORES
DAVID COUCH
LETICIA PEREZ

District 1
District 2
District 3
District 4
District 5



KATHLEEN KRAUSE
CLERK OF THE BOARD OF SUPERVISORS
Kern County Administrative Center
1115 Truxtun Avenue, 5th Floor
Bakersfield, CA 93301
Telephone (661) 868-3585
TTY (800) 735-2929
www.kerncounty.com

August 8, 2023



Albert Ma, MD
1500 Haggin Oaks Boulevard, Suite 20
Bakersfield, CA 93311

Dear Dr. Ma:

Congratulations on your appointment to the Kern Health Systems Board of Directors.

Enclosed please find the Oath of Office for your appointment as Fifth District Community Representative Member to the Kern Health Systems Board of Directors, term to expire June 30, 2026. You may take the Oath of Office in the office of the Clerk of the Board located in the Kern County Administrative Center, 1115 Truxtun Avenue, Fifth Floor, Bakersfield, or you may take it before a Notary Public in your vicinity. If the Oath is taken before a Notary Public, please ask the Notary to attach a Jurat. **The Oath must be administered and received by the Clerk of the Board before you can participate on the Kern Health Systems Board of Directors.**

To serve on the Kern Health Systems Board of Directors, you are required to fill out a Form 700, Statement of Economic Interests. Please complete, sign and return the Form 700 (cover page and any applicable schedules) to **Kern Health Systems no later than thirty (30) days from your date of appointment.** For your convenience, a Form 700 packet is enclosed. The form is also available at <http://www.fppc.ca.gov/Form700.html>.

Pursuant to State law, you are required to complete a course in ethics training approved by the Fair Political Practices Commission and Attorney General. You must receive the required training within one year of your appointment and every two years thereafter. Your Agency's Manager will provide information regarding training opportunities.

On behalf of the Kern County Board of Supervisors, I would like to extend our sincere appreciation for your commitment to serve on the Kern Health Systems Board of Directors. If my office can ever be of assistance to you, please call on us.

Sincerely,

A handwritten signature in blue ink that reads "Kathleen Krause".

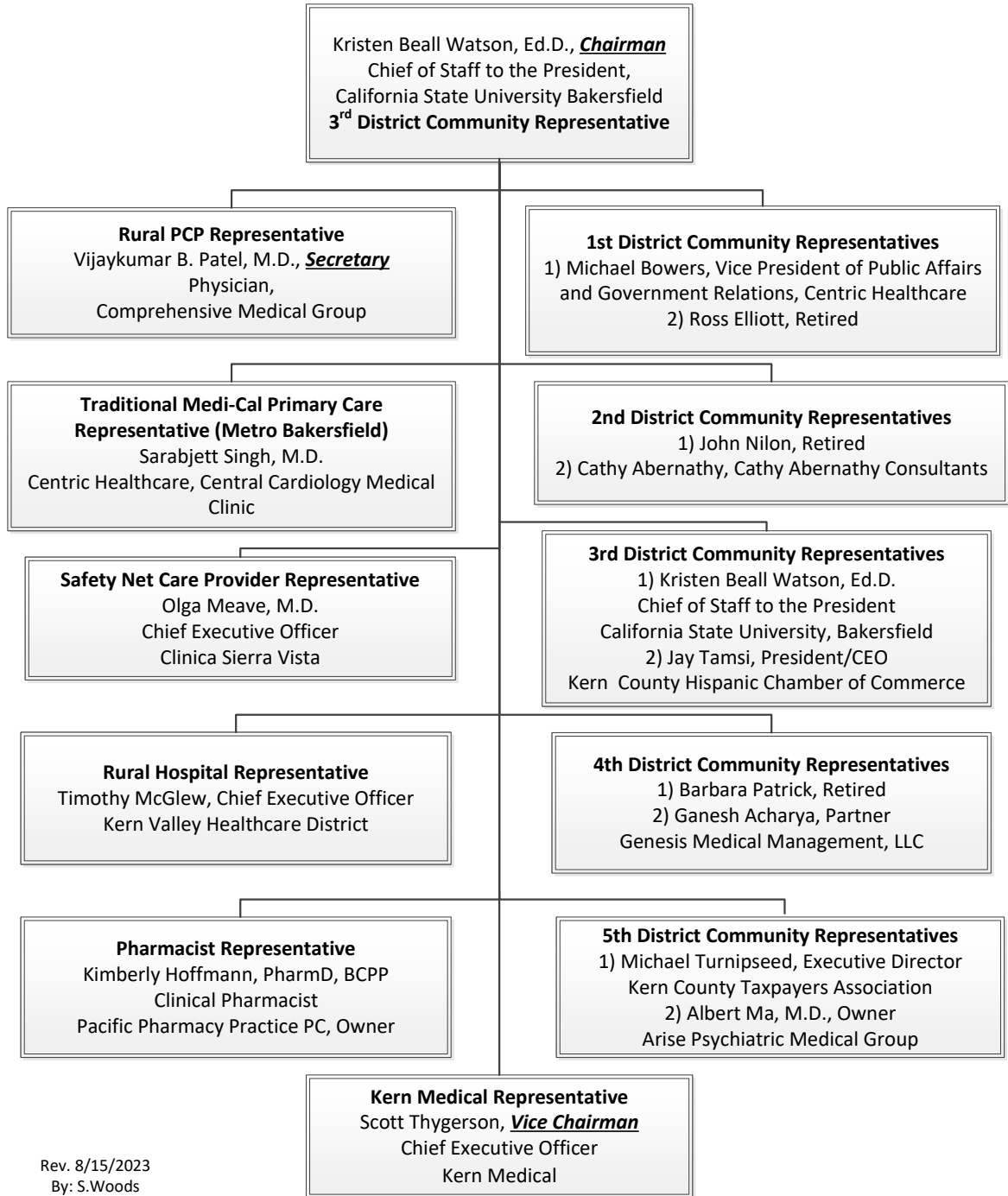
KATHLEEN KRAUSE
Clerk of the Board

Enclosure

cc: Kern Health Systems
2900 Buck Owens Boulevard
Bakersfield, CA 93308



BOARD OF DIRECTORS



Rev. 8/15/2023
 By: S.Woods



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Emily Duran, Chief Executive Officer
SUBJECT: Kern Family Foundation
DATE: October 12, 2023

BACKGROUND

As part of the Kern Health Systems (KHS) Strategic Plan, the team is exploring the opportunity to create a non-profit foundation to further its mission in the community. The foundation will be organized and operated for charitable purposes of promoting the health status of residents in Kern County, developing partnerships with community-based organizations, and supporting local workforce development for healthcare careers.

The team has conducted analysis of the necessary components needed for the creation of a KHS non-profit foundation. The purpose of this presentation is to update the Board of Directors on the analysis and current status of this strategic goal. After review of key strategies and objectives with the law firm, KHS is ready to begin drafting of articles of incorporation, bylaws, and other formational documents for review with the Board of Directors.

REQUESTED ACTION

Receive and file.

KERN  FAMILY

FOUNDATION

Emily Duran, MSA
Chief Executive Officer
Kern Health Systems

Kern Health System's Strategic Goal

Strategic Goal: Explore the opportunity for KHS to create a non-profit foundation to further its mission in the community.

Strategies and Key Activities:

Conduct exploratory analysis of the necessary major components needed for the creation of a KHS non-profit foundation.

- 1) Conduct internal analysis of requirements, structure, and financing mechanism
- 2) Determine feasibility and develop implementation roadmap recommendation
- 3) Review recommendation with the Board of Directors to determine next steps



Kern Family Foundation: Purpose

The Kern Family Foundation will be organized and operated for charitable purposes of promoting the health status of residents in Kern County through the following activities:

Providing funding for regional community-based organizations

- Develop health and wellness education campaigns
- Member navigation outreach and education to retain Medi-Cal coverage
- Nutrition campaign for children and adolescents.

Supporting workforce development for health-related careers

- Expansion of Residency Programs
- Expansion of Nursing programs and Clinical rotations
- Development and implementation of a Physician Assistant (PA) program



Community Reinvestment

Community Reinvestment Requirement by DHCS under the 2024 Contract

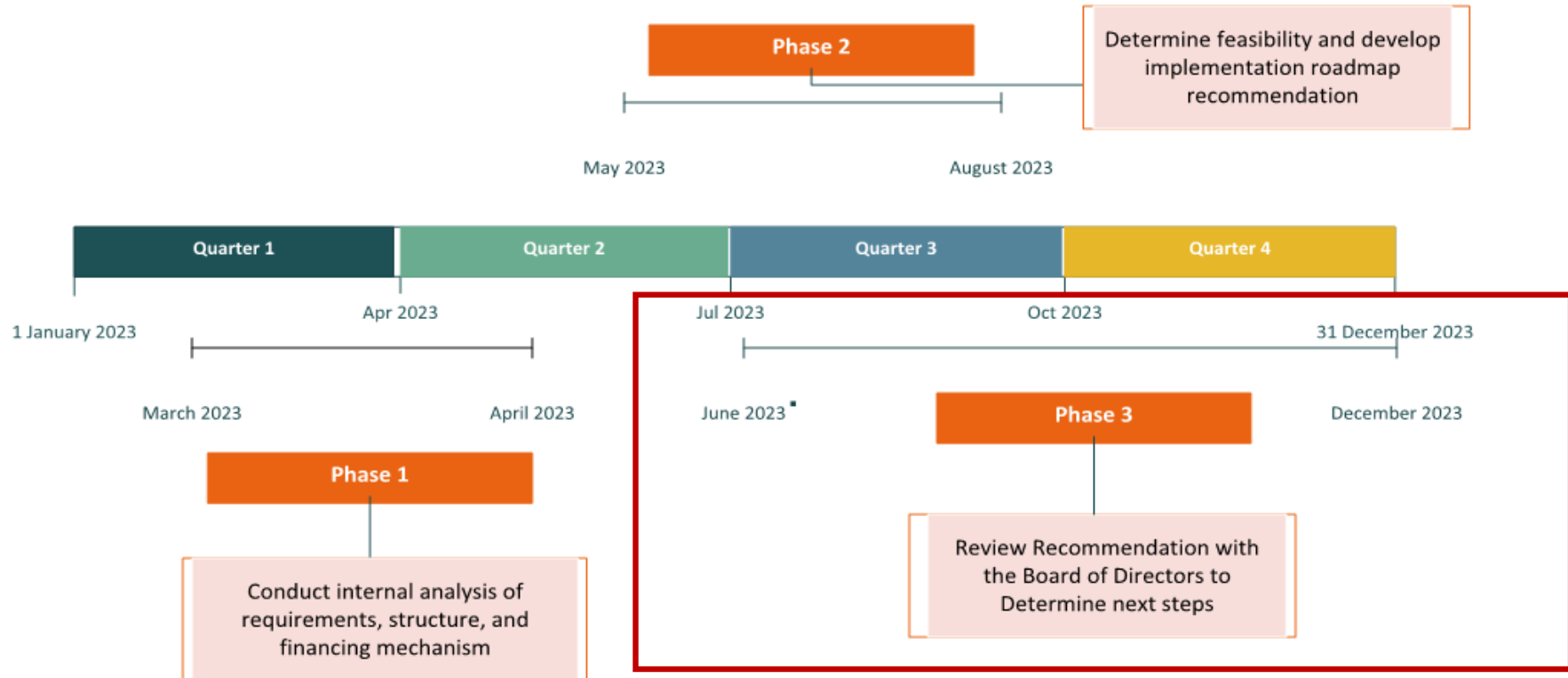
- A. If Contractor does not meet quality outcome metrics as defined through an All-Plan Letter or similar guidance, contractor shall set an additional 7.5% of its annual net income under this Contract to community reinvestment in accordance with the plan developed.
- B. Contractor (KHS) shall demonstrate a commitment to the local communities in which it operates through community reinvestment activities including contributing a set percentage of its annual net income under this contract to community reinvestment. This requirement is effective following Contractor's first year of operation as a Medi-Cal Managed Care Health Plan, as determined by DHCS. The percentage of Contractor's annual net income required to be contributed shall be:
 - 1) 5% of the portion of contractor's annual net income that is less than or equal to 7.5% of Contract Revenues for the year, and
 - 2) 7.5% of the portion of contractor's annual net income that is greater than 7.5%

Grant Opportunities

- A. As a non-profit, the Kern Family Foundation will be able to apply for other grant opportunities and sources of funding to support our initiative



Kern Family Foundation: Current Status



Formational Requirements

Registration and Organization:

- Prepare and file Articles of Incorporation
- Appoint initial directors
- Adopt Bylaws and organizational minutes
- Apply for a federal tax ID number
- Register with California Attorney General

Apply for IRS 501(c)(3) Status:

- Apply for tax-exempt status by preparing and filing IRS Form 1023
 - The form is like an IRS examination. It examines the organization's governing structure, purpose, and planned programs to make sure the organization is formed exclusively for 501(c)(3) purposes. Estimated time frame for approval: between 3 to 6 months.
- 501(c)(3) organizations are generally exempt from federal and state income tax
- Must avoid electioneering and may not engage in substantial lobbying



Organizational Structure

The organizational structure and provisions concerning the foundation's governance will be set forth in the Bylaws. The Foundation must have a Board of Directors. The Bylaws will set forth the number of authorized directors, terms, process for elections/appointments, etc. Some topics for consideration include:

- Whether KHS appoints one or more “designated” directors
 - Provides mechanism for initial formation of the Board
 - Ensures that KHS will have representation on the Board
- Whether to appoint “ex officio” directors
 - Person is appointed to foundation Board automatically based on position held in in foundation or another organization
- Limitations on who can serve on the Board
 - E.g., no member of the Board of KHS, no persons who are employees or contractors of the foundation, etc.
- Minimum number of authorized directors and maximum number, if any
- Length of terms, whether to stagger terms, etc.
- Note that the Foundation's board will elect/appoint directors other than the designated directors and ex officio directors



Anticipated Next Steps

1. Draft foundation structure.

- KHS team will continue to work with the law firm to prepare Articles, Bylaws, and other formational documents for review with the Board of Directors.

2. KHS team to present organizational documents and governance strategy to the Board for review.

- Upon approval, KHS team will direct law firm to file Articles, apply for 501(c)(3) tax exemption, and prepare and file other documents incidental to formation

3. KHS team will report back to the Board regarding the below:

- Status update on Articles of Incorporation, Bylaws, and Foundation Directors
- Status on IRS 501(c)(3) Status
- Foundation funding plan
- Foundation key strategies

4. Explore financial Committee by KHS

- Note: non-profit will also apply for grants to support initiatives.





MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Emily Duran, Chief Executive Officer
SUBJECT: Leadership Development
DATE: October 12, 2023

BACKGROUND

Kern Health Systems (KHS) is committed to strengthening our workforce through leadership development and continuous culture improvement. The Granger Network was identified earlier in Spring of 2023 as a partner who could help us in both areas. I am excited to share the progress we have made this year.

We started our work by simply focusing on a Supervisor Boot Camp, and quickly realized that we lacked a strong, comprehensive leadership development structure. The Granger Network proposed a pathway for KHS to be a leader in professional development and more importantly, understood our vision to be “The Best Place to Work” in Kern County. Several leadership development sessions have been completed, and we have accomplished much of the foundational work needed to initiate a healthy culture refresh for all KHS employees.

Kari Granger, CEO of The Granger Network, will provide a presentation on the work we have started and the path forward to a New Era at KHS.

REQUESTED ACTION

Receive and file.

Your health is our mission

Learn more about what we offer. >

A New Era at Kern Health Systems

By Kari Granger, CEO
The Granger Network
October 12, 2023



IN A WORLD GOING
THROUGH TRANSITION

*“The gulf between
companies embracing
change and those falling
behind is growing.”*

-McKinsey Global Institute
At the World Economic Forum

TODAY'S CONVERSATION

Work to Date:

Supervisor Boot Camp
New Era Creation

Next Phase:

New Era Activation
Executing New Era

Sustainment Mechanism:

KHS Leadership Academy

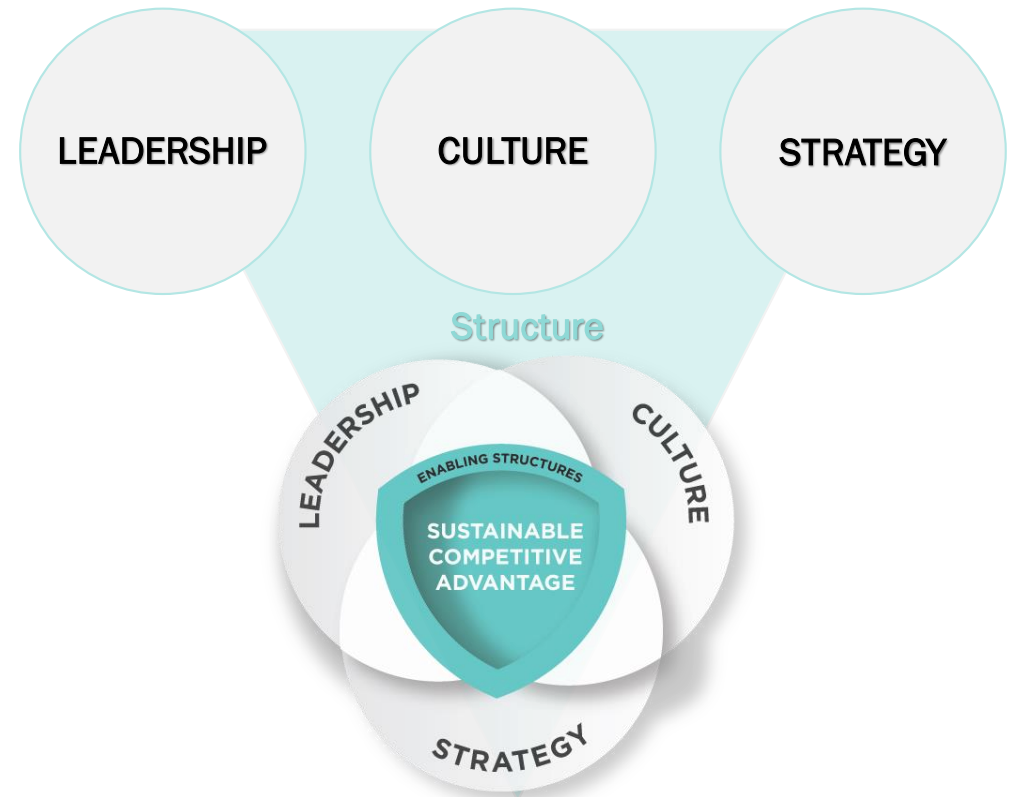
KHS Board of Directors Meeting, October 12, 2023



The Granger Network is a leadership consultancy that exists to ensure the success of consequential transitions for consequential organizations.

We ensure your desired shift is *focused, manageable, and sustainable* by addressing the inevitable gaps between leadership, culture, strategy.

Bridging the Gaps Between...



What We Heard in Initial Outreach

Kern Family Healthcare is in a period of continuous transition. Enjoying consistent organic growth for several years, the regional healthcare network of approx. 600 employees has successfully navigated COVID and the advent of a hybrid workforce with commendable retention in a field known for turnover.

As change hasn't let up (RN shortages, internal promotions, etc.), Kern Family Healthcare is turning their focus to equipping their leaders to achieve measurable outcomes through others.

While there is a need to deliver leadership development solutions across all levels of the enterprise, **elevating the effectiveness of front-line supervisors is the most pressing need.** Beginning with a supervisory bootcamp will enable Kern Family Healthcare and The Granger Network to explore a possible partnership.

Kern Family Healthcare has provided supervisory trainings in the past, however they have fallen short of the participants' expectations and achieving the outcomes expected by leadership.

Kern Family Healthcare...

...is looking to partner with a leadership consulting firm to build a **robust and coherent suite of programs to elevate the overall effectiveness of their enterprise.**

...is committed to see **leadership development solutions** where **clear measurable outcomes (KPIs)** can be derived from participation **alongside less-tangible outcomes such as building trust.**

...requires leadership development solutions with a flexible delivery mode to enable a **balance of focus, depth, and practicality** while ensuring workability for current operational tempos (i.e. very busy staff).





LESSON LEARNED

Most Companies Don't Recognize When They Are

At The End Of An Era

- It feels like something has ended...but the new hasn't yet begun.
- You're managing a high number of (isolated) changes... often with no line of site to how they coherently come together.
- It's not "bad," ...but it's not great either.
- More is possible...but people don't quite get going.

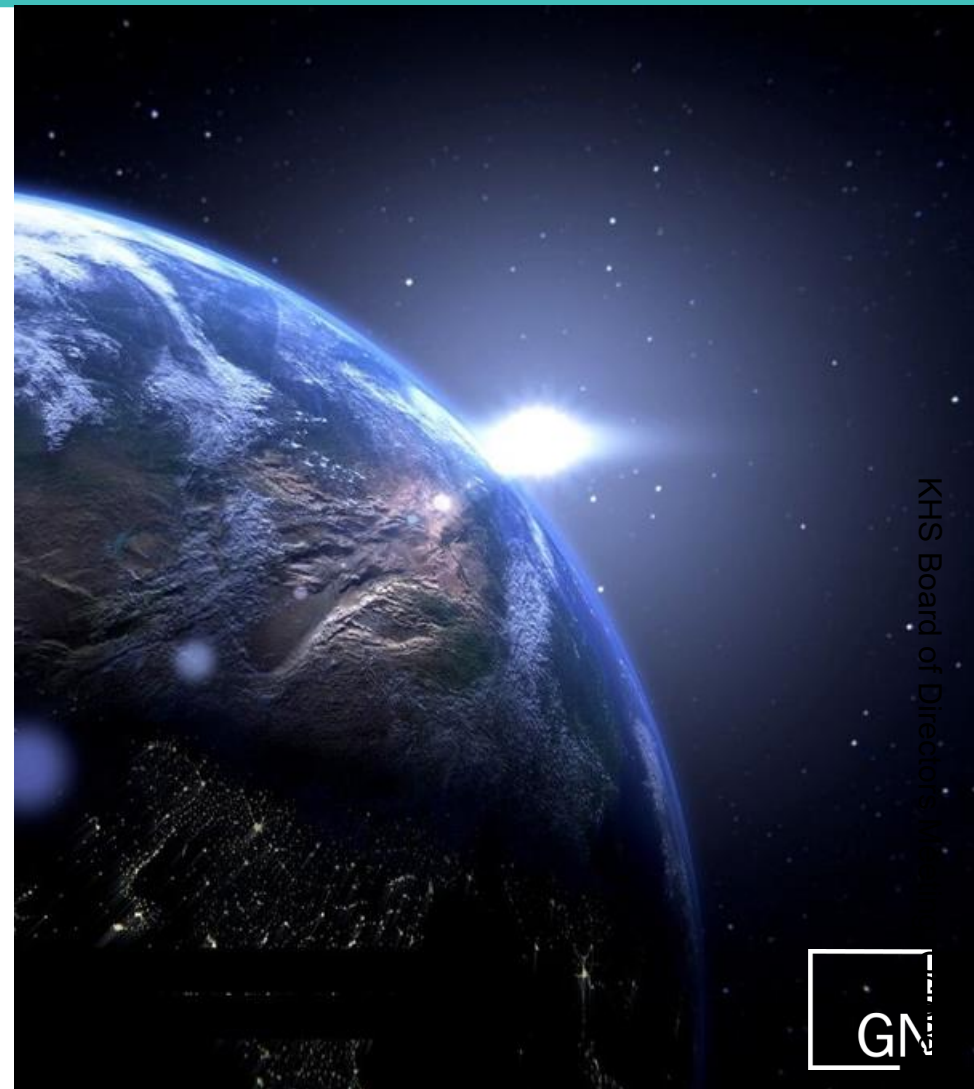
WHAT IS AN ERA?

Distinct periods characterized by specific features or traits. Epoch.

- All scales: humanity (industrial revolution), nations, organizations, and individuals.
- Organizations: constantly transition between different eras, e.g., merger, overcoming mediocrity or outdated culture, growth, new strategy.
- These transitions demand a significant transformation or shift from an old way of being to a new one.

Examples: *Pioneers to Settlers, Experts to Discoverers, Access to Completion*

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KHS Board of Directors



2, 2023

CREATE YOUR NEW ERA

Typical Results

VISION Fresh and relevant to stakeholders, future, and core mission

CULTURE Shared commitment and agency for future
Team members bravely confront the crux of what isn't working and create positive momentum

CHANGES Buy-in pulls the intended future forward
Willingness to let go of old and embrace new

UNCERTAINTY Employees see how their part contributes to the whole

PERFORMANCE Strategy, culture, and leadership aligned with a clear future
Org process and structure shifts improve efficiencies
Leveraged use of talent and leadership

High engagement scores

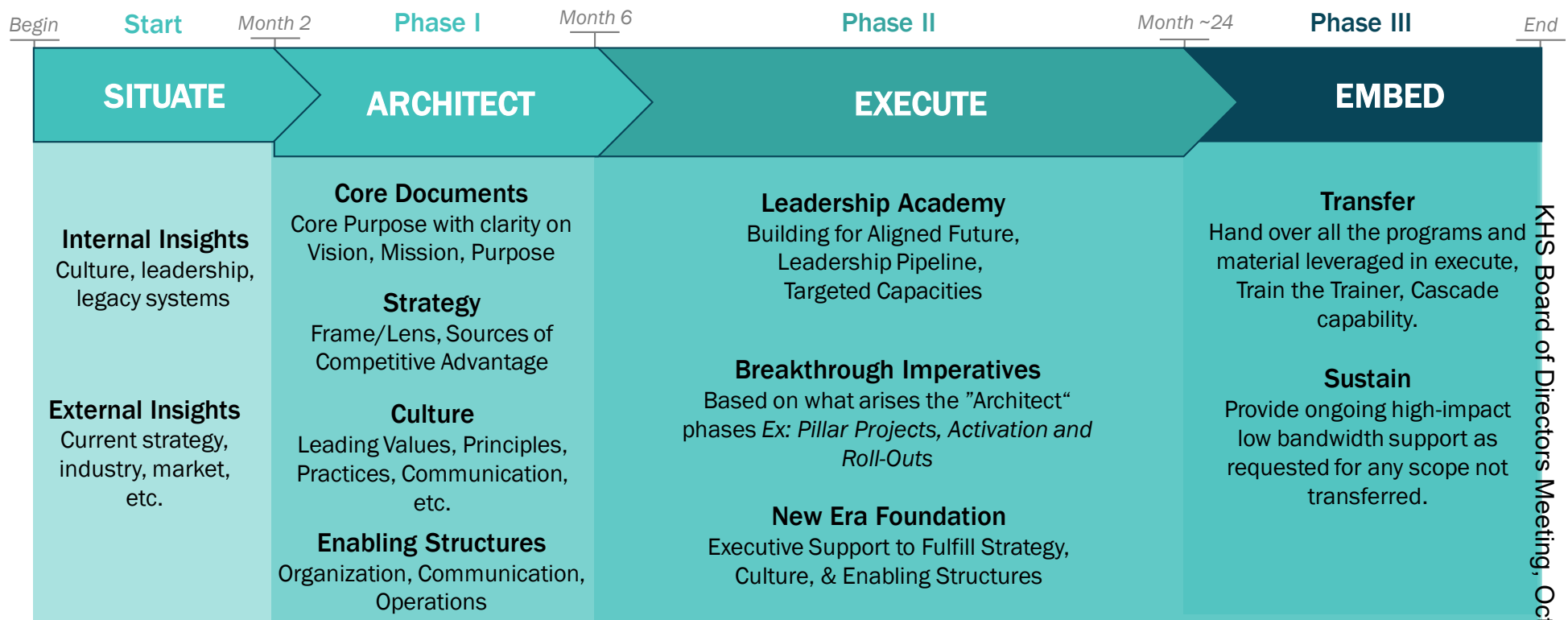
- > Engaged workforce
- > New level of ownership for org outcomes
- > Profitability increases

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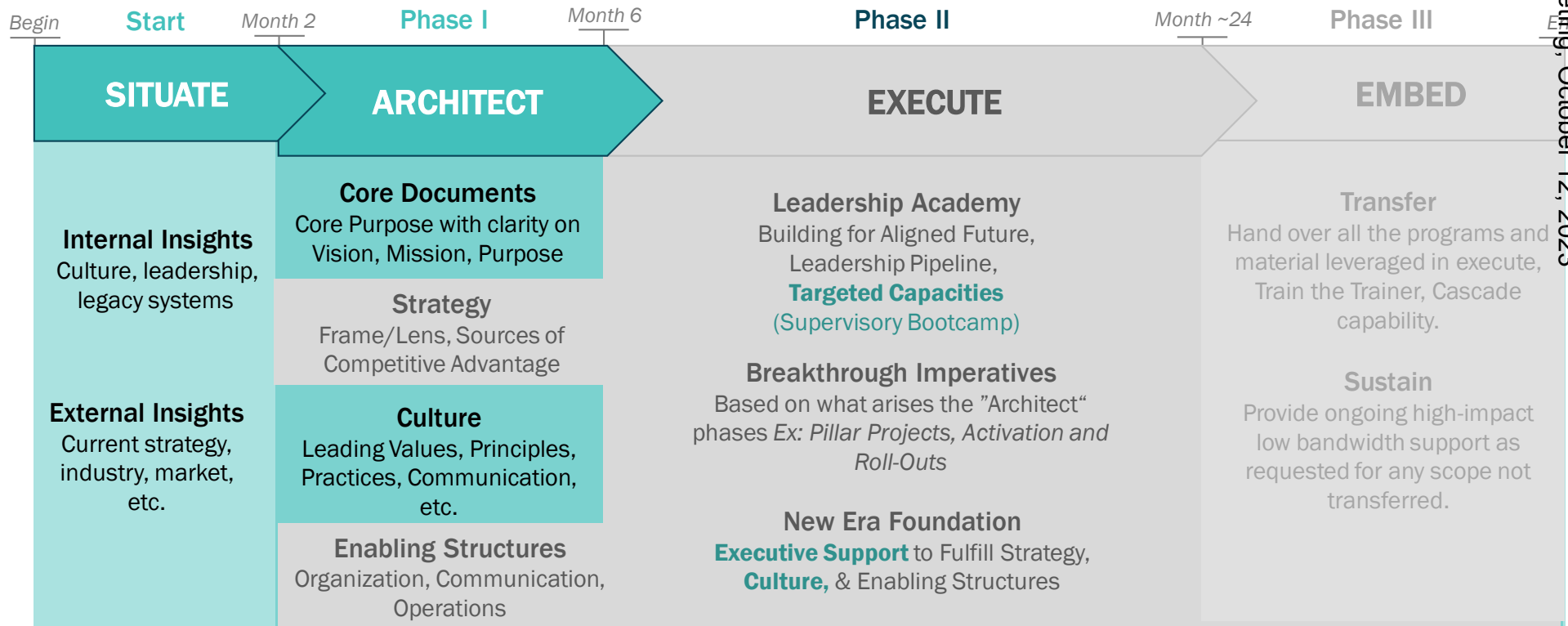
Typical Approach

As every organization is unique, it is impossible to “plan out” how it will go exactly. We find the best practice is to create a phased approach where we continuously partner to take the next “set of first downs,” adjusting as we go.



KHS Phase I

As every organization is unique, it is impossible to “plan out” how it will go exactly. We find the best practice is to create a phased approach where we continuously partner to take the next “set of first downs,” adjusting as we go.



Sense of Results

BOOTCAMP

38 Supervisors Completed Training

✓ **Confident Supervisors** who understand they are key to achieving organizational outcomes:

- *'Now I feel free to share my feelings in the right way.'*
- *'That fundamental cares thing really works!'*
- *'I got up the nerve to approach my Director.'*

✓ **Improved Engagement & Discretionary Effort**

- *'I'm more open and not afraid to share ideas.'*
- *'...will be changed per my request.'*

✓ **Increased Accountability & Trust amongst front-line teams**

- *'I have had some very raw and authentic conversations with my supervisor in the past week.'*
- *'It gave me an opportunity to clear the air, and we have.'*

NEW ERA

68 Participated; 39 Scheduled

✓ **Completed the past, unproductive mindsets, behavior patterns and past upsets healed**

- *'I will let go of any grudges and address issues in a professional way.'*
- *'I have always kept everything I felt tucked inside.'*

✓ **Co-authored a new future that is bold, inspiring and unifying north star**

- *'I will be open to change and adopt new ideas.'*
- *'I will give more priority to hearing out my team.'*

✓ **Activated broader Ownership & Ambition for a New Era**

(138 people to date: "SenseMaker Shareout" sessions; 124 scheduled)

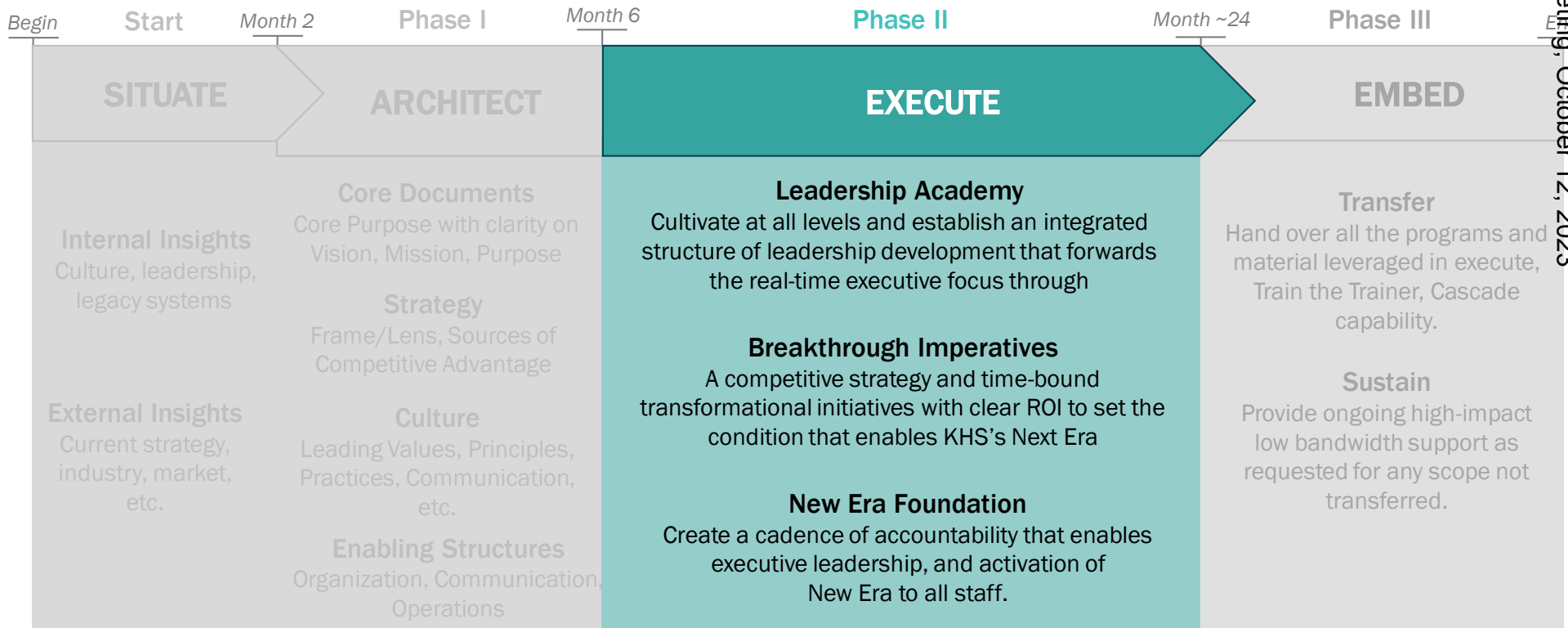
- *'I feel a huge weight of relief and a sense of hope moving forward.'*
- *'I saw tears and smiles of hope, trust, compassion, and commitment.'*

CULTURE FOCUS IN THE NEW ERA

- Productively addressing conflict
- Taking ownership from my place in organization
(vs waiting for leaders to take action)
- Improving vertical & horizontal collaboration
- Increasing productivity through strategic prioritization aligned with company goals
- Integrating fundamental cares of relevant stakeholders
(vs. win-lose)
- Elevating accountability up and down the organization

Phase II - Execute New Era

Execute = Establish KHS's New Era in a way that is lived and experienced at all levels and is structurally enhanced to enable long-term sustainment.



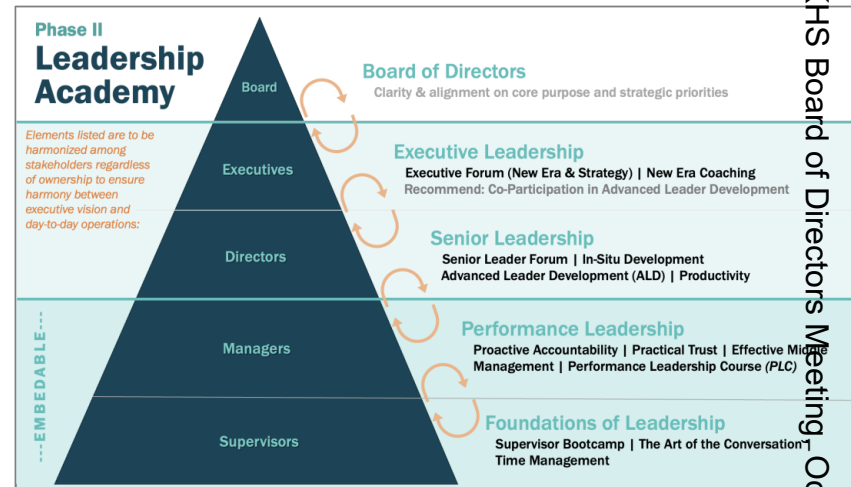
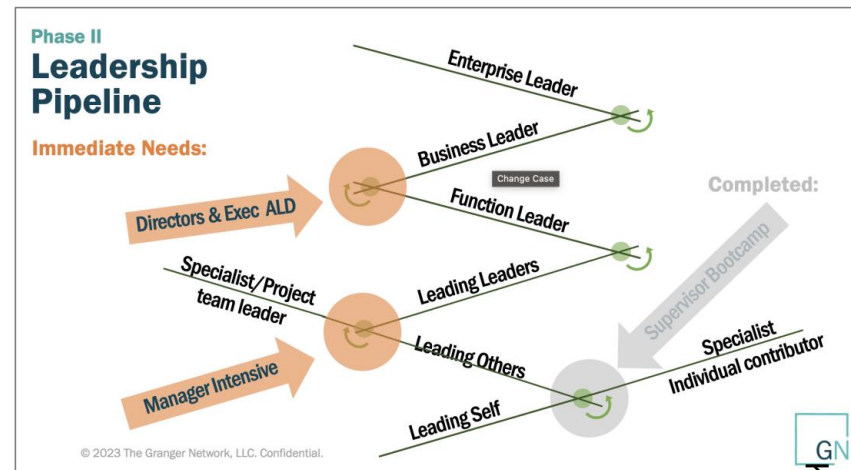
Leadership Capabilities

INTENT Ongoing Comprehensive Strategic Leadership Development Curriculum tied in with New Era and Strategy. Ensure new employees are trained and existing employees continue to grow and develop needed capabilities.

Cultivate at all levels and establish an integrated structure of leadership development that forwards the real-time executive focus through:

- Developing core leaderships skills
- Support "Executive Grooming" per KHS Succession Plan
- Operating effectively in the Next Era at all leadership levels and within priority teams e.g. HR

Robust pipeline of leaders developed from highly committed existing talent and serves as a recruiting tool. The Academy is the home of tools, behaviors and mindsets of leaders and management required to lead KHS.



KHS Board of Directors Meeting, October 12, 2023

New Era Foundation

INTENT Facilitate transition into the New Era through a cadence of accountability and communication.

Catalyze executive leadership and expansion throughout organization to include frontline staff.

- 1) **1:1 Coaching & Exec Advisory** – Provide ongoing guidance, consultation and developmental coaching
- 2) **Exec Forum** – Quarterly strategy checks to identify and coordinate in critical areas requiring coordinated intervention and develop the skill to create constructive pivots
- 3) **Era Activation and Engagement** – facilitated conversations and workshops for all staff (e.g. frontline) in coordination with DEIB efforts

#justgetitdone

In this era we experienced an explosion of growth. We built a new building, launched new programs, brought in new systems, added benefits and expanded our community footprint, growing to over 370,000 members. We provided support, and a beacon of hope in our community members' most vulnerable moments. It was a time of tremendous change with new positions, new departments, new people. The industry changed. We survived a pandemic. We were in the QNXT/JIVA war room. The stakes were high, and we met the challenge. At times, pushing ourselves and our colleagues to the brink – and beyond. We survived tragedy.

With the gr
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people caus
resentment

Don't ask, j
and tolerate
Disintegrati
collaboratin

The old era
meet the ne

GN © 2023 The

#changeagents

We are here because we want to make a difference. Not just any difference. We are committed to breaking the cycle of poverty. Together.

In our new era, we built bridges, leveraged our unique areas of expertise, and became one team in service of a shared vision. Together we created a platform that enables essential whole person care at scale. Our members became more self-reliant and got back on their feet. We reduced the denominator and our community got healthier.

As a team and an organization, we got healthier too. Methodically and strategically, we created the condition for extraordinary teamwork. We stayed connected to our why, checked our egos, empowered each other to take calculated risks, brought a new level of discipline and accountability to our preparation and agreements, and swam outside our lanes.

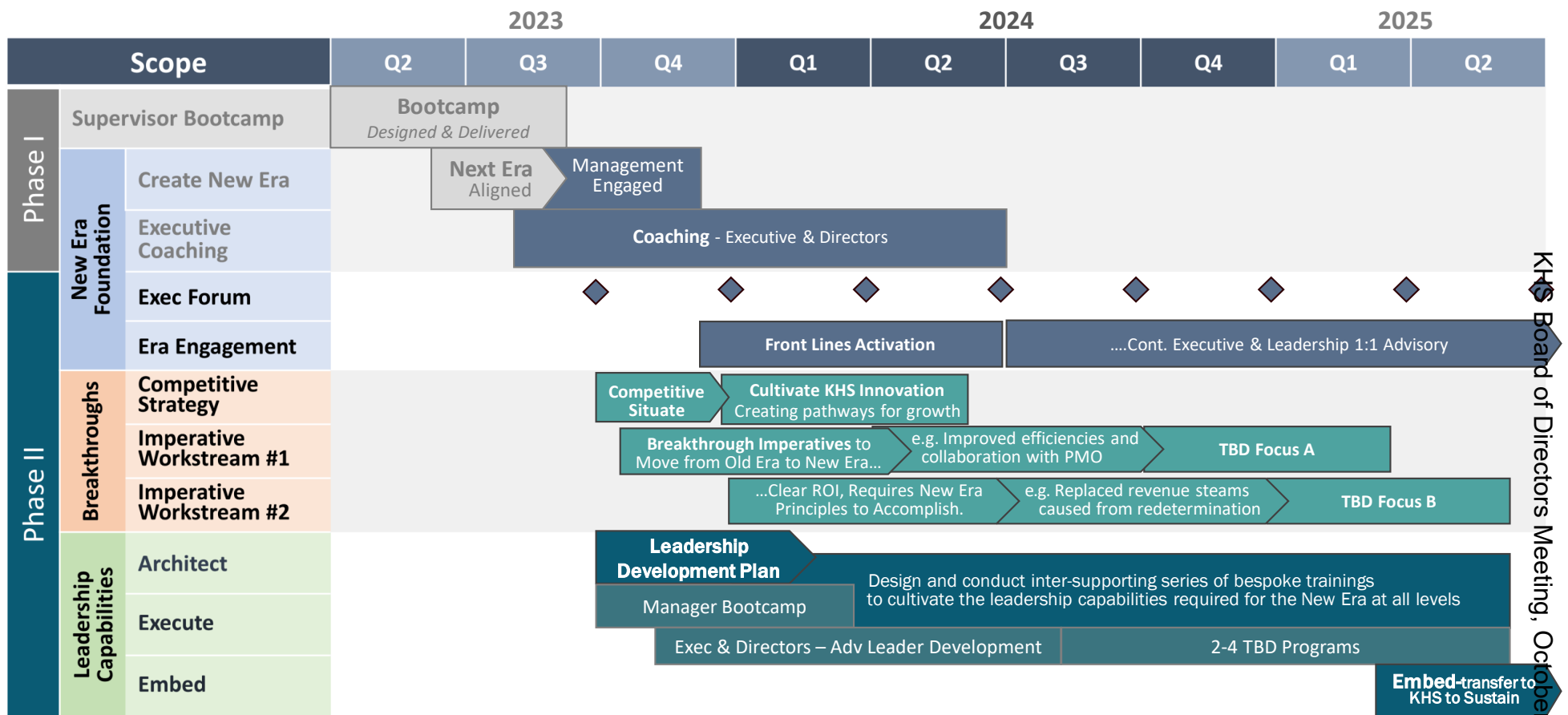
It wasn't easy. It took courage, humility and resilience. But we did it. We made the transition as an organization from a teenager to adult. Our employees now cite KHS as the place to work – and not just because of the benefits. We took what we know and extended the clarity, compassion and care that we provide our external stakeholders to our internal team. We built a true sense of inclusion and belonging and became a place in which our employees thrive and are consistently supported and equipped to bring their full and best gifts.

We made the transition to an A+ team. Our mission is too important for anything less. When we level up, our community levels up.

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Kern Family Health Care.

Overview of Proposed Scope



KHS Board of Directors Meeting, October 12, 2023

#changeagents

We are here because we want to make a difference. Not just any difference. We are committed to breaking the cycle of poverty. Together.

In our new era, we built bridges, leveraged our unique areas of expertise, and became one team in service of a shared vision. Together we created a platform that enables essential, quality whole person care *at scale*. Our members became more self-reliant and got back on their feet. We reduced the denominator and our community got healthier.

As a team and an organization, we got healthier too. We optimized our structures and delivery systems. Methodically and strategically, we created the condition for safe and effective communication, extraordinary teamwork and innovation. We stayed connected to our why, checked our egos, addressed conflict, let go of resentment, rebuilt trust and relationships, empowered each other to take calculated risks, brought a new level of transparency, discipline, consistency and accountability to our preparation and agreements, and swam outside our lanes.

It wasn't easy. It took courage, humility and resilience. But we did it – step by incremental step. We made the transition as an organization from a “teenager” to “adult”. Our employees now cite KHS as *the* place to work – and not just because of the benefits. We took what we know and extended the clarity, compassion and care that we provide our external stakeholders to our internal team. We built a true sense of equity, inclusion and belonging and became a place in which our employees thrive and are consistently supported, equipped and resourced to grow, bring their full and best gifts, and be recognized for their contributions.

We made the transition to an A+ team. Our mission is too important for anything less. When we level up, our community levels up.



Thank You

The Granger Network

Your Instrument of Execution for sustaining and elevating performance during periods of significant transition



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MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Kristen Watson, Ed.D., Chairman
SUBJECT: Election of Treasurer
DATE: October 12, 2023

Background

The Treasurer is elected by majority vote of the Directors and may serve a term of not more than three (3) years at the Board’s discretion. Among other responsibilities, the Treasurer, through the Chief Financial Officer sees that adequate and correct accounts are maintained of the properties and business transactions of KHS.

At the Board of Director’s meeting of August 17th, the Board Chair announce that the board is looking for a new Treasurer. A communication was sent out on August 30th requesting members to provide feedback if interested in serving. Two names were submitted for consideration (Ross Elliott and Michael Turnipseed) prompting the Chair to convene the Nominating Committee on September 19th to review each candidate’s experience and qualifications for the role of Treasurer.

The following provides a brief bio of Director Elliott’s and Director Turnipseed’s background and professional experience qualifying them for the position of Treasurer:

Ross Elliott

- Ross Elliott serves on the Board of Directors of the Kern Valley Healthcare District. He is currently the first vice president, and for the past 3 years he served as chairman of the board. In his first year on the board, he served as Treasurer.
- Ross was the Director of Kern County Emergency Medical Services Department for 10 years, retiring in 2014. During that decade he:
 - ✓ Created ambulance exclusive operating areas across the County and used long-term performance contracts to ensure high quality patient care;
 - ✓ Established an all Advanced Life Support (paramedic) ambulance system;
 - ✓ Implemented a countywide STEMI and Stroke Systems of Care; and
 - ✓ Improved EMS system-wide standards of care and disaster preparedness to better serve the public.
- In addition, Ross has long held a passion for public education. He served on the Kernville Union School District board of trustees, and he served on the Kern County Superintendent of Schools Committee on District Organization. Combined, this service in public education extends well beyond 20 years.

Ross Elliott (Cont'd)

- Ross has several experiences that support his goal of becoming Kern Family Healthcare treasurer. In his tenure as a Senior Administrative Analyst with the Kern County Administrative Office (CAO), he was a budget analyst – one of about a dozen people that prepares the county budget. He served as the Administrative Services Officer (ASO) for Kern County General Services Department and managed the fiscal and accounting functions for the department. As executive director of the California Ambulance Association, a trade organization, he was responsible for creating and managing the budget. For several years, Ross was the treasurer and bookkeeper for the Kern Valley Exchange Club, a local service organization. He is currently the treasurer for the Kern River Valley Community Fund, an endowment fund to improve the community.
- Ross holds a Bachelor's degree from Cal Poly, San Luis Obispo, and he earned a Master's degree from the Naval Postgraduate School.
- Ross has been married to Kristi for 32 years. They have 4 children and 7 grandchildren. In his spare time, he rides his bicycle in the mountains and trails of the Kern River Valley and enjoys playing music with his ukulele. He is also attempting to learn the mandolin and violin.

Michael Turnipseed

- Since 1975, Michael Turnipseed has been self-employed, actively participating in numerous business, political, and civic projects.
- In 1994, he started Michael Turnipseed and Associates (MTA) to address organizational needs in the business community, specializing in strategic planning and problem-solving. His tagline is "Your Path to Success."
- In March 2005, Michael was retained to serve as Executive Director of the Kern County Taxpayers Association. In April 2009, he was named President of the Kern County Taxpayers Education Fund, Inc. and Academy Director of Kern Leaders Academy.
- Michael is a past Trustee of Kern County's Board of Retirement, which oversees the Kern County Employee Retirement Association, the county's pension fund, the organizer of the Kern County Workforce Taskforce, and a current board member of Kern Health Systems, which has 320,000 MediCal members. and is a member of Bakersfield Breakfast Rotary and the Bakersfield Country Club.
- Michael received his Bachelor's Degree in Agricultural Economics from the University of California, Davis; graduated from the California Agricultural Leadership Program; successfully completed the Executive Program in Management from the Anderson Graduate School of Management, University of California, Los Angeles; completed the SACRES Public Pension Investment Management Program conducted by the Haas School of Business, University of California, Berkeley, and completed CAPRS Board Leadership Institute: Advanced Principles in Governance, conducted by the Anderson Graduate School of Management, University of California, Los Angeles.
- Michael has been married to his wife, Nancy, for 44 years, has two grown daughters, Amy and Alissa, and has three grandchildren Hattie, Helen, and Henry.

Requested Action

For appointment of Board Treasurer, the Nominating Committee recommends the Board approve the majority vote and appoint the new board treasurer effective Oct. 12, 2023.



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Kristen Watson, Ed.D., Chairman
SUBJECT: Proposed Appointments to KHS Finance Committee
DATE: October 12, 2023

Background

The Finance Committee provides financial analysis, advice, and oversight of the organizations budget. Their responsibility is to ensure the organization is operating with the financial resources it needs to provide programs and services to the community.

The nomination committee proposed to increase the number of finance committee members from four to five members, in order to ensure quorum. Therefore 3 vacancies (one being filled by the newly elected Treasurer) were discussed and proposed.

The following board members have expressed an interest in serving on the KHS Finance Committee:

- Michael Bowers
- Ross Elliott
- Michael Turnipseed

The Nominating Committee met on September 19th and unanimously agreed to put forth the names to the Board for appointment to serve on the committee.

Requested Action

Approve appointments to KHS Finance Committee effective October 12, 2023.



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Kristen Watson, Ed.D., Chairman
SUBJECT: Proposed Appointments to KHS Compliance Committee (NEW)
DATE: October 12, 2023

Background

Newly proposed, the Governance and Compliance Committee has the fiduciary responsibility to oversee the KHS regulatory Compliance Program to ensure an effective and ethical program through its design, implementation, and monitoring in the prevention and detection of risks or compliance violations. Specifically, for evaluating KHS's compliance with all regulatory (federal, state and local), as applicable and contractual obligations for all internal and delegated activities.

There are currently 4 vacancies.

The following board members have expressed an interest in serving on the KHS Compliance Committee:

- Kimberly Hoffmann, PharmD, BCPP
- Olga Meave, M.D.
- Ganesh Acharya
- Michael Turnipseed

The Nominating Committee met on September 19th and unanimously agreed to put forth the names to the Board for appointment to serve on the committee.

Requested Action

Approve appointments to KHS Compliance Committee effective October 12, 2023.



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Richard Pruitt, Chief Information Officer
SUBJECT: Member Engagement Platform
DATE: October 12, 2023

Background

Member engagement is the ongoing interaction between a member and an organization in exchange for meaningful value. Kern Health Systems (KHS) has procured and built several systems over the years to facilitate the organizations member engagement. These systems include the customer service phone calls (cold calls); social media; member website portal; mobile phone application; texting software; automated phone calls (robocalls); online and mobile health risk assessment applications; member rewards; and a Patient Access API (Interoperability). This project will procure additional licensing for a member engagement system that currently exists within KHS and expand functionality.

Fiscal Impact

This agreement will not exceed \$464,336.85.

Requested Action

Approve; Authorize Chief Executive Officer to Sign.

Member Engagement Platform

Board of Directors

October 12, 2023



Richard M. Pruitt
Chief Information Officer



Agenda

- Background
- Benefits and Design
- Selection Process
- Financial Impact
- Board of Directors Request



Background

California Advancing and Innovating Medi-Cal (CalAIM) is a significant healthcare reform initiative designed to transform and improve the Medi-Cal program. CalAIM involves changes to the way Medi-Cal services are delivered, with a focus on managed care and accountable care organizations (ACOs) to coordinate and improve care. Some of the key aspects of CalAIM are the following:

- Whole-Person Care
- Targeted Populations
- Behavioral Health Integration
- Community Paramedicine
- Home and Community-Based Services (HCBS)
- Health Equity
- Quality Metrics and Outcomes

To be successful in these efforts, a robust **Customer Relationship Management (CRM)** platform that manages the communication and engagement with our members is needed. Currently, KHS uses **Microsoft Dynamics 365** to manage interactions with its Provider Network and is expanding the use of the tool for its member engagement system.



Benefits and Design

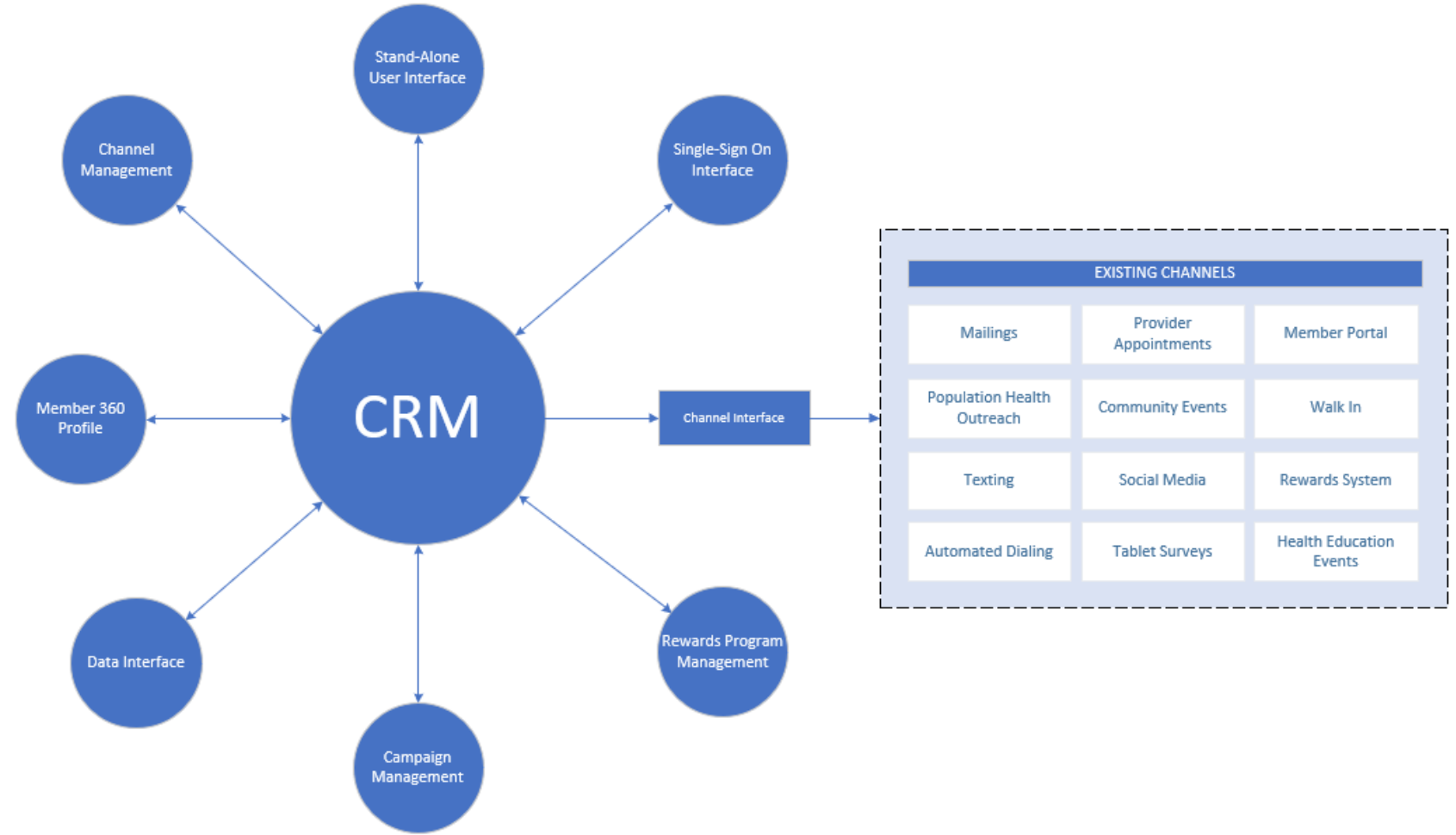
A **Customer Relationship Management (CRM)** system is a software tool or platform designed to help organizations manage and improve their interactions with customers, clients, and other stakeholders. By centralizing customer data, automating processes, and providing valuable insights, CRMs help organizations build stronger relationships with customers, enhance customer satisfaction, and optimize their business operations. Here are some of the key functions and capabilities of a CRM:

- Contact Management
- Lead and Sales Management
- Marketing Automation
- Customer Support and Service
- Communication Tracking
- Workflow Automation
- Integration with Other Systems
- Customer Feedback and Surveys

Currently, KHS uses the Microsoft CRM solution: **Microsoft Dynamics 365**.



Benefits and Design *(continued)*



Selection Process

- 2023 Corporate Project – Member Rewards
- Identified that KHS needed more than Rewards
- Partnered with Microsoft to Discuss Solution
- Jointly Led Journey Mapping of KHS CRM Needs
- Technology Team Reviewed Both Salesforce & Microsoft and Cost were Equitable
- Procurement and Kick Off



Selection Process *(continued)*

Why Microsoft

1

Common data model across all business applications

16

Analyst reports where Microsoft is positioned as a Leader

500k+

Microsoft business application customers

97%

Fortune 500 companies use Business Applications

Leader

AI with large language model, ML, Azure Cognitive Services

Collaboration and productivity, infused in business processes

Low-code platform which is embedded in Dynamics 365



Selection Process *(continued)*

Innovation Sprint

The Kern team devoted time to uncover current pain points and create a future vision of a more holistic and engaging member experience.

Jan. 11 – March 3

3 Exploratory Calls

1 Kickoff

Deep Dives

10 Hours of Interviews

28 Kern Participants

2 Hour Ideation Workshop

7 Kern Groups

Member Engagement

Member Services

Health Education

Population Health Management

Provider Network Management

Quality Improvement

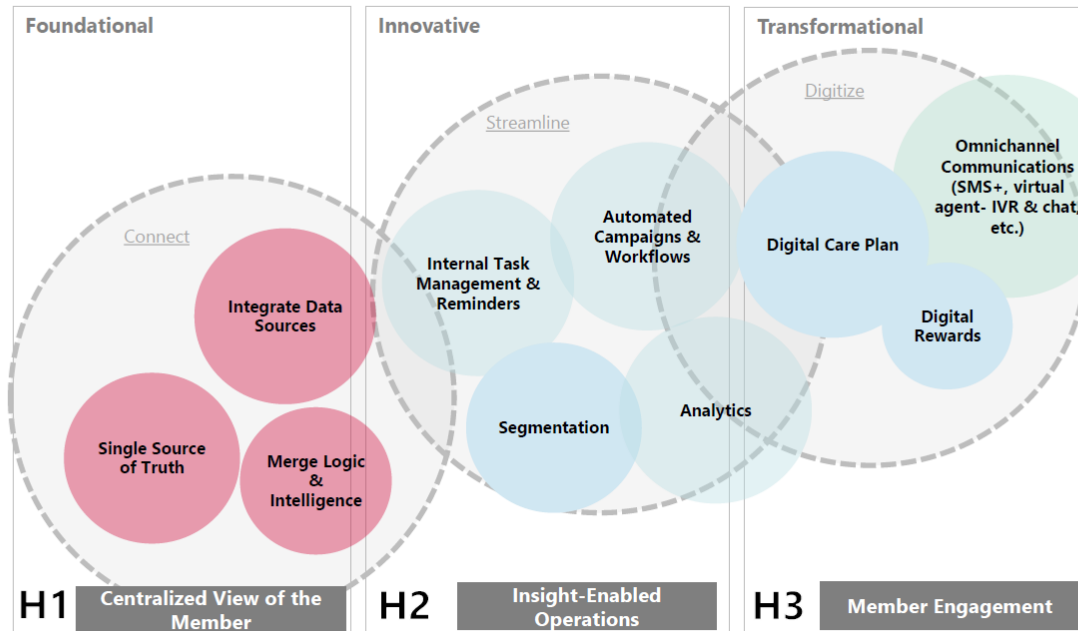
Business Intelligence



Selection Process (continued)

Member Engagement Roadmap

The 3 Horizons to Kern's North Star Vision



North Star

Deliver a *transformative* experience to *empower* members throughout their health journeys

Integrated & Personalized Member Experience

Note: Horizons are non-linear. H1 to H3 can be advanced in parallel

App/Project Based **FOUNDATION** CONSISTENCY & SCALABILITY Platform Based

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Financial Impact

Product Description	Mfg#	Ext. Price
D365 Marketing Attach Sub	KPH-00002	\$9,857.40
D365 Marketing Additional Application Sub	KPK-00001	\$6,571.65
D365 Marketing Non-Production App Sub Add-on	SDN-00002	\$3,285.75
D365 Marketing Additional Contacts T5 Sub Min 10 Unit AO 50K Contacts	MSQ-00001	\$65,716.50
D365 Customer Voice USL Sub Per User	RUC-00005	\$0.00
D365 Customer Voice Additional Response Sub 1K Survey Responses	PYV-00009	\$2,628.60
Power Pages Auth Users T2 Sub (100 Units 100 User/Site/Mo Min)	WEA-00001	\$147,847.50
Power Virtual Agent USL Sub Per User	SYS-00001	\$0.00
Power Virtual Agent Sub Limited Time Offer 2K Sessions	RYT-00011	\$13,143.00
D365 Fraud Protection Account Protection Sub	2U1-00001	\$13,143.30
Dataverse Database Capacity Sub Add-on	PRX-00002	\$525.75
D365 Voice & OC Bundle Sub Add-on	IJP-00008	\$78,071.40
D365 Customer Service Voicebot Int Min Sub <i>(per MS: may need adjustment)</i>	I9I-00007	\$16,429.50
D365 Routing Overage Sub	CB6-00004	\$105,145.50
D365 Customer Service Call Int Min Sub	I9J-00007	\$1,971.00
Nuance Gatekeeper <i>(per MS: capacity license - \$0.17 per Authentication)</i>	NA	
		\$464,336.85



Requested Action

Authorize the CEO to approve contracts associated with the procurement of the KHS Member Engagement Platform and Professional Services with Dell and Microsoft in the amount not to exceed \$464,336.85



You + Us = a better day!

Questions

For additional information, please contact:
Richard M. Pruitt
Chief Information Officer
(661) 664-5078





MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Robert Landis, Chief Financial Officer
SUBJECT: July 2023 Financial Results
DATE: October 12, 2023

The July results reflect a \$13,718,780 Net Increase in Net Position which is a \$13,930,832 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$6.5 million favorable variance primarily due to:
 - A) \$4.6 million favorable variance primarily due from receiving a \$6.8 million payment under the CalAim Incentive Payment and from \$1.4 million of unfavorable **timing differences** on waiting for DHCS approval to record revenue under the Student Behavioral Health Incentive Program and the Housing and Homeless Incentive Program
 - B) \$.7 million favorable variance in Premium-Hospital Directed Payments primarily due to higher-than-expected budgeted membership offset against amounts included in 2E below.
 - C) \$1.3 million favorable variance in Investment Earnings primarily due from higher than forecasted interest rates being earned on the investment portfolio.
- 2) Total Medical Costs reflect a \$7.1 million favorable variance primarily due to:
 - A) \$1.2 million favorable variance in Physician Services primarily due to lower-than-expected utilization over the last several months in Primary Care, Specialty and Urgent Care Services.
 - B) \$1.5 million favorable variance in Other Professional Services primarily due to the timing of hiring 2023 Budgeted Utilization Management Employees (\$.7 million) along with lower-than-expected utilization of Autism and Mental Health Services (\$.4 million).
 - C) \$1.4 million favorable variance in Inpatient primarily due to lower-than-expected utilization over the last several months.
 - D) \$3.9 million favorable variance in Other Medical primarily due from lower-than-expected utilization of the new Long-Term Care Services benefit over the last several months.
 - E) \$.7 million unfavorable variance in Hospital Directed Payments primarily due to higher-than-expected budgeted membership offset against amounts included in 1B above.

The July Medical Loss Ratio is 80.7% which is favorable to the 92.8 % budgeted amount. The July Administrative Expense Ratio is 6.4% which is favorable to the 6.8% budgeted amount.

The results for the 7 months ended July 31, 2023 reflect a Net Increase in Net Position of \$82,458,919. This is a \$86,358,541 favorable variance to budget and includes approximately \$20.5 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 81.8% which is favorable to the 93.0% budgeted amount. The year-to-date Administrative Expense Ratio is 6.5% which is favorable to the 7.0% budgeted amount.

**Kern Health Systems
Financial Packet
July 2023**

KHS – Medi-Cal Line of Business

Comparative Statement of Net Position	Page 1
Statement of Revenue, Expenses, and Changes in Net Position	Page 2
Statement of Revenue, Expenses, and Changes in Net Position - PMPM	Page 3
Statement of Revenue, Expenses, and Changes in Net Position by Month	Page 4-5
Statement of Revenue, Expenses, and Changes in Net Position by Month - PMPM	Page 6-7
Schedule of Revenues	Page 8
Schedule of Medical Costs	Page 9
Schedule of Medical Costs - PMPM	Page 10
Schedule of Medical Costs by Month	Page 11
Schedule of Medical Costs by Month – PMPM	Page 12
Schedule of Administrative Expenses by Department	Page 13
Schedule of Administrative Expenses by Department by Month	Page 14

KHS Group Health Plan – Healthy Families Line of Business

Comparative Statement of Net Position	Page 15
Statement of Revenue, Expenses, and Changes in Net Position	Page 16

KHS Administrative Analysis and Other Reporting

Monthly Member Count	Page 17
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF JULY 31, 2023			
ASSETS	JULY 2023	JUNE 2023	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 147,005,792	\$ 144,791,409	\$ 2,214,383
Short-Term Investments	336,048,499	313,233,927	22,814,572
Premiums Receivable - Net	92,899,060	93,407,862	(508,802)
Premiums Receivable - Hospital Direct Payments	444,533,496	422,726,244	21,807,252
Interest Receivable	144,008	434,749	(290,741)
Provider Advance Payment	796,507	806,231	(9,724)
Other Receivables	933,878	1,000,214	(66,336)
Prepaid Expenses & Other Current Assets	7,793,425	6,184,841	1,608,584
Total Current Assets	\$ 1,030,154,665	\$ 982,585,477	\$ 47,569,188
CAPITAL ASSETS - NET OF ACCUM DEPREE:			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,062,600	1,109,286	(46,686)
Computer Hardware and Software - Net	19,601,218	20,073,411	(472,193)
Building and Building Improvements - Net	33,479,447	33,556,253	(76,806)
Capital Projects in Progress	1,984,745	1,823,871	160,874
Total Capital Assets	\$ 60,218,716	\$ 60,653,527	\$ (434,811)
LONG TERM ASSETS:			
Restricted Investments	300,000	300,000	-
Officer Life Insurance Receivables	1,620,493	1,620,493	-
Total Long Term Assets	\$ 1,920,493	\$ 1,920,493	\$ -
DEFERRED OUTFLOWS OF RESOURCES	\$ 8,886,257	\$ 8,154,860	\$ 731,397
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,101,180,131	\$ 1,053,314,357	\$ 47,865,774
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accrued Salaries and Employee Benefits	\$ 5,217,463	\$ 5,088,702	128,761
Accrued Other Operating Expenses	3,909,575	4,035,010	(125,435)
Claims Payable (Reported)	25,571,058	21,044,410	4,526,648
IBNR - Inpatient Claims	57,214,039	55,073,052	2,140,987
IBNR - Physician Claims	20,930,632	19,235,635	1,694,997
IBNR - Accrued Other Medical	27,604,684	26,782,168	822,516
Risk Pool and Withholds Payable	6,044,482	5,508,970	535,512
Statutory Allowance for Claims Processing Expense	3,195,869	3,195,869	-
Other Liabilities	93,677,169	91,361,413	2,315,756
Accrued Hospital Directed Payments	444,351,153	422,543,901	21,807,252
Total Current Liabilities	\$ 687,716,124	\$ 653,869,130	\$ 33,846,994
NONCURRENT LIABILITIES:			
Net Pension Liability	12,018,206	11,718,206	300,000
TOTAL NONCURRENT LIABILITIES	\$ 12,018,206	\$ 11,718,206	\$ 300,000
DEFERRED INFLOWS OF RESOURCES	\$ 230,571	\$ 230,571	\$ -
NET POSITION:			
Net Position - Beg. of Year	318,756,311	318,756,311	-
Increase (Decrease) in Net Position - Current Year	82,458,919	68,740,139	13,718,780
Total Net Position	\$ 401,215,230	\$ 387,496,450	\$ 13,718,780
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,101,180,131	\$ 1,053,314,357	\$ 47,865,774

CURRENT MONTH MEMBERS			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JULY 31, 2023			YEAR-TO-DATE MEMBER MONTHS		
						ACTUAL	BUDGET	VARIANCE
212,982	214,100	(1,118)	Family Members	1,486,487	1,494,100	(7,613)		
95,134	93,900	1,234	Expansion Members	688,203	658,900	29,303		
17,440	17,900	(460)	SPD Members	127,369	124,900	2,469		
394	650	(256)	LTC Members	2,408	2,900	(492)		
21,852	23,700	(1,848)	Other Members	142,152	150,900	(8,748)		
15,869	14,000	1,869	Kaiser Members	108,038	98,000	10,038		
363,671	364,250	(579)	Total Members - MCAL	2,554,657	2,529,700	24,957		
			REVENUES					
45,811,582	43,293,994	2,517,588	Title XIX - Medicaid - Family and Other	297,549,543	298,632,754	(1,083,211)		
38,966,690	34,460,004	4,506,686	Title XIX - Medicaid - Expansion Members	260,503,815	241,804,959	18,698,856		
19,655,340	20,462,713	(807,373)	Title XIX - Medicaid - SPD Members	134,170,640	142,781,727	(8,611,087)		
2,933,682	4,566,444	(1,632,762)	Title XIX - Medicaid - LTC Members	18,042,788	20,530,644	(2,487,856)		
-	-	-	Premium - MCO Tax	-	-	-		
21,822,439	21,106,338	716,101	Premium - Hospital Directed Payments	152,086,922	147,418,275	4,668,647		
1,706,041	434,958	1,271,083	Investment Earnings And Other Income	9,335,849	3,008,854	6,326,995		
-	77,169	(77,169)	Reinsurance Recoveries	-	535,763	(535,763)		
(15,187)	-	(15,187)	Rate Adjustments - Hospital Directed Payments	(574,269)	-	(574,269)		
1,690	-	1,690	Rate/Income Adjustments	3,188,092	-	3,188,092		
130,882,277	124,401,620	6,480,657	TOTAL REVENUES	874,303,380	854,712,976	19,590,404		
			EXPENSES					
20,488,109	21,662,375	1,174,266	Medical Costs:					
5,443,151	6,973,367	1,530,216	Physician Services	145,531,779	150,710,039	5,178,260		
4,984,270	5,801,803	817,533	Other Professional Services	41,620,431	48,616,812	6,996,381		
22,316,634	23,722,390	1,405,756	Emergency Room	35,962,578	40,356,272	4,393,694		
96,097	77,169	(18,928)	Inpatient	154,219,144	165,321,084	11,101,940		
10,233,407	10,563,365	329,958	Reinsurance Expense	748,437	535,763	(212,674)		
22,600,808	26,505,066	3,904,258	Outpatient Hospital	73,319,331	72,946,030	(373,301)		
535,512	525,178	(10,334)	Other Medical	154,907,777	175,448,403	20,540,626		
21,822,439	21,106,338	(716,101)	Pay for Performance Quality Incentive	3,682,108	3,648,580	(33,528)		
(15,187)	-	15,187	Hospital Directed Payments	152,086,922	147,418,275	(4,668,647)		
639,578	-	(639,578)	Hospital Directed Payment Adjustment	(1,357,994)	-	1,357,994		
707,021	-	(707,021)	Non-Claims Expense Adjustment	(1,681,387)	-	1,681,387		
109,851,839	116,937,052	7,085,213	IBNR, Incentive, Paid Claims Adjustment	(16,992,757)	-	16,992,757		
21,030,438	7,464,568	13,565,870	Total Medical Costs	742,046,369	805,001,258	62,954,889		
			GROSS MARGIN	132,257,011	49,711,718	82,545,293		
3,743,082	4,034,841	291,759	Administrative:					
1,454,753	1,690,082	235,329	Compensation	25,564,987	28,118,885	2,553,898		
196,052	227,316	31,264	Purchased Services	10,336,773	11,830,572	1,493,799		
686,781	649,950	(36,831)	Supplies	829,520	1,591,214	761,694		
623,127	449,119	(174,008)	Depreciation	4,784,232	4,549,647	(234,585)		
300,183	-	(300,183)	Other Administrative Expenses	3,671,722	3,143,830	(527,892)		
7,003,978	7,051,307	47,329	Administrative Expense Adjustment	2,133,926	-	(2,133,926)		
116,855,817	123,988,359	7,132,542	Total Administrative Expenses	47,321,160	49,234,148	1,912,988		
14,026,460	413,261	13,613,199	TOTAL EXPENSES	789,367,529	854,235,406	64,867,877		
-	-	-	OPERATING INCOME (LOSS) BEFORE TAX	84,935,851	477,570	84,458,281		
-	-	-	MCO TAX	-	-	-		
14,026,460	413,261	13,613,199	OPERATING INCOME (LOSS) NET OF TAX	84,935,851	477,570	84,458,281		
			NONOPERATING REVENUE (EXPENSE)					
(307,680)	(625,313)	317,633	Provider Grants/CalAIM/Home Health	(543)	-	(543)		
(307,680)	(625,313)	317,633	D-SNP Expenses	(2,476,389)	(4,377,191)	1,900,802		
13,718,780	(212,052)	13,930,832	TOTAL NONOPERATING REVENUE (EXPENSE)	(2,476,932)	(4,377,191)	1,900,259		
80.7%	92.8%	12.1%	NET INCREASE (DECREASE) IN NET POSITION	82,458,919	(3,899,622)	86,358,541		
6.4%	6.8%	0.4%	MEDICAL LOSS RATIO	81.8%	93.0%	11.2%		
			ADMINISTRATIVE EXPENSE RATIO	6.5%	7.0%	0.4%		

CURRENT MONTH			STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED JULY 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
ENROLLMENT						
212,982	214,100	(1,118)	Family Members	1,486,487	1,494,100	(7,613)
95,134	93,900	1,234	Expansion Members	688,203	658,900	29,303
17,440	17,900	(460)	SPD Members	127,369	124,900	2,469
394	650	(256)	LTC Members	2,408	2,900	(492)
21,852	23,700	(1,848)	Other Members	142,152	150,900	(8,748)
15,869	14,000	1,869	Kaiser Members	108,038	98,000	10,038
363,671	364,250	(579)	Total Members - MCAL	2,554,657	2,529,700	24,957
REVENUES						
195.08	182.06	13.02	Title XIX - Medicaid - Family and Other	182.70	181.54	1.16
409.60	366.99	42.61	Title XIX - Medicaid - Expansion Members	378.53	366.98	11.54
1,127.03	1,143.17	(16.14)	Title XIX - Medicaid - SPD Members	1,053.40	1,143.17	(89.77)
7,445.89	7,025.30	420.59	Title XIX - Medicaid - LTC Members	7,492.85	7,079.53	413.32
0.00	0.00	0.00	Premium - MCO Tax	0.00	0.00	0.00
62.74	60.26	2.48	Premium - Hospital Directed Payments	62.16	60.62	1.54
4.91	1.24	3.66	Investment Earnings And Other Income	3.82	1.24	2.58
0.00	0.22	(0.22)	Reinsurance Recoveries	0.00	0.22	(0.22)
(0.04)	0.00	(0.04)	Rate Adjustments - Hospital Directed Payments	(0.23)	0.00	(0.23)
0.00	0.00	0.00	Rate/Income Adjustments	1.30	0.00	1.30
376.31	355.18	21.13	TOTAL REVENUES	357.35	351.49	5.86
EXPENSES						
Medical Costs:						
58.91	61.85	2.94	Physician Services	59.48	61.98	2.49
15.65	19.91	4.26	Other Professional Services	17.01	19.99	2.98
14.33	16.56	2.23	Emergency Room	14.70	16.60	1.90
64.16	67.73	3.57	Inpatient	63.03	67.99	4.95
0.28	0.22	(0.06)	Reinsurance Expense	0.31	0.22	(0.09)
29.42	30.16	0.74	Outpatient Hospital	29.97	30.00	0.03
64.98	75.67	10.69	Other Medical	63.32	72.15	8.84
1.54	1.50	(0.04)	Pay for Performance Quality Incentive	1.50	1.50	(0.00)
62.74	60.26	(2.48)	Hospital Directed Payments	62.16	60.62	(1.54)
(0.04)	0.00	0.04	Hospital Directed Payment Adjustment	(0.56)	0.00	0.56
1.84	0.00	(1.84)	Non-Claims Expense Adjustment	(0.69)	0.00	0.69
2.03	0.00	(2.03)	IBNR, Incentive, Paid Claims Adjustment	(6.95)	0.00	6.95
315.85	333.87	18.02	Total Medical Costs	303.29	331.04	27.75
60.47	21.31	39.15	GROSS MARGIN	54.06	20.44	33.61
Administrative:						
10.76	11.52	0.76	Compensation	10.45	11.56	1.11
4.18	4.83	0.64	Purchased Services	4.22	4.87	0.64
0.56	0.65	0.09	Supplies	0.34	0.65	0.32
1.97	1.86	(0.12)	Depreciation	1.96	1.87	(0.08)
1.79	1.28	(0.51)	Other Administrative Expenses	1.50	1.29	(0.21)
0.86	0.00	(0.86)	Administrative Expense Adjustment	0.87	0.00	(0.87)
20.14	20.13	(0.01)	Total Administrative Expenses	19.34	20.25	0.91
335.98	354.00	18.02	TOTAL EXPENSES	322.64	351.29	28.66
40.33	1.18	39.15	OPERATING INCOME (LOSS) BEFORE TAX	34.72	0.20	34.52
0.00	0.00	0.00	MCO TAX	0.00	0.00	0.00
40.33	1.18	39.15	OPERATING INCOME (LOSS) NET OF TAX	34.72	0.20	34.52
NONOPERATING REVENUE (EXPENSE)						
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00
0.00	0.00	0.00	Reserve Fund Projects/Community Grants	(0.00)	0.00	(0.00)
(0.88)	(1.79)	0.90	Health Home	(1.01)	(1.80)	0.79
(0.88)	(1.79)	0.90	TOTAL NONOPERATING REVENUE (EXPENSE)	(1.01)	(1.80)	0.79
39.44	(0.61)	40.05	NET INCREASE (DECREASE) IN NET POSITION	33.70	(1.60)	35.31
80.7%	92.8%	12.1%	MEDICAL LOSS RATIO	81.8%	93.0%	11.2%
6.4%	6.8%	0.4%	ADMINISTRATIVE EXPENSE RATIO	6.5%	7.0%	0.4%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH JULY 31, 2023	JULY 2022	AUGUST 2022	SEPTEMBER 2022	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022	JANUARY 2023
ENROLLMENT							
Members - MCAL	323,572	324,961	325,920	329,121	331,947	336,514	332,414
REVENUES							
Title XIX - Medicaid - Family and Other	37,514,641	37,941,354	37,957,277	37,949,223	39,648,035	34,345,215	38,355,206
Title XIX - Medicaid - Expansion Members	30,993,375	31,238,545	31,275,148	31,549,369	32,934,833	30,862,645	35,864,920
Title XIX - Medicaid - SPD Members	15,833,803	15,065,828	15,760,220	15,913,345	15,878,315	15,500,822	18,119,057
Title XIX - Medicaid - LTC Members	-	-	-	-	-	-	201,227
Premium - MCO Tax	10,883,460	10,883,459	10,883,460	10,883,459	10,883,460	10,883,460	-
Premium - Hospital Directed Payments	18,674,627	18,595,974	18,857,014	18,961,885	19,322,384	27,573,903	21,209,673
Investment Earnings And Other Income	1,002,315	(121,473)	353,347	179,268	888,027	714,738	1,400,146
Reinsurance Recoveries	-	-	-	-	-	152,481	-
Rate Adjustments - Hospital Directed Payments	9,235	(4,343)	(4,606,563)	9,926	(5,267)	12,446,127	(684,297)
Rate/Income Adjustments	350,036	245,168	203,911	124,448	1,298,007	333,950	(968,410)
TOTAL REVENUES	115,261,492	113,844,512	110,683,814	115,570,923	120,847,794	132,813,341	113,497,522
EXPENSES							
Medical Costs:							
Physician Services	18,984,281	18,198,409	18,622,853	18,169,774	18,483,343	16,678,607	20,302,072
Other Professional Services	5,137,341	5,208,793	5,024,917	5,041,998	5,432,710	6,175,363	5,493,905
Emergency Room	4,764,039	4,661,044	4,773,821	4,790,820	5,682,299	5,082,054	5,195,994
Inpatient	22,935,749	20,834,103	22,797,560	22,462,437	18,414,421	12,591,938	22,641,712
Reinsurance Expense	(33,668)	(25,136)	142,533	58,493	58,838	59,818	90,859
Outpatient Hospital	10,013,268	9,928,749	9,352,210	9,319,855	8,727,267	9,093,742	9,616,781
Other Medical	15,416,935	15,241,576	15,744,662	16,418,094	16,382,849	6,543,097	15,528,820
Pay for Performance Quality Incentive	485,358	485,358	490,964	493,681	493,681	504,771	498,590
Hospital Directed Payments	18,674,627	18,595,974	18,857,014	18,961,885	19,322,384	27,573,903	21,209,673
Hospital Directed Payment Adjustment	9,235	(4,343)	(4,064,727)	9,926	(5,266)	12,446,126	(684,297)
Non-Claims Expense Adjustment	17,040	5,019	9,821	(248,768)	4,018	(1,071,264)	(128,832)
IBNR, Incentive, Paid Claims Adjustment	(238,100)	487,881	(789,121)	(435,695)	(436,641)	(6,704,318)	9,076
Total Medical Costs	96,166,105	93,617,427	90,962,507	95,042,500	92,559,903	88,973,837	99,774,353
GROSS MARGIN	19,095,387	20,227,085	19,721,307	20,528,423	28,287,891	43,839,504	13,723,169
Administrative:							
Compensation	3,307,910	3,148,970	3,213,222	3,387,496	3,241,130	4,707,264	3,547,045
Purchased Services	1,078,360	1,144,312	997,356	1,009,393	1,034,408	1,262,419	939,926
Supplies	74,368	117,566	85,530	66,157	258,430	220,189	87,606
Depreciation	576,074	583,814	583,673	584,905	622,602	627,772	680,616
Other Administrative Expenses	414,331	315,625	298,240	304,229	320,234	966,290	660,263
Administrative Expense Adjustment	425,467	300,000	420,793	299,429	299,689	508,526	109,675
Total Administrative Expenses	5,876,510	5,610,287	5,598,814	5,651,609	5,776,493	8,292,460	6,025,131
TOTAL EXPENSES	102,042,615	99,227,714	96,561,321	100,694,109	98,336,396	97,266,297	105,799,484
OPERATING INCOME (LOSS) BEFORE TAX	13,218,877	14,616,798	14,122,493	14,876,814	22,511,398	35,547,044	7,698,038
MCO TAX	10,883,459	10,883,460	10,883,459	10,883,460	10,883,460	10,883,459	-
OPERATING INCOME (LOSS) NET OF TAX	2,335,418	3,733,338	3,239,034	3,993,354	11,627,938	24,663,585	7,698,038
TOTAL NONOPERATING REVENUE (EXPENSE)	(3,380)	57,925	(27,966)	(5,428)	4,000	(34,557)	(60,423)
NET INCREASE (DECREASE) IN NET POSITION	2,332,038	3,791,263	3,211,068	3,987,926	11,631,938	24,629,028	7,637,615
MEDICAL LOSS RATIO	90.4%	88.9%	89.0%	88.7%	80.8%	59.8%	85.2%
ADMINISTRATIVE EXPENSE RATIO	6.9%	6.6%	6.5%	6.6%	6.4%	10.1%	6.5%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH JULY 31, 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	13 MONTH TOTAL
ENROLLMENT							
Members - MCAL	349,465	351,010	353,005	355,915	357,868	347,802	4,419,514
REVENUES							
Title XIX - Medicaid - Family and Other	40,922,562	41,044,003	41,661,492	44,450,874	45,303,824	45,811,582	522,905,288
Title XIX - Medicaid - Expansion Members	36,154,732	35,902,983	36,465,640	38,238,101	38,910,749	38,966,690	449,357,730
Title XIX - Medicaid - SPD Members	19,012,691	19,068,659	19,567,025	19,083,062	19,664,806	19,655,340	228,122,973
Title XIX - Medicaid - LTC Members	2,814,382	2,968,601	2,968,602	3,026,025	3,130,269	2,933,682	18,042,788
Premium - MCO Tax	-	-	-	-	-	-	65,300,758
Premium - Hospital Directed Payments	21,515,947	21,609,701	21,948,157	21,792,771	22,188,234	21,822,439	274,072,709
Investment Earnings And Other Income	440,597	2,337,674	1,314,336	651,530	1,485,525	1,706,041	12,352,071
Reinsurance Recoveries	-	-	-	-	-	-	152,481
Rate Adjustments - Hospital Directed Payments	33,520	32,816	37,815	5,509	15,555	(15,187)	7,274,846
Rate/Income Adjustments	350,076	1,115,116	978,086	1,497,916	213,618	1,690	5,743,612
TOTAL REVENUES	121,244,507	124,079,553	124,941,153	128,745,788	130,912,580	130,882,277	1,583,325,256
EXPENSES							
Medical Costs:							
Physician Services	19,187,941	20,648,045	21,262,722	21,747,296	21,895,594	20,488,109	254,669,046
Other Professional Services	5,413,638	6,067,168	5,720,799	6,643,597	6,838,173	5,443,151	73,641,553
Emergency Room	4,633,288	5,199,635	5,262,548	5,131,679	5,555,164	4,984,270	65,716,655
Inpatient	21,804,027	22,997,133	23,980,922	21,382,030	19,096,686	22,316,634	274,255,352
Reinsurance Expense	180,937	94,363	94,773	95,311	96,097	96,097	1,009,315
Outpatient Hospital	9,652,797	11,362,056	10,886,974	11,009,988	10,557,328	10,233,407	129,754,422
Other Medical	23,011,370	23,040,484	22,948,410	22,151,470	25,626,415	22,600,808	240,654,990
Pay for Performance Quality Incentive	524,238	526,516	529,507	533,873	533,872	535,512	6,635,921
Hospital Directed Payments	21,515,947	21,609,701	21,948,157	21,792,771	22,188,234	21,822,439	274,072,709
Hospital Directed Payment Adjustment	33,520	(869,333)	37,816	123,932	15,555	(15,187)	7,032,957
Non-Claims Expense Adjustment	3,429	72,961	177,517	(2,449,080)	3,040	639,578	(2,965,521)
IBNR, Incentive, Paid Claims Adjustment	32,166	(4,009,312)	(4,430,362)	(4,472,016)	(4,829,330)	707,021	(25,108,751)
Total Medical Costs	105,993,298	106,739,417	108,419,783	103,690,851	107,576,828	109,851,839	1,299,368,648
GROSS MARGIN	15,251,209	17,340,136	16,521,370	25,054,937	23,335,752	21,030,438	283,956,608
Administrative:							
Compensation	3,492,028	3,754,627	3,614,954	3,792,281	3,620,970	3,743,082	46,570,979
Purchased Services	1,549,694	1,516,766	1,481,551	1,530,859	1,863,224	1,454,753	16,863,021
Supplies	161,043	106,568	113,296	134,551	30,404	196,052	1,651,760
Depreciation	679,350	682,158	684,369	685,407	685,551	686,781	8,363,072
Other Administrative Expenses	384,578	557,118	442,055	441,734	562,847	623,127	6,290,671
Administrative Expense Adjustment	301,496	320,296	300,000	300,950	501,326	300,183	4,387,830
Total Administrative Expenses	6,568,189	6,937,533	6,636,225	6,885,782	7,264,322	7,003,978	84,127,333
TOTAL EXPENSES	112,561,487	113,676,950	115,056,008	110,576,633	114,841,150	116,855,817	1,383,495,981
OPERATING INCOME (LOSS) BEFORE TAX	8,683,020	10,402,603	9,885,145	18,169,155	16,071,430	14,026,460	199,829,275
MCO TAX	-	-	-	-	-	-	65,300,757
OPERATING INCOME (LOSS) NET OF TAX	8,683,020	10,402,603	9,885,145	18,169,155	16,071,430	14,026,460	134,528,518
TOTAL NONOPERATING REVENUE (EXPENSE)	(153,079)	(672,750)	(310,622)	(300,144)	(672,234)	(307,680)	(2,486,338)
NET INCREASE (DECREASE) IN NET POSITION	8,529,941	9,729,853	9,574,523	17,869,011	15,399,196	13,718,780	132,042,180
MEDICAL LOSS RATIO	84.7%	84.0%	84.0%	76.5%	78.5%	80.7%	82.3%
ADMINISTRATIVE EXPENSE RATIO	6.6%	6.8%	6.4%	6.4%	6.7%	6.4%	6.8%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH JULY 31, 2023	JULY 2022	AUGUST 2022	SEPTEMBER 2022	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022	JANUARY 2023
ENROLLMENT							
Members - MCAL	323,572	324,961	325,920	329,121	331,947	336,514	332,414
REVENUES							
Title XIX - Medicaid - Family and Other	173.99	175.92	175.56	174.37	180.89	156.69	175.30
Title XIX - Medicaid - Expansion Members	340.07	338.95	338.39	334.55	344.93	323.22	373.01
Title XIX - Medicaid - SPD Members	941.54	880.12	911.57	926.33	919.20	897.35	1,038.82
Title XIX - Medicaid - LTC Members	0.00	0.00	0.00	0.00	0.00	0.00	7,452.85
Premium - MCO Tax	33.64	33.49	33.39	33.07	32.79	32.34	0.00
Premium - Hospital Directed Payments	57.71	57.23	57.86	57.61	58.21	81.94	63.80
Investment Earnings And Other Income	3.10	(0.37)	1.08	0.54	2.68	2.12	4.21
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.45	0.00
Rate Adjustments - Hospital Directed Payments	0.03	(0.01)	(14.13)	0.03	(0.02)	36.99	(2.06)
Rate/Income Adjustments	1.08	0.75	0.63	0.38	3.91	0.99	(2.91)
TOTAL REVENUES	356.22	350.33	339.60	351.15	364.06	394.67	341.43
EXPENSES							
Medical Costs:							
Physician Services	58.67	56.00	57.14	55.21	55.68	49.56	61.07
Other Professional Services	15.88	16.03	15.42	15.32	16.37	18.35	16.53
Emergency Room	14.72	14.34	14.65	14.56	17.12	15.10	15.63
Inpatient	70.88	64.11	69.95	68.25	55.47	37.42	68.11
Reinsurance Expense	(0.10)	(0.08)	0.44	0.18	0.18	0.18	0.27
Outpatient Hospital	30.95	30.55	28.69	28.32	26.29	27.02	28.93
Other Medical	47.65	46.90	48.31	49.88	49.35	19.44	46.72
Pay for Performance Quality Incentive	1.50	1.49	1.51	1.50	1.49	1.50	1.50
Hospital Directed Payments	57.71	57.23	57.86	57.61	58.21	81.94	63.80
Hospital Directed Payment Adjustment	0.03	(0.01)	(12.47)	0.03	(0.02)	36.99	(2.06)
Non-Claims Expense Adjustment	0.05	0.02	0.03	(0.76)	0.01	(3.18)	(0.39)
IBNR, Incentive, Paid Claims Adjustment	(0.74)	1.50	(2.42)	(1.32)	(1.32)	(19.92)	0.03
Total Medical Costs	297.20	288.09	279.09	288.78	278.84	268.04	300.15
GROSS MARGIN	59.01	62.24	60.51	62.37	85.22	126.64	41.28
Administrative:							
Compensation	10.22	9.69	9.86	10.29	9.76	13.99	10.67
Purchased Services	3.33	3.52	3.06	3.07	3.12	3.75	2.83
Supplies	0.23	0.36	0.26	0.20	0.78	0.65	0.26
Depreciation	1.78	1.80	1.79	1.78	1.88	1.87	2.05
Other Administrative Expenses	1.28	0.97	0.92	0.92	0.96	2.87	1.99
Administrative Expense Adjustment	1.31	0.92	1.29	0.91	0.90	1.51	0.33
Total Administrative Expenses	18.16	17.26	17.18	17.17	17.40	24.64	18.13
TOTAL EXPENSES	315.36	305.35	296.27	305.95	296.24	292.68	318.28
OPERATING INCOME (LOSS) BEFORE TAX	40.85	44.98	43.33	45.20	67.82	102.00	23.16
MCO TAX	33.64	33.49	33.39	33.07	32.79	32.34	0.00
OPERATING INCOME (LOSS) NET OF TAX	7.22	11.49	9.94	12.13	35.03	69.65	23.16
TOTAL NONOPERATING REVENUE (EXPENSE)	(0.01)	0.18	(0.09)	(0.02)	0.01	(0.10)	(0.18)
NET INCREASE (DECREASE) IN NET POSITION	7.21	11.67	9.85	12.12	35.04	69.55	22.98
MEDICAL LOSS RATIO	90.4%	88.9%	89.0%	88.7%	80.8%	61.3%	85.2%
ADMINISTRATIVE EXPENSE RATIO	6.9%	6.6%	6.5%	6.6%	6.4%	10.1%	6.5%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH JULY 31, 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	13 MONTH TOTAL
ENROLLMENT							
Members - MCAL	349,465	351,010	353,005	355,915	357,868	347,802	4,071,712
REVENUES							
Title XIX - Medicaid - Family and Other	175.80	175.43	177.53	187.74	190.94	195.08	178.15
Title XIX - Medicaid - Expansion Members	369.48	365.87	367.09	381.03	383.36	409.60	359.55
Title XIX - Medicaid - SPD Members	1,030.33	1,029.51	1,052.05	1,037.24	1,052.72	1,127.03	990.39
Title XIX - Medicaid - LTC Members	7,425.81	7,477.58	7,440.11	7,546.20	7,506.64	7,445.89	7,492.85
Premium - MCO Tax	0.00	0.00	0.00	0.00	0.00	0.00	14.78
Premium - Hospital Directed Payments	61.57	61.56	62.18	61.23	62.00	62.74	62.01
Investment Earnings And Other Income	1.26	6.66	3.72	1.83	4.15	4.91	2.79
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.03
Rate Adjustments - Hospital Directed Payments	0.10	0.09	0.11	0.02	0.04	(0.04)	1.65
Rate/Income Adjustments	1.00	3.18	2.77	4.21	0.60	0.00	1.30
TOTAL REVENUES	346.94	353.49	353.94	361.73	365.81	376.31	358.26
EXPENSES							
Medical Costs:							
Physician Services	54.91	58.82	60.23	61.10	61.18	58.91	57.62
Other Professional Services	15.49	17.28	16.21	18.67	19.11	15.65	16.66
Emergency Room	13.26	14.81	14.91	14.42	15.52	14.33	14.87
Inpatient	62.39	65.52	67.93	60.08	53.36	64.16	62.06
Reinsurance Expense	0.52	0.27	0.27	0.27	0.27	0.28	0.23
Outpatient Hospital	27.62	32.37	30.84	30.93	29.50	29.42	29.36
Other Medical	65.85	65.64	65.01	62.24	71.61	64.98	54.45
Pay for Performance Quality Incentive	1.50	1.50	1.50	1.50	1.49	1.54	1.50
Hospital Directed Payments	61.57	61.56	62.18	61.23	62.00	62.74	62.01
Hospital Directed Payment Adjustment	0.10	(2.48)	0.11	0.35	0.04	(0.04)	1.59
Non-Claims Expense Adjustment	0.01	0.21	0.50	(6.88)	0.01	1.84	(0.67)
IBNR, Incentive, Paid Claims Adjustment	0.09	(11.42)	(12.55)	(12.56)	(13.49)	2.03	(5.68)
Total Medical Costs	303.30	304.09	307.13	291.34	300.60	315.85	294.01
GROSS MARGIN	43.64	49.40	46.80	70.40	65.21	60.47	64.25
Administrative:							
Compensation	9.99	10.70	10.24	10.66	10.12	10.76	10.54
Purchased Services	4.43	4.32	4.20	4.30	5.21	4.18	3.82
Supplies	0.46	0.30	0.32	0.38	0.08	0.56	0.37
Depreciation	1.94	1.94	1.94	1.93	1.92	1.97	1.89
Other Administrative Expenses	1.10	1.59	1.25	1.24	1.57	1.79	1.42
Administrative Expense Adjustment	0.86	0.91	0.85	0.85	1.40	0.86	0.99
Total Administrative Expenses	18.79	19.76	18.80	19.35	20.30	20.14	19.04
TOTAL EXPENSES	322.10	323.86	325.93	310.68	320.90	335.98	313.04
OPERATING INCOME (LOSS) BEFORE TAX	24.85	29.64	28.00	51.05	44.91	40.33	45.22
MCO TAX	0.00	0.00	0.00	0.00	0.00	0.00	14.78
OPERATING INCOME (LOSS) NET OF TAX	24.85	29.64	28.00	51.05	44.91	40.33	30.44
TOTAL NONOPERATING REVENUE (EXPENSE)	(0.44)	(1.92)	(0.88)	(0.84)	(1.88)	(0.88)	(0.56)
NET INCREASE (DECREASE) IN NET POSITION	24.41	27.72	27.12	50.21	43.03	39.44	29.88
MEDICAL LOSS RATIO	84.7%	84.0%	84.0%	76.5%	78.5%	80.7%	82.3%
ADMINISTRATIVE EXPENSE RATIO	6.6%	6.8%	6.4%	6.4%	6.7%	6.4%	6.8%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED JULY 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
REVENUES						
Title XIX - Medicaid - Family & Other						
34,072,354	34,555,488	(483,134)	Premium - Medi-Cal	235,272,539	237,774,247	(2,501,708)
2,474,261	2,782,482	(308,221)	Premium - Maternity Kick	17,573,570	19,477,374	(1,903,804)
662,178	688,251	(26,073)	Premium - Enhanced Care Management	4,527,772	4,651,791	(124,019)
210,291	156,011	54,280	Premium - Major Organ Transplant	1,460,128	1,081,518	378,610
4,521,000	530,597	3,990,403	Premium - Cal AIM	4,521,000	3,621,162	899,838
3,590,730	3,676,578	(85,848)	Premium - Provider Enhancement	25,154,906	25,694,831	(539,925)
165,694	188,086	(22,392)	Premium - Ground Emergency Medical Transportation	1,168,603	1,314,216	(145,613)
-	245,400	(245,400)	Premium - Student Behavioral Health Incentive	3,571,473	1,717,800	1,853,673
-	352,514	(352,514)	Premium - Housing and Homelessness Incentive	3,487,489	2,467,598	1,019,891
115,074	118,587	(3,513)	Other	812,063	832,217	(20,154)
45,811,582	43,293,994	2,517,588	Total Title XIX - Medicaid - Family & Other	297,549,543	298,632,754	(1,083,211)
Title XIX - Medicaid - Expansion Members						
33,351,114	30,327,101	3,024,014	Premium - Medi-Cal	229,810,674	212,807,850	17,002,825
533,959	236,486	297,473	Premium - Maternity Kick	3,918,959	1,655,401	2,263,558
814,981	950,796	(135,815)	Premium - Enhanced Care Management	5,642,880	6,672,036	(1,029,156)
335,471	237,468	98,003	Premium - Major Organ Transplant	2,321,923	1,666,388	655,535
1,932,701	419,019	1,513,682	Premium - Cal AIM	1,932,701	2,948,404	(1,015,703)
1,722,878	1,573,312	149,566	Premium - Provider Enhancement	11,967,019	11,039,992	927,027
239,278	205,239	34,039	Premium - Ground Emergency Medical Transportation	1,668,143	1,440,225	227,918
-	195,905	(195,905)	Premium - Student Behavioral Health Incentive	1,511,801	1,371,335	140,466
-	281,415	(281,415)	Premium - Housing and Homelessness Incentive	1,478,208	1,969,905	(491,697)
36,308	33,264	3,044	Other	251,507	233,424	18,083
38,966,690	34,460,004	4,506,686	Total Title XIX - Medicaid - Expansion Members	260,503,815	241,804,959	18,698,856
Title XIX - Medicaid - SPD Members						
17,960,444	18,631,752	(671,308)	Premium - Medi-Cal	123,982,618	130,005,913	(6,023,295)
422,493	511,761	(89,268)	Premium - Enhanced Care Management	2,932,475	3,570,891	(638,416)
249,866	162,711	87,155	Premium - Major Organ Transplant	1,714,961	1,135,341	579,620
353,436	257,555	95,881	Premium - Cal AIM	353,436	1,810,606	(1,457,170)
525,864	463,599	62,265	Premium - Provider Enhancement	3,638,097	3,234,828	403,269
143,237	143,379	(142)	Premium - Ground Emergency Medical Transportation	994,993	1,000,449	(5,456)
-	119,827	(119,827)	Premium - Student Behavioral Health Incentive	283,059	838,789	(555,730)
-	172,130	(172,130)	Premium - Housing and Homelessness Incentive	271,001	1,204,910	(933,909)
19,655,340	20,462,713	(807,373)	Total Title XIX - Medicaid - SPD Members	134,170,640	142,801,726	(8,631,086)
Title XIX - Medicaid - LTC Members						
2,905,370	4,530,470	(1,625,100)	Premium - Medi-Cal	17,898,583	20,366,730	(2,468,147)
8,900	14,512	(5,612)	Premium - Enhanced Care Management	54,412	65,462	(11,050)
10,667	21,119	(10,452)	Premium - Major Organ Transplant	65,148	96,394	(31,246)
7,846	-	7,846	Premium - Cal AIM	7,846	-	7,846
200	343	(143)	Premium - Provider Enhancement	1,083	2,058	(975)
699	-	699	Premium - Ground Emergency Medical Transportation	3,737	-	3,737
-	-	-	Premium - Student Behavioral Health Incentive	6,072	-	6,072
-	-	-	Premium - Housing and Homelessness Incentive	5,907	-	5,907
2,933,682	4,566,444	(1,632,762)	Total Title XIX - Medicaid - LTC Members	18,042,788	20,530,644	(2,487,856)

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED JULY 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			PHYSICIAN SERVICES			
4,057,408	4,465,440	408,032	Primary Care Physician Services	28,804,062	31,016,087	2,212,025
14,306,450	14,623,134	316,684	Referral Specialty Services	102,202,924	101,815,790	(387,134)
2,114,951	2,564,501	449,550	Urgent Care & After Hours Advise	14,461,193	17,814,563	3,353,370
9,300	9,300	-	Hospital Admitting Team	63,600	63,600	-
20,488,109	21,662,375	1,174,266	TOTAL PHYSICIAN SERVICES	145,531,779	150,710,039	5,178,260
			OTHER PROFESSIONAL SERVICES			
355,915	358,673	2,758	Vision Service Capitation	2,436,096	2,490,199	54,103
2,070,475	2,804,617	734,142	Medical Departments - UM Allocation *	14,778,935	19,632,317	4,853,382
1,277,790	1,466,393	188,603	Behavior Health Treatment	11,650,517	10,180,776	(1,469,741)
246,684	438,448	191,764	Mental Health Services	1,863,520	3,048,818	1,185,298
1,492,287	1,905,238	412,951	Other Professional Services	10,891,363	13,264,702	2,373,339
5,443,151	6,973,367	1,530,216	TOTAL OTHER PROFESSIONAL SERVICES	41,620,431	48,616,812	6,996,381
4,984,270	5,801,803	817,533	EMERGENCY ROOM	35,962,578	40,356,272	4,393,694
22,316,634	23,722,390	1,405,756	INPATIENT HOSPITAL	154,219,144	165,321,084	11,101,940
96,097	77,169	(18,928)	REINSURANCE EXPENSE PREMIUM	748,437	535,763	(212,674)
10,233,407	10,563,365	329,958	OUTPATIENT HOSPITAL SERVICES	73,319,331	72,946,030	(373,301)
			OTHER MEDICAL			
2,238,756	1,665,416	(573,340)	Ambulance and NEMT	14,823,245	11,563,809	(3,259,436)
586,872	1,011,419	424,547	Home Health Services & CBAS	4,736,762	7,045,452	2,308,690
788,697	1,592,010	803,313	Utilization and Quality Review Expenses	6,610,987	11,144,068	4,533,081
6,335,360	10,206,635	3,871,275	Long Term/SNF/Hospice	49,094,593	62,142,703	13,048,110
5,547,690	5,396,719	(150,971)	Provider Enhancement Expense - Prop. 56	38,723,051	37,492,815	(1,230,236)
899,077	509,869	(389,208)	Provider Enhancement Expense - GEMT	3,948,872	3,567,145	(381,727)
1,717,288	2,057,054	339,766	Enhanced Care Management	12,928,076	14,212,168	1,284,092
765,681	548,444	(217,237)	Major Organ Transplant	5,283,751	3,780,659	(1,503,092)
2,372,608	2,445,643	73,035	Cal AIM Incentive Programs	9,923,645	17,033,984	7,110,339
1,348,779	1,071,858	(276,921)	DME/Rebates	8,834,795	7,465,600	(1,369,195)
22,600,808	26,505,066	3,904,258	TOTAL OTHER MEDICAL	154,907,777	175,448,403	20,540,626
535,512	525,178	(10,334)	PAY FOR PERFORMANCE QUALITY INCENTIVE	3,682,108	3,648,580	(33,528)
21,822,439	21,106,338	(716,101)	HOSPITAL DIRECTED PAYMENTS	152,086,922	147,418,275	(4,668,647)
(15,187)	-	15,187	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(1,357,994)	-	1,357,994
639,578	-	(639,578)	NON-CLAIMS EXPENSE ADJUSTMENT	(1,681,387)	-	1,681,387
707,021	-	(707,021)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(16,992,757)	-	16,992,757
109,851,839	116,937,052	7,085,213	Total Medical Costs	742,046,369	805,001,258	62,954,889

* Medical costs per DMHC regulations

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED JULY 31, 2023			YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE		
			PHYSICIAN SERVICES					
11.67	12.75	1.08	Primary Care Physician Services	11.77	12.75	0.98		
41.13	41.75	0.62	Referral Specialty Services	41.77	41.87	0.10		
6.08	7.32	1.24	Urgent Care & After Hours Advise	5.91	7.33	1.42		
0.03	0.03	(0.00)	Hospital Admitting Team	0.03	0.03	0.00		
58.91	61.85	2.94	TOTAL PHYSICIAN SERVICES	59.48	61.98	2.49		
			OTHER PROFESSIONAL SERVICES					
1.02	1.02	0.00	Vision Service Capitation	1.00	1.02	0.03		
5.95	8.01	2.05	Medical Departments - UM Allocation *	6.04	8.07	2.03		
3.67	4.19	0.51	Behavior Health Treatment	4.76	4.19	(0.58)		
0.71	1.25	0.54	Mental Health Services	0.76	1.25	0.49		
4.29	5.44	1.15	Other Professional Services	4.45	5.45	1.00		
15.65	19.91	4.26	TOTAL OTHER PROFESSIONAL SERVICES	17.01	19.99	2.98		
14.33	16.56	2.23	EMERGENCY ROOM	14.70	16.60	1.90		
64.16	67.73	3.57	INPATIENT HOSPITAL	63.03	67.99	4.95		
0.28	0.22	(0.06)	REINSURANCE EXPENSE PREMIUM	0.31	0.22	(0.09)		
29.42	30.16	0.74	OUTPATIENT HOSPITAL SERVICES	29.97	30.00	0.03		
			OTHER MEDICAL					
6.44	4.75	(1.68)	Ambulance and NEMT	6.06	4.76	(1.30)		
1.69	2.89	1.20	Home Health Services & CBAS	1.94	2.90	0.96		
2.27	4.55	2.28	Utilization and Quality Review Expenses	2.70	4.58	1.88		
18.22	29.14	10.93	Long Term/SNF/Hospice	20.07	25.56	5.49		
15.95	15.41	(0.54)	Provider Enhancement Expense - Prop. 56	15.83	15.42	(0.41)		
2.59	1.46	(1.13)	Provider Enhancement Expense - GEMT	1.61	1.47	(0.15)		
4.94	5.87	0.94	Enhanced Care Management	5.28	5.84	0.56		
2.20	1.57	(0.64)	Major Organ Transplant	2.16	1.55	(0.60)		
6.82	6.98	0.16	Cal AIM Incentive Programs	4.06	7.00	2.95		
3.88	3.06	(0.82)	DME	3.61	3.07	(0.54)		
64.98	75.67	10.69	TOTAL OTHER MEDICAL	63.32	72.15	8.84		
1.54	1.50	(0.04)	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.50	1.50	0.00		
62.74	60.26	(2.48)	HOSPITAL DIRECTED PAYMENTS	62.16	60.62	(1.54)		
(0.04)	0.00	0.04	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(0.56)	0.00	0.56		
1.84	0.00	(1.84)	NON-CLAIMS EXPENSE ADJUSTMENT	(0.69)	0.00	0.69		
2.03	0.00	(2.03)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(6.95)	0.00	6.95		
315.85	333.87	18.02	Total Medical Costs	303.29	331.04	27.75		

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH JULY 31, 2023	JANUARY 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	YEAR TO DATE 2023
PHYSICIAN SERVICES								
Primary Care Physician Services	4,153,283	3,799,063	3,973,992	4,241,474	4,159,263	4,419,579	4,057,408	28,804,062
Referral Specialty Services	14,090,583	13,535,172	14,603,368	14,737,274	15,505,030	15,425,047	14,306,450	102,202,924
Urgent Care & After Hours Advise	2,048,906	1,845,306	2,061,385	2,274,974	2,073,703	2,041,968	2,114,951	14,461,193
Hospital Admitting Team	9,300	8,400	9,300	9,300	9,300	9,000	9,300	63,600
TOTAL PHYSICIAN SERVICES	20,302,072	19,187,941	20,648,045	21,262,722	21,747,296	21,895,594	20,488,109	145,531,779
OTHER PROFESSIONAL SERVICES								
Vision Service Capitation	332,837	342,049	345,365	351,010	353,005	355,915	355,915	2,436,096
Medical Departments - UM Allocation *	2,029,340	1,998,969	2,193,964	1,979,088	2,070,475	2,418,747	2,070,475	14,761,058
Behavior Health Treatment	1,234,423	1,340,804	1,751,711	1,545,908	2,409,753	2,090,128	1,277,790	11,650,517
Mental Health Services	378,598	277,029	277,573	229,037	195,793	258,806	246,684	1,863,520
Other Professional Services	1,518,707	1,454,787	1,498,555	1,615,756	1,596,694	1,714,577	1,492,287	10,891,363
TOTAL OTHER PROFESSIONAL SERVICES	5,493,905	5,413,638	6,067,168	5,720,799	6,625,720	6,838,173	5,443,151	41,602,554
EMERGENCY ROOM	5,195,994	4,633,288	5,199,635	5,262,548	5,131,679	5,555,164	4,984,270	35,962,578
INPATIENT HOSPITAL	22,641,712	21,804,027	22,997,133	23,980,922	21,382,030	19,096,686	22,316,634	154,219,144
REINSURANCE EXPENSE PREMIUM	90,859	180,937	94,363	94,773	95,311	96,097	96,097	748,437
OUTPATIENT HOSPITAL SERVICES	9,616,781	9,652,797	11,362,056	10,886,974	11,009,988	10,557,328	10,233,407	73,319,331
OTHER MEDICAL								
Ambulance and NEMT	1,792,123	1,754,080	2,159,726	2,210,825	2,254,991	2,412,744	2,238,756	14,823,245
Home Health Services & CBAS	970,272	809,536	996,283	547,188	451,622	374,989	586,872	4,736,762
Utilization and Quality Review Expenses	776,558	583,384	940,138	1,342,680	785,929	1,393,601	788,697	6,610,987
Long Term/SNF/Hospice	2,732,047	9,988,072	8,775,140	8,087,627	4,695,700	8,480,647	6,335,360	49,094,593
Provider Enhancement Expense - Prop. 56	5,430,893	5,482,690	5,503,401	5,566,537	5,561,460	5,630,380	5,547,690	38,723,051
Provider Enhancement Expense - GEMT	496,477	513,773	505,452	469,079	562,775	502,239	899,077	3,948,872
Enhanced Care Management	1,428,973	1,778,842	1,790,813	1,814,108	1,811,803	2,586,249	1,717,288	12,928,076
Major Organ Transplant	751,183	712,804	753,883	766,976	758,618	774,606	765,681	5,283,751
Cal AIM Incentive Programs	30,326	279,307	295,429	917,196	3,833,523	2,195,256	2,372,608	9,923,645
DME	1,119,968	1,108,882	1,320,219	1,226,194	1,435,049	1,275,704	1,348,779	8,834,795
TOTAL OTHER MEDICAL	15,528,820	23,011,370	23,040,484	22,948,410	22,151,470	25,626,415	22,600,808	154,907,777
PAY FOR PERFORMANCE QUALITY INCENTIVE	498,590	524,238	526,516	529,507	533,873	533,872	535,512	3,682,108
HOSPITAL DIRECTED PAYMENTS	21,209,673	21,515,947	21,609,701	21,948,157	21,792,771	22,188,234	21,822,439	152,086,922
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(684,297)	33,520	(869,333)	37,816	123,932	15,555	(15,187)	(1,357,994)
NON-CLAIMS EXPENSE ADJUSTMENT	(128,832)	3,429	72,961	177,517	(2,449,080)	3,040	639,578	(1,681,387)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	9,076	32,166	(4,009,312)	(4,430,362)	(4,472,016)	(4,829,330)	707,021	(16,992,757)
Total Medical Costs	99,774,353	105,993,298	106,739,417	108,419,783	103,672,974	107,576,828	109,851,839	742,028,492

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH JULY 31, 2023	JANUARY 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	YEAR TO DATE 2023
PHYSICIAN SERVICES								
Primary Care Physician Services	12.49	10.87	11.32	12.02	11.69	12.35	11.67	11.77
Referral Specialty Services	42.39	38.73	41.60	41.75	43.56	43.10	41.13	41.76
Urgent Care & After Hours Advise	6.16	5.28	5.87	6.44	5.83	5.71	6.08	5.91
Hospital Admitting Team	0.03	0.02	0.03	0.03	0.03	0.03	0.03	0.03
TOTAL PHYSICIAN SERVICES	61.07	54.91	58.82	60.23	61.10	61.18	58.91	59.46
OTHER PROFESSIONAL SERVICES								
Vision Service Capitation	1.00	0.98	0.98	0.99	0.99	0.99	1.02	1.00
Medical Departments - UM Allocation *	6.10	5.72	6.25	5.61	5.82	6.76	5.95	6.04
Behavior Health Treatment	3.71	3.84	4.99	4.38	6.77	5.84	3.67	4.76
Mental Health Services	1.14	0.79	0.79	0.65	0.55	0.72	0.71	0.76
Other Professional Services	4.57	4.16	4.27	4.58	4.49	4.79	4.29	4.45
TOTAL OTHER PROFESSIONAL SERVICES	16.53	15.49	17.28	16.21	18.62	19.11	15.65	17.01
EMERGENCY ROOM	15.63	13.26	14.81	14.91	14.42	15.52	14.33	14.69
INPATIENT HOSPITAL	68.11	62.39	65.52	67.93	60.08	53.36	64.16	63.01
REINSURANCE EXPENSE PREMIUM	0.27	0.52	0.27	0.27	0.27	0.27	0.28	0.31
OUTPATIENT HOSPITAL SERVICES	28.93	27.62	32.37	30.84	30.93	29.50	29.42	29.96
OTHER MEDICAL								
Ambulance and NEMT	5.39	5.02	6.15	6.26	6.34	6.74	6.44	6.06
Home Health Services & CBAS	2.92	2.32	2.84	1.55	1.27	1.05	1.69	1.94
Utilization and Quality Review Expenses	2.34	1.67	2.68	3.80	2.21	3.89	2.27	2.70
Long Term/SNF/Hospice	8.22	28.58	25.00	22.91	13.19	23.70	18.22	20.06
Provider Enhancement Expense - Prop. 56	16.34	15.69	15.68	15.77	15.63	15.73	15.95	15.82
Provider Enhancement Expense - GEMT	1.49	1.47	1.44	1.33	1.58	1.40	2.59	1.61
Vaccine Incentive Program Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Behavioral Health Integration Program	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Enhanced Care Management	4.30	5.09	5.10	5.14	5.09	7.23	4.94	5.28
Major Organ Transplant	2.26	2.04	2.15	2.17	2.13	2.16	2.20	2.16
Cal AIM Incentive Programs	0.09	0.80	0.84	2.60	10.77	6.13	6.82	4.05
DME	3.37	3.17	3.76	3.47	4.03	3.56	3.88	3.61
TOTAL OTHER MEDICAL	46.72	65.85	65.64	65.01	62.24	71.61	64.98	63.29
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.50	1.50	1.50	1.50	1.50	1.49	1.54	1.50
HOSPITAL DIRECTED PAYMENTS	63.80	61.57	61.56	62.18	61.23	62.00	62.74	62.14
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(2.06)	0.10	(2.48)	0.11	0.35	0.04	(0.04)	(0.55)
NON-CLAIMS EXPENSE ADJUSTMENT	(0.39)	0.01	0.21	0.50	(6.88)	0.01	1.84	(0.69)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.03	0.09	(11.42)	(12.55)	(12.56)	(13.49)	2.03	(6.94)
Total Medical Costs	300.15	303.30	304.09	307.13	291.29	300.60	315.85	303.19

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED JULY 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
537,480	528,782	(8,698)	110 - Executive	4,287,750	3,576,471	(711,279)
254,446	269,724	15,278	210 - Accounting	1,690,331	1,888,070	197,739
300,962	388,290	87,328	220 - Management Information Systems	2,453,324	2,718,028	264,704
(10,946)	26,641	37,587	221 - Business Intelligence	128,430	186,487	58,057
370,744	421,256	50,512	222 - Enterprise Development	2,506,868	2,948,792	441,924
181,934	201,164	19,230	223 - Enterprise Configuration	1,079,311	1,408,148	328,837
851,074	675,879	(175,195)	225 - Infrastructure	4,394,112	4,731,155	337,043
601,430	690,413	88,983	230 - Claims	4,426,716	4,832,891	406,175
198,543	272,020	73,477	240 - Project Management	1,605,860	1,904,140	298,280
180,999	145,307	(35,692)	310 - Health Services - Utilization Management	1,179,752	1,017,149	(162,603)
471	51,625	51,154	311 - Health Services - Quality Improvement	3,692	361,375	357,683
262	143	(119)	312 - Health Services - Education	1,530	1,001	(529)
37,659	70,663	33,004	313- Pharmacy	339,774	494,641	154,867
366	3,292	2,926	314 - Enhanced Care Management	29,263	23,044	(6,219)
69,897	78,415	8,518	316 -Population Health Management	484,564	548,905	64,341
209	1,218	1,009	317 - Community Based Services	540	8,526	7,986
25	31,941	31,916	318 - Housing & Homeless Incentive Program	75	223,587	223,512
45,332	134,370	89,038	319 - CAL AIM Incentive Payment Program (IPP)	321,844	940,590	618,746
-	947	947	601 - Behavioral Health	68	6,629	6,561
20	4,315	4,295	602 - Quality & Health Equity	214	30,205	29,991
362,501	345,411	(17,090)	320 - Provider Network Management	2,317,585	2,417,877	100,292
960,300	1,205,474	245,174	330 - Member Services	6,333,583	8,438,318	2,104,735
943,747	871,256	(72,491)	340 - Corporate Services	6,494,195	6,098,792	(395,403)
171,929	145,475	(26,454)	360 - Audit & Investigative Services	1,026,440	1,018,325	(8,115)
78,964	56,416	(22,548)	410 - Member Engagement	407,473	394,912	(12,561)
119,606	210,572	90,966	420 - Sales/Marketing/Public Relations	1,148,479	1,474,004	325,525
445,841	361,965	(83,876)	510 - Human Resources	2,525,460	2,533,755	8,295
300,183	(141,667)	(441,850)	Administrative Expense Adjustment	2,133,926	(991,669)	(3,125,595)
7,003,978	7,051,307	47,329	Total Administrative Expenses	47,321,160	49,234,148	1,912,988

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED JULY 31, 2023	JANUARY 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	YEAR TO DATE 2023
110 - Executive	687,266	488,878	631,414	573,435	605,342	763,935	537,480	4,287,750
210 - Accounting	228,231	226,501	220,815	257,429	255,614	247,295	254,446	1,690,331
220 - Management Information Systems (MIS)	365,046	378,747	348,807	339,302	365,330	355,130	300,962	2,453,324
221 - Business Intelligence	63,805	672	10,109	15,308	26,942	22,540	(10,946)	128,430
222 - Enterprise Development	353,608	328,061	331,145	334,228	376,413	412,669	370,744	2,506,868
223 - Enterprise Configuration	104,241	216,683	121,896	146,738	136,105	171,714	181,934	1,079,311
225 - Infrastructure	412,631	771,628	668,401	676,609	498,225	515,544	851,074	4,394,112
230 - Claims	620,932	609,445	645,581	630,955	672,659	645,714	601,430	4,426,716
240 - Project Management	140,118	191,244	253,669	237,154	320,496	264,636	198,543	1,605,860
310 - Health Services - Utilization Management	194,388	186,938	208,456	255,118	260,301	(106,448)	180,999	1,179,752
311 - Health Services - Quality Improvement	89	90	(97)	1,758	598	783	471	3,692
312 - Health Services - Education	88	297	(8)	417	89	385	262	1,530
313- Pharmacy	39,747	39,846	37,420	25,750	36,574	122,778	37,659	339,774
314 - Enhanced Care Management	475	20,697	(112)	7,231	(223)	829	366	29,263
316 -Population Health Management	62,921	63,361	75,452	67,203	74,045	71,685	69,897	484,564
317 - Community Based Services	165	821	(711)	22	5	29	209	540
318 - Housing & Homeless Incentive Program	-	1,200	(1,185)	6	6	23	25	75
319 - CAL AIM Incentive Payment Program (IPP)	-	84,699	51,654	42,927	-	97,232	45,332	321,844
601 - Behavioral Health	-	-	-	-	11,639	(11,571)	-	68
602 - Quality & Health Equity	-	1,665	-	-	(1,665)	194	20	214
320 - Provider Network Management	317,123	285,888	388,095	306,789	329,256	327,933	362,501	2,317,585
330 - Member Services	802,035	804,897	998,660	856,559	908,944	1,002,188	960,300	6,333,583
340 - Corporate Services	892,136	958,999	902,329	890,795	984,437	921,752	943,747	6,494,195
360 - Audit & Investigative Services	138,360	130,101	142,110	145,775	140,250	157,915	171,929	1,026,440
410 - Member Engagement	68,972	61,237	45,193	56,083	69,262	27,762	78,964	407,473
420 - Sales/Marketing/Public Relations	60,714	98,793	207,085	121,647	169,876	370,758	119,606	1,148,479
510 - Human Resources	362,364	315,305	331,059	346,987	344,312	379,592	445,841	2,525,460
Total Department Expenses	5,915,456	6,266,693	6,617,237	6,336,225	6,584,832	6,762,996	6,703,795	45,187,234
ADMINISTRATIVE EXPENSE ADJUSTMENT	109,675	301,496	320,296	300,000	300,950	501,326	300,183	2,133,926
Total Administrative Expenses	6,025,131	6,568,189	6,937,533	6,636,225	6,885,782	7,264,322	7,003,978	47,321,160

KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF JULY 31, 2023			
ASSETS	JULY 2023	JUNE 2023	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,151,019	\$ 1,120,728	30,291
Interest Receivable	3,000	9,065	(6,065)
TOTAL CURRENT ASSETS	\$ 1,154,019	\$ 1,129,793	\$ 24,226
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Other Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	\$ -	\$ -	\$ -
NET POSITION:			
Net Position- Beg. of Year	1,130,625	1,130,625	-
Increase (Decrease) in Net Position - Current Year	23,394	(832)	24,226
Total Net Position	\$ 1,154,019	\$ 1,129,793	\$ 24,226
TOTAL LIABILITIES AND NET POSITION	\$ 1,154,019	\$ 1,129,793	\$ 24,226

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JULY 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
ENROLLMENT						
-	-	-	Members	-	-	-
REVENUES						
-	-	-	Premium	-	-	-
20,626	-	20,626	Interest	19,794	-	19,794
3,600	-	3,600	Other Investment Income	3,600	-	3,600
24,226	-	24,226	TOTAL REVENUES	23,394	-	23,394
EXPENSES						
-	-	-	Medical Costs	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-
-	-	-	Total Medical Costs	-	-	-
24,226	-	24,226	GROSS MARGIN	23,394	-	23,394
Administrative						
-	-	-	Management Fee Expense and Other Admin Exp	-	-	-
-	-	-	Total Administrative Expenses	-	-	-
-	-	-	TOTAL EXPENSES	-	-	-
24,226	-	24,226	OPERATING INCOME (LOSS)	23,394	-	23,394
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-
24,226	-	24,226	NET INCREASE (DECREASE) IN NET POSITION	23,394	-	23,394
0%	0%	0%	MEDICAL LOSS RATIO	0%	0%	0%
0%	0%	0%	ADMINISTRATIVE EXPENSE RATIO	0%	0%	0%

KERN HEALTH SYSTEMS MONTHLY MEMBERS COUNT								
KERN HEALTH SYSTEMS								
MEDI-CAL	2023 MEMBER MONTHS	JAN'23	FEB'23	MAR'23	APR'23	MAY'23	JUN'23	JULY'23
ADULT AND FAMILY								
ADULT	459,359	58,409	65,757	66,276	66,418	67,971	67,525	67,003
CHILD	1,027,128	149,881	145,505	145,753	146,329	146,573	147,108	145,979
SUB-TOTAL ADULT & FAMILY	1,486,487	208,290	211,262	212,029	212,747	214,544	214,633	212,982
OTHER MEMBERS								
PARTIAL DUALS - FAMILY	5,959	851	875	903	822	853	818	837
PARTIAL DUALS - CHILD	0	0	0	0	0	0	0	0
PARTIAL DUALS - BCCTP	75	6	10	10	10	16	11	12
FULL DUALS (SPD)								
SPD FULL DUALS	136,118	9,649	20,632	21,019	21,092	21,349	21,374	21,003
SUBTOTAL OTHER MEMBERS	142,152	10,506	21,517	21,932	21,924	22,218	22,203	21,852
TOTAL FAMILY & OTHER	1,628,639	218,796	232,779	233,961	234,671	236,762	236,836	234,834
SPD								
SPD (AGED AND DISABLED)	127,369	17,442	18,453	18,522	18,599	18,398	18,515	17,440
MEDI-CAL EXPANSION								
ACA Expansion Adult-Citizen	675,945	94,512	96,241	96,427	97,590	98,512	99,338	93,325
ACA Expansion Duals	12,258	1,637	1,613	1,703	1,746	1,842	1,908	1,809
SUB-TOTAL MED-CAL EXPANSION	688,203	96,149	97,854	98,130	99,336	100,354	101,246	95,134
LONG TERM CARE (LTC)								
LTC	201	27	-1	33	34	35	38	35
LTC DUALS	2,207	0	380	364	365	366	373	359
TOTAL LTC	2,408	27	379	397	399	401	411	394
TOTAL KAISER	108,038	14,759	14,960	15,308	15,562	15,699	15,881	15,869
TOTAL MEDI-CAL MEMBERS	2,554,657	347,173	364,425	366,318	368,567	371,614	372,889	363,671



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Robert Landis, Chief Financial Officer
SUBJECT: August 2023 Financial Results
DATE: October 12, 2023

The August results reflect a \$6,119,328 Net Increase in Net Position which is a \$6,391,687 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$1.1 million favorable variance primarily due to:
 - A) \$1.6 million favorable variance primarily due to higher-than-expected budgeted Expansion membership.
 - B) \$2.6 million unfavorable variance primarily due to **timing differences** on waiting for DHCS approval to record revenue under the CalAim Incentive Payment Program, Housing and Homeless Incentive Program and the Student Behavioral Health Incentive Program.
 - C) \$.9 million favorable variance in Premium-Hospital Directed Payments primarily due to higher-than-expected budgeted membership offset amounts included in 2C below.
 - D) \$.9 million favorable variance in Investment Earnings primarily due from higher than forecasted interest rates being earned on the investment portfolio.
- 2) Total Medical Costs reflect a \$5.0 million favorable variance primarily due to:
 - A) \$2.7 million favorable variance in Inpatient primarily due to lower-than-expected utilization over the last several months.
 - B) \$3.2 million favorable variance in Other Medical primarily due from lower-than-expected utilization of the new Long-Term Care Services benefit over the last several months
 - C) \$.9 million unfavorable variance in Hospital Directed Payments primarily due to higher-than-expected budgeted membership offset amounts included in 1C above.

The August Medical Loss Ratio is 86.8% which is favorable to the 92.8 % budgeted amount. The August Administrative Expense Ratio is 6.8% which is favorable to the 6.9% budgeted amount.

The results for the 8 months ended August 31, 2023 reflect a Net Increase in Net Position of \$88,578,247. This is a \$92,750,227 favorable variance to budget and includes approximately \$19.9 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 82.4% which is favorable to the 92.9% budgeted amount. The year-to-date Administrative Expense Ratio is 6.6% which is favorable to the 6.9% budgeted amount.

**Kern Health Systems
Financial Packet
August 2023**

KHS – Medi-Cal Line of Business

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KHS Group Health Plan – Healthy Families Line of Business

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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF AUGUST 31, 2023			
ASSETS	AUGUST 2023	JULY 2023	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 78,496,796	\$ 147,005,792	\$ (68,508,996)
Short-Term Investments	295,835,156	336,048,499	(40,213,343)
Premiums Receivable - Net	197,923,660	92,899,060	105,024,600
Premiums Receivable - Hospital Direct Payments	466,888,292	444,533,496	22,354,796
Interest Receivable	288,008	144,008	144,000
Provider Advance Payment	436,159	796,507	(360,348)
Other Receivables	1,075,362	933,878	141,484
Prepaid Expenses & Other Current Assets	7,529,895	7,793,425	(263,530)
Total Current Assets	\$ 1,048,473,328	\$ 1,030,154,665	\$ 18,318,663
CAPITAL ASSETS - NET OF ACCUM DEPREE:			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,240,660	1,062,600	178,060
Computer Hardware and Software - Net	19,188,086	19,601,218	(413,132)
Building and Building Improvements - Net	33,402,641	33,479,447	(76,806)
Capital Projects in Progress	2,032,108	1,984,745	47,363
Total Capital Assets	\$ 59,954,201	\$ 60,218,716	\$ (264,515)
LONG TERM ASSETS:			
Restricted Investments	300,000	300,000	-
Officer Life Insurance Receivables	1,620,493	1,620,493	-
Total Long Term Assets	\$ 1,920,493	\$ 1,920,493	\$ -
DEFERRED OUTFLOWS OF RESOURCES	\$ 8,886,257	\$ 8,886,257	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,119,234,279	\$ 1,101,180,131	\$ 18,054,148
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accrued Salaries and Employee Benefits	\$ 5,667,474	\$ 5,217,463	450,011
Accrued Other Operating Expenses	3,647,164	3,909,575	(262,411)
Claims Payable (Reported)	18,779,248	25,571,058	(6,791,810)
IBNR - Inpatient Claims	53,964,337	57,214,039	(3,249,702)
IBNR - Physician Claims	19,314,331	20,930,632	(1,616,301)
IBNR - Accrued Other Medical	28,986,418	27,604,684	1,381,734
Risk Pool and Withholds Payable	4,169,123	6,044,482	(1,875,359)
Statutory Allowance for Claims Processing Expense	3,195,869	3,195,869	-
Other Liabilities	95,215,110	93,677,169	1,537,941
Accrued Hospital Directed Payments	466,711,870	444,351,153	22,360,717
Total Current Liabilities	\$ 699,650,944	\$ 687,716,124	\$ 11,934,820
NONCURRENT LIABILITIES:			
Net Pension Liability	12,018,206	12,018,206	-
TOTAL NONCURRENT LIABILITIES	\$ 12,018,206	\$ 12,018,206	\$ -
DEFERRED INFLOWS OF RESOURCES	\$ 230,571	\$ 230,571	\$ -
NET POSITION:			
Net Position - Beg. of Year	318,756,311	318,756,311	-
Increase (Decrease) in Net Position - Current Year	88,578,247	82,458,919	6,119,328
Total Net Position	\$ 407,334,558	\$ 401,215,230	\$ 6,119,328
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,119,234,279	\$ 1,101,180,131	\$ 18,054,148

			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA					
CURRENT MONTH MEMBERS			STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION			YEAR-TO-DATE MEMBER MONTHS		
ACTUAL	BUDGET	VARIANCE	FOR THE MONTH ENDED AUGUST 31, 2023			ACTUAL	BUDGET	VARIANCE
212,804	213,200	(396)	Family Members			1,699,291	1,707,300	(8,009)
95,347	93,300	2,047	Expansion Members			783,550	752,200	31,350
17,434	17,800	(366)	SPD Members			144,803	142,700	2,103
401	650	(249)	LTC Members			2,809	3,550	(741)
21,846	23,700	(1,854)	Other Members			163,998	174,600	(10,602)
15,966	14,000	1,966	Kaiser Members			124,004	112,000	12,004
363,798	362,650	1,148	Total Members - MCAL			2,918,455	2,892,350	26,105
REVENUES								
41,688,820	43,125,681	(1,436,861)	Title XIX - Medicaid - Family and Other			339,238,363	341,758,435	(2,520,072)
37,219,564	34,240,656	2,978,908	Title XIX - Medicaid - Expansion Members			297,723,379	276,045,615	21,677,764
19,355,872	20,348,397	(992,525)	Title XIX - Medicaid - SPD Members			153,526,512	163,130,124	(9,603,612)
3,019,928	4,566,444	(1,546,516)	Title XIX - Medicaid - LTC Members			21,062,716	25,097,088	(4,034,372)
-	-	-	Premium - MCO Tax			-	-	-
21,933,791	20,988,762	945,029	Premium - Hospital Directed Payments			174,020,713	168,407,036	5,613,677
1,300,264	433,312	866,952	Investment Earnings And Other Income			10,636,113	3,442,166	7,193,947
-	76,817	(76,817)	Reinsurance Recoveries			-	612,580	(612,580)
421,005	-	421,005	Rate Adjustments - Hospital Directed Payments			(153,264)	-	(153,264)
(38,135)	-	(38,135)	Rate/Income Adjustments			3,149,957	-	3,149,957
124,901,109	123,780,068	1,121,041	TOTAL REVENUES			999,204,489	978,493,044	20,711,445
EXPENSES								
Medical Costs:								
20,619,449	21,556,750	937,301	Physician Services			166,151,228	172,266,789	6,115,561
6,830,704	6,953,209	122,505	Other Professional Services			48,451,135	55,570,020	7,118,885
5,600,554	5,773,830	173,276	Emergency Room			41,563,132	46,130,101	4,566,969
20,877,596	23,598,103	2,720,507	Inpatient			175,096,740	188,919,187	13,822,447
96,688	76,817	(19,871)	Reinsurance Expense			845,125	612,580	(232,545)
10,613,553	10,509,116	(104,437)	Outpatient Hospital			83,932,884	83,455,146	(477,738)
23,240,142	26,396,446	3,156,304	Other Medical			178,147,919	201,844,849	23,696,930
534,172	522,775	(11,397)	Pay for Performance Quality Incentive			4,216,280	4,171,355	(44,925)
21,933,791	20,988,762	(945,029)	Hospital Directed Payments			174,020,713	168,407,036	(5,613,677)
426,925	-	(426,925)	Hospital Directed Payment Adjustment			(931,069)	-	931,069
3,672	-	(3,672)	Non-Claims Expense Adjustment			(1,677,715)	-	1,677,715
589,364	-	(589,364)	IBNR, Incentive, Paid Claims Adjustment			(16,403,393)	-	16,403,393
111,366,610	116,375,806	5,009,196	Total Medical Costs			853,412,979	921,377,064	67,964,085
13,534,499	7,404,262	6,130,237	GROSS MARGIN			145,791,510	57,115,979	88,675,531
Administrative:								
4,035,666	4,034,841	(825)	Compensation			29,600,653	32,153,726	2,553,073
1,385,358	1,690,082	304,724	Purchased Services			11,722,131	13,520,654	1,798,523
395,025	227,316	(167,709)	Supplies			1,224,545	1,818,530	593,985
693,125	649,950	(43,175)	Depreciation			5,477,357	5,199,596	(277,761)
435,112	449,119	14,007	Other Administrative Expenses			4,106,834	3,592,949	(513,885)
12,969	-	(12,969)	Administrative Expense Adjustment			2,146,895	-	(2,146,895)
6,957,255	7,051,307	94,052	Total Administrative Expenses			54,278,415	56,285,455	2,007,040
118,323,865	123,427,113	5,103,248	TOTAL EXPENSES			907,691,394	977,662,519	69,971,125
6,577,244	352,955	6,224,289	OPERATING INCOME (LOSS) BEFORE TAX			91,513,095	830,525	90,682,571
-	-	-	MCO TAX			-	-	-
6,577,244	352,955	6,224,289	OPERATING INCOME (LOSS) NET OF TAX			91,513,095	830,525	90,682,571
NONOPERATING REVENUE (EXPENSE)								
(14,871)	-	(14,871)	Provider Grants/CalAIM/Home Health			(15,414)	-	(15,414)
(443,045)	(625,313)	182,268	D-SNP Expenses			(2,919,434)	(5,002,504)	2,083,070
(457,916)	(625,313)	167,397	TOTAL NONOPERATING REVENUE (EXPENSE)			(2,934,848)	(5,002,504)	2,067,656
6,119,328	(272,359)	6,391,687	NET INCREASE (DECREASE) IN NET POSITION			88,578,247	(4,171,980)	92,750,227
86.8%	92.8%	6.0%	MEDICAL LOSS RATIO			82.4%	92.9%	10.5%
6.8%	6.9%	0.1%	ADMINISTRATIVE EXPENSE RATIO			6.6%	6.9%	0.4%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED AUGUST 31, 2023			YEAR-TO-DATE		
						ACTUAL	BUDGET	VARIANCE
ENROLLMENT								
212,804	213,200	(396)	Family Members	1,699,291	1,707,300	(8,009)		
95,347	93,300	2,047	Expansion Members	783,550	752,200	31,350		
17,434	17,800	(366)	SPD Members	144,803	142,700	2,103		
401	650	(249)	LTC Members	2,809	3,550	(741)		
21,846	23,700	(1,854)	Other Members	163,998	174,600	(10,602)		
15,966	14,000	1,966	Kaiser Members	124,004	112,000	12,004		
363,798	362,650	1,148	Total Members - MCAL	2,918,455	2,892,350	26,105		
REVENUES								
177.66	182.04	(4.38)	Title XIX - Medicaid - Family and Other	182.06	181.60	0.46		
390.36	367.00	23.36	Title XIX - Medicaid - Expansion Members	379.97	366.98	12.98		
1,110.24	1,143.17	(32.93)	Title XIX - Medicaid - SPD Members	1,060.24	1,143.17	(82.92)		
7,530.99	7,025.30	505.69	Title XIX - Medicaid - LTC Members	7,498.30	7,069.60	428.69		
0.00	0.00	0.00	Premium - MCO Tax	0.00	0.00	0.00		
63.06	60.20	2.86	Premium - Hospital Directed Payments	62.27	60.57	1.70		
3.74	1.24	2.50	Investment Earnings And Other Income	3.81	1.24	2.57		
0.00	0.22	(0.22)	Reinsurance Recoveries	0.00	0.22	(0.22)		
1.21	0.00	1.21	Rate Adjustments - Hospital Directed Payments	(0.05)	0.00	(0.05)		
(0.11)	0.00	(0.11)	Rate/Income Adjustments	1.13	0.00	1.13		
359.08	355.03	4.06	TOTAL REVENUES	357.57	351.93	5.64		
EXPENSES								
Medical Costs:								
59.28	61.83	2.55	Physician Services	59.46	61.96	2.50		
19.64	19.94	0.31	Other Professional Services	17.34	19.99	2.65		
16.10	16.56	0.46	Emergency Room	14.87	16.59	1.72		
60.02	67.68	7.66	Inpatient	62.66	67.95	5.29		
0.28	0.22	(0.06)	Reinsurance Expense	0.30	0.22	(0.08)		
30.51	30.14	(0.37)	Outpatient Hospital	30.04	30.02	(0.02)		
66.81	75.71	8.90	Other Medical	63.75	72.60	8.85		
1.54	1.50	(0.04)	Pay for Performance Quality Incentive	1.51	1.50	(0.01)		
63.06	60.20	(2.86)	Hospital Directed Payments	62.27	60.57	(1.70)		
1.23	0.00	(1.23)	Hospital Directed Payment Adjustment	(0.33)	0.00	0.33		
0.01	0.00	(0.01)	Non-Claims Expense Adjustment	(0.60)	0.00	0.60		
1.69	0.00	(1.69)	IBNR, Incentive, Paid Claims Adjustment	(5.87)	0.00	5.87		
320.17	333.79	13.62	Total Medical Costs	305.40	331.39	25.99		
38.91	21.24	17.67	GROSS MARGIN	52.17	20.54	31.63		
Administrative:								
11.60	11.57	(0.03)	Compensation	10.59	11.56	0.97		
3.98	4.85	0.86	Purchased Services	4.19	4.86	0.67		
1.14	0.65	(0.48)	Supplies	0.44	0.65	0.22		
1.99	1.86	(0.13)	Depreciation	1.96	1.87	(0.09)		
1.25	1.29	0.04	Other Administrative Expenses	1.47	1.29	(0.18)		
0.04	0.00	(0.04)	Administrative Expense Adjustment	0.77	0.00	(0.77)		
20.00	20.22	0.22	Total Administrative Expenses	19.42	20.24	0.82		
340.18	354.01	13.84	TOTAL EXPENSES	324.82	351.63	26.81		
18.91	1.01	17.90	OPERATING INCOME (LOSS) BEFORE TAX	32.75	0.30	32.45		
0.00	0.00	0.00	MCO TAX	0.00	0.00	0.00		
18.91	1.01	17.90	OPERATING INCOME (LOSS) NET OF TAX	32.75	0.30	32.45		
NONOPERATING REVENUE (EXPENSE)								
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00		
(0.04)	0.00	(0.04)	Reserve Fund Projects/Community Grants	(0.01)	0.00	(0.01)		
(1.27)	(1.79)	0.52	Health Home	(1.04)	(1.80)	0.75		
(1.32)	(1.79)	0.48	TOTAL NONOPERATING REVENUE (EXPENSE)	(1.05)	(1.80)	0.75		
17.59	(0.78)	18.37	NET INCREASE (DECREASE) IN NET POSITION	31.70	(1.50)	33.20		
86.8%	92.8%	6.0%	MEDICAL LOSS RATIO	82.4%	92.9%	10.5%		
6.8%	6.9%	0.1%	ADMINISTRATIVE EXPENSE RATIO	6.6%	6.9%	0.4%		

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH AUGUST 31, 2023	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY
	2022	2022	2022	2022	2022	2023	2023
ENROLLMENT							
Members - MCAL	324,961	325,920	329,121	331,947	336,514	332,414	349,465
REVENUES							
Title XIX - Medicaid - Family and Other	37,941,354	37,957,277	37,949,223	39,648,035	34,345,215	38,355,206	40,922,562
Title XIX - Medicaid - Expansion Members	31,238,545	31,275,148	31,549,369	32,934,833	30,862,645	35,864,920	36,154,732
Title XIX - Medicaid - SPD Members	15,065,828	15,760,220	15,913,345	15,878,315	15,500,822	18,119,057	19,012,691
Title XIX - Medicaid - LTC Members	-	-	-	-	-	201,227	2,814,382
Premium - MCO Tax	10,883,459	10,883,460	10,883,459	10,883,460	10,883,460	-	-
Premium - Hospital Directed Payments	18,595,974	18,857,014	18,961,885	19,322,384	27,573,903	21,209,673	21,515,947
Investment Earnings And Other Income	(121,473)	353,347	179,268	888,027	714,738	1,400,146	440,597
Reinsurance Recoveries	-	-	-	-	152,481	-	-
Rate Adjustments - Hospital Directed Payments	(4,343)	(4,606,563)	9,926	(5,267)	12,446,127	(684,297)	33,520
Rate/Income Adjustments	245,168	203,911	124,448	1,298,007	333,950	(968,410)	350,076
TOTAL REVENUES	113,844,512	110,683,814	115,570,923	120,847,794	132,813,341	113,497,522	121,244,507
EXPENSES							
Medical Costs:							
Physician Services	18,198,409	18,622,853	18,169,774	18,483,343	16,678,607	20,302,072	19,187,941
Other Professional Services	5,208,793	5,024,917	5,041,998	5,432,710	6,175,363	5,493,905	5,413,638
Emergency Room	4,661,044	4,773,821	4,790,820	5,682,299	5,082,054	5,195,994	4,633,288
Inpatient	20,834,103	22,797,560	22,462,437	18,414,421	12,591,938	22,641,712	21,804,027
Reinsurance Expense	(25,136)	142,533	58,493	58,838	59,818	90,859	180,937
Outpatient Hospital	9,928,749	9,352,210	9,319,855	8,727,267	9,093,742	9,616,781	9,652,797
Other Medical	15,241,576	15,744,662	16,418,094	16,382,849	6,543,097	15,528,820	23,011,370
Pay for Performance Quality Incentive	485,358	490,964	493,681	493,681	504,771	498,590	524,238
Hospital Directed Payments	18,595,974	18,857,014	18,961,885	19,322,384	27,573,903	21,209,673	21,515,947
Hospital Directed Payment Adjustment	(4,343)	(4,064,727)	9,926	(5,266)	12,446,126	(684,297)	33,520
Non-Claims Expense Adjustment	5,019	9,821	(248,768)	4,018	(1,071,264)	(128,832)	3,429
IBNR, Incentive, Paid Claims Adjustment	487,881	(789,121)	(435,695)	(436,641)	(6,704,318)	9,076	32,166
Total Medical Costs	93,617,427	90,962,507	95,042,500	92,559,903	88,973,837	99,774,353	105,993,298
GROSS MARGIN	20,227,085	19,721,307	20,528,423	28,287,891	43,839,504	13,723,169	15,251,209
Administrative:							
Compensation	3,148,970	3,213,222	3,387,496	3,241,130	4,707,264	3,547,045	3,492,028
Purchased Services	1,144,312	997,356	1,009,393	1,034,408	1,262,419	939,926	1,549,694
Supplies	117,566	85,530	66,157	258,430	220,189	87,606	161,043
Depreciation	583,814	583,673	584,905	622,602	627,772	680,616	679,350
Other Administrative Expenses	315,625	298,240	304,229	320,234	966,290	660,263	384,578
Administrative Expense Adjustment	300,000	420,793	299,429	299,689	508,526	109,675	301,496
Total Administrative Expenses	5,610,287	5,598,814	5,651,609	5,776,493	8,292,460	6,025,131	6,568,189
TOTAL EXPENSES	99,227,714	96,561,321	100,694,109	98,336,396	97,266,297	105,799,484	112,561,487
OPERATING INCOME (LOSS) BEFORE TAX	14,616,798	14,122,493	14,876,814	22,511,398	35,547,044	7,698,038	8,683,020
MCO TAX	10,883,460	10,883,459	10,883,460	10,883,460	10,883,459	-	-
OPERATING INCOME (LOSS) NET OF TAX	3,733,338	3,239,034	3,993,354	11,627,938	24,663,585	7,698,038	8,683,020
TOTAL NONOPERATING REVENUE (EXPENSE)	57,925	(27,966)	(5,428)	4,000	(34,557)	(60,423)	(153,079)
NET INCREASE (DECREASE) IN NET POSITION	3,791,263	3,211,068	3,987,926	11,631,938	24,629,028	7,637,615	8,529,941
MEDICAL LOSS RATIO	88.9%	89.0%	88.7%	80.8%	59.8%	85.2%	84.7%
ADMINISTRATIVE EXPENSE RATIO	6.6%	6.5%	6.6%	6.4%	10.1%	6.5%	6.6%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH AUGUST 31, 2023	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	13 MONTH
	2023	2023	2023	2023	2023	2023	TOTAL
ENROLLMENT							
Members - MCAL	351,010	353,005	355,915	357,868	347,802	347,832	4,443,774
REVENUES							
Title XIX - Medicaid - Family and Other	41,044,003	41,661,492	44,450,874	45,303,824	45,811,582	41,688,820	527,079,467
Title XIX - Medicaid - Expansion Members	35,902,983	36,465,640	38,238,101	38,910,749	38,966,690	37,219,564	455,583,919
Title XIX - Medicaid - SPD Members	19,068,659	19,567,025	19,083,062	19,664,806	19,655,340	19,355,872	231,645,042
Title XIX - Medicaid - LTC Members	2,968,601	2,968,602	3,026,025	3,130,269	2,933,682	3,019,928	21,062,716
Premium - MCO Tax	-	-	-	-	-	0	54,417,298
Premium - Hospital Directed Payments	21,609,701	21,948,157	21,792,771	22,188,234	21,822,439	21,933,791	277,331,873
Investment Earnings And Other Income	2,337,674	1,314,336	651,530	1,485,525	1,706,041	1,300,264	12,650,020
Reinsurance Recoveries	-	-	-	-	-	-	152,481
Rate Adjustments - Hospital Directed Payments	32,816	37,815	5,509	15,555	(15,187)	421,005	7,686,616
Rate/Income Adjustments	1,115,116	978,086	1,497,916	213,618	1,690	(38,135)	5,355,441
TOTAL REVENUES	124,079,553	124,941,153	128,745,788	130,912,580	130,882,277	124,901,109	1,592,964,873
EXPENSES							
Medical Costs:							
Physician Services	20,648,045	21,262,722	21,747,296	21,895,594	20,488,109	20,619,449	256,304,214
Other Professional Services	6,067,168	5,720,799	6,643,597	6,838,173	5,443,151	6,830,704	75,334,916
Emergency Room	5,199,635	5,262,548	5,131,679	5,555,164	4,984,270	5,600,554	66,553,170
Inpatient	22,997,133	23,980,922	21,382,030	19,096,686	22,316,634	20,877,596	272,197,199
Reinsurance Expense	94,363	94,773	95,311	96,097	96,097	96,688	1,139,671
Outpatient Hospital	11,362,056	10,886,974	11,009,988	10,557,328	10,233,407	10,613,553	130,354,707
Other Medical	23,040,484	22,948,410	22,151,470	25,626,415	22,600,808	23,240,142	248,478,197
Pay for Performance Quality Incentive	526,516	529,507	533,873	533,872	535,512	534,172	6,684,735
Hospital Directed Payments	21,609,701	21,948,157	21,792,771	22,188,234	21,822,439	21,933,791	277,331,873
Hospital Directed Payment Adjustment	(869,333)	37,816	123,932	15,555	(15,187)	426,925	7,450,647
Non-Claims Expense Adjustment	72,961	177,517	(2,449,080)	3,040	639,578	3,672	(2,978,889)
IBNR, Incentive, Paid Claims Adjustment	(4,009,312)	(4,430,362)	(4,472,016)	(4,829,330)	707,021	589,364	(24,281,287)
Total Medical Costs	106,739,417	108,419,783	103,690,851	107,576,828	109,851,839	111,366,610	1,314,569,153
GROSS MARGIN	17,340,136	16,521,370	25,054,937	23,335,752	21,030,438	13,534,499	278,395,720
Administrative:							
Compensation	3,754,627	3,614,954	3,792,281	3,620,970	3,743,082	4,035,666	47,298,735
Purchased Services	1,516,766	1,481,551	1,530,859	1,863,224	1,454,753	1,385,358	17,170,019
Supplies	106,568	113,296	134,551	30,404	196,052	395,025	1,972,417
Depreciation	682,158	684,369	685,407	685,551	686,781	693,125	8,480,123
Other Administrative Expenses	557,118	442,055	441,734	562,847	623,127	435,112	6,311,452
Administrative Expense Adjustment	320,296	300,000	300,950	501,326	300,183	12,969	3,975,332
Total Administrative Expenses	6,937,533	6,636,225	6,885,782	7,264,322	7,003,978	6,957,255	85,208,078
TOTAL EXPENSES	113,676,950	115,056,008	110,576,633	114,841,150	116,855,817	118,323,865	1,399,777,231
OPERATING INCOME (LOSS) BEFORE TAX	10,402,603	9,885,145	18,169,155	16,071,430	14,026,460	6,577,244	193,187,642
MCO TAX	-	-	-	-	-	-	54,417,298
OPERATING INCOME (LOSS) NET OF TAX	10,402,603	9,885,145	18,169,155	16,071,430	14,026,460	6,577,244	138,770,344
TOTAL NONOPERATING REVENUE (EXPENSE)	(672,750)	(310,622)	(300,144)	(672,234)	(307,680)	(457,916)	(2,940,874)
NET INCREASE (DECREASE) IN NET POSITION	9,729,853	9,574,523	17,869,011	15,399,196	13,718,780	6,119,328	135,829,470
MEDICAL LOSS RATIO	84.0%	84.0%	76.5%	78.5%	80.7%	86.8%	82.2%
ADMINISTRATIVE EXPENSE RATIO	6.8%	6.4%	6.4%	6.7%	6.4%	6.8%	6.8%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH AUGUST 31, 2023	AUGUST 2022	SEPTEMBER 2022	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022	JANUARY 2023	FEBRUARY 2023
ENROLLMENT							
Members - MCAL	324,961	325,920	329,121	331,947	336,514	332,414	349,465
REVENUES							
Title XIX - Medicaid - Family and Other	175.92	175.56	174.37	180.89	156.69	175.30	175.80
Title XIX - Medicaid - Expansion Members	338.95	338.39	334.55	344.93	323.22	373.01	369.48
Title XIX - Medicaid - SPD Members	880.12	911.57	926.33	919.20	897.35	1,038.82	1,030.33
Title XIX - Medicaid - LTC Members	0.00	0.00	0.00	0.00	0.00	7,452.85	7,425.81
Premium - MCO Tax	33.49	33.39	33.07	32.79	32.34	0.00	0.00
Premium - Hospital Directed Payments	57.23	57.86	57.61	58.21	81.94	63.80	61.57
Investment Earnings And Other Income	(0.37)	1.08	0.54	2.68	2.12	4.21	1.26
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.45	0.00	0.00
Rate Adjustments - Hospital Directed Payments	(0.01)	(14.13)	0.03	(0.02)	36.99	(2.06)	0.10
Rate/Income Adjustments	0.75	0.63	0.38	3.91	0.99	(2.91)	1.00
TOTAL REVENUES	350.33	339.60	351.15	364.06	394.67	341.43	346.94
EXPENSES							
Medical Costs:							
Physician Services	56.00	57.14	55.21	55.68	49.56	61.07	54.91
Other Professional Services	16.03	15.42	15.32	16.37	18.35	16.53	15.49
Emergency Room	14.34	14.65	14.56	17.12	15.10	15.63	13.26
Inpatient	64.11	69.95	68.25	55.47	37.42	68.11	62.39
Reinsurance Expense	(0.08)	0.44	0.18	0.18	0.18	0.27	0.52
Outpatient Hospital	30.55	28.69	28.32	26.29	27.02	28.93	27.62
Other Medical	46.90	48.31	49.88	49.35	19.44	46.72	65.85
Pay for Performance Quality Incentive	1.49	1.51	1.50	1.49	1.50	1.50	1.50
Hospital Directed Payments	57.23	57.86	57.61	58.21	81.94	63.80	61.57
Hospital Directed Payment Adjustment	(0.01)	(12.47)	0.03	(0.02)	36.99	(2.06)	0.10
Non-Claims Expense Adjustment	0.02	0.03	(0.76)	0.01	(3.18)	(0.39)	0.01
IBNR, Incentive, Paid Claims Adjustment	1.50	(2.42)	(1.32)	(1.32)	(19.92)	0.03	0.09
Total Medical Costs	288.09	279.09	288.78	278.84	268.04	300.15	303.30
GROSS MARGIN	62.24	60.51	62.37	85.22	126.64	41.28	43.64
Administrative:							
Compensation	9.69	9.86	10.29	9.76	13.99	10.67	9.99
Purchased Services	3.52	3.06	3.07	3.12	3.75	2.83	4.43
Supplies	0.36	0.26	0.20	0.78	0.65	0.26	0.46
Depreciation	1.80	1.79	1.78	1.88	1.87	2.05	1.94
Other Administrative Expenses	0.97	0.92	0.92	0.96	2.87	1.99	1.10
Administrative Expense Adjustment	0.92	1.29	0.91	0.90	1.51	0.33	0.86
Total Administrative Expenses	17.26	17.18	17.17	17.40	24.64	18.13	18.79
TOTAL EXPENSES	305.35	296.27	305.95	296.24	292.68	318.28	322.10
OPERATING INCOME (LOSS) BEFORE TAX	44.98	43.33	45.20	67.82	102.00	23.16	24.85
MCO TAX	33.49	33.39	33.07	32.79	32.34	0.00	0.00
OPERATING INCOME (LOSS) NET OF TAX	11.49	9.94	12.13	35.03	69.65	23.16	24.85
TOTAL NONOPERATING REVENUE (EXPENSE)	0.18	(0.09)	(0.02)	0.01	(0.10)	(0.18)	(0.44)
NET INCREASE (DECREASE) IN NET POSITION	11.67	9.85	12.12	35.04	69.55	22.98	24.41
MEDICAL LOSS RATIO	88.9%	89.0%	88.7%	80.8%	61.3%	85.2%	84.7%
ADMINISTRATIVE EXPENSE RATIO	6.6%	6.5%	6.6%	6.4%	10.1%	6.5%	6.6%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH AUGUST 31, 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	AUGUST 2023	13 MONTH TOTAL
ENROLLMENT							
Members - MCAL	351,010	353,005	355,915	357,868	347,802	347,832	3,748,140
REVENUES							
Title XIX - Medicaid - Family and Other	175.43	177.53	187.74	190.94	195.08	177.66	178.42
Title XIX - Medicaid - Expansion Members	365.87	367.09	381.03	383.36	409.60	390.36	363.31
Title XIX - Medicaid - SPD Members	1,029.51	1,052.05	1,037.24	1,052.72	1,127.03	1,110.24	1,003.00
Title XIX - Medicaid - LTC Members	7,477.58	7,440.11	7,546.20	7,506.64	7,445.89	7,530.99	7,498.30
Premium - MCO Tax	0.00	0.00	0.00	0.00	0.00	0.00	12.25
Premium - Hospital Directed Payments	61.56	62.18	61.23	62.00	62.74	63.06	62.41
Investment Earnings And Other Income	6.66	3.72	1.83	4.15	4.91	3.74	2.85
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.03
Rate Adjustments - Hospital Directed Payments	0.09	0.11	0.02	0.04	(0.04)	1.21	1.73
Rate/Income Adjustments	3.18	2.77	4.21	0.60	0.00	(0.11)	1.21
TOTAL REVENUES	353.49	353.94	361.73	365.81	376.31	359.08	358.47
EXPENSES							
Medical Costs:							
Physician Services	58.82	60.23	61.10	61.18	58.91	59.28	57.68
Other Professional Services	17.28	16.21	18.67	19.11	15.65	19.64	16.95
Emergency Room	14.81	14.91	14.42	15.52	14.33	16.10	14.98
Inpatient	65.52	67.93	60.08	53.36	64.16	60.02	61.25
Reinsurance Expense	0.27	0.27	0.27	0.27	0.28	0.28	0.26
Outpatient Hospital	32.37	30.84	30.93	29.50	29.42	30.51	29.33
Other Medical	65.64	65.01	62.24	71.61	64.98	66.81	55.92
Pay for Performance Quality Incentive	1.50	1.50	1.50	1.49	1.54	1.54	1.50
Hospital Directed Payments	61.56	62.18	61.23	62.00	62.74	63.06	62.41
Hospital Directed Payment Adjustment	(2.48)	0.11	0.35	0.04	(0.04)	1.23	1.68
Non-Claims Expense Adjustment	0.21	0.50	(6.88)	0.01	1.84	0.01	(0.67)
IBNR, Incentive, Paid Claims Adjustment	(11.42)	(12.55)	(12.56)	(13.49)	2.03	1.69	(5.46)
Total Medical Costs	304.09	307.13	291.34	300.60	315.85	320.17	295.82
GROSS MARGIN	49.40	46.80	70.40	65.21	60.47	38.91	62.65
Administrative:							
Compensation	10.70	10.24	10.66	10.12	10.76	11.60	10.64
Purchased Services	4.32	4.20	4.30	5.21	4.18	3.98	3.86
Supplies	0.30	0.32	0.38	0.08	0.56	1.14	0.44
Depreciation	1.94	1.94	1.93	1.92	1.97	1.99	1.91
Other Administrative Expenses	1.59	1.25	1.24	1.57	1.79	1.25	1.42
Administrative Expense Adjustment	0.91	0.85	0.85	1.40	0.86	0.04	0.89
Total Administrative Expenses	19.76	18.80	19.35	20.30	20.14	20.00	19.17
TOTAL EXPENSES	323.86	325.93	310.68	320.90	335.98	340.18	315.00
OPERATING INCOME (LOSS) BEFORE TAX	29.64	28.00	51.05	44.91	40.33	18.91	43.47
MCO TAX	0.00	0.00	0.00	0.00	0.00	0.00	12.25
OPERATING INCOME (LOSS) NET OF TAX	29.64	28.00	51.05	44.91	40.33	18.91	31.23
TOTAL NONOPERATING REVENUE (EXPENSE)	(1.92)	(0.88)	(0.84)	(1.88)	(0.88)	(1.32)	(0.66)
NET INCREASE (DECREASE) IN NET POSITION	27.72	27.12	50.21	43.03	39.44	17.59	30.57
MEDICAL LOSS RATIO	84.0%	84.0%	76.5%	78.5%	80.7%	86.8%	82.2%
ADMINISTRATIVE EXPENSE RATIO	6.8%	6.4%	6.4%	6.7%	6.4%	6.8%	6.8%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED AUGUST 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
R E V E N U E S						
Title XIX - Medicaid - Family & Other						
34,185,164	34,413,621	(228,457)	Premium - Medi-Cal	269,457,703	272,187,868	(2,730,165)
2,740,940	2,782,482	(41,542)	Premium - Maternity Kick	20,314,510	22,259,856	(1,945,346)
666,131	685,739	(19,608)	Premium - Enhanced Care Management	5,193,903	5,337,530	(143,627)
211,943	155,197	56,746	Premium - Major Organ Transplant	1,672,071	1,236,715	435,356
-	526,326	(526,326)	Premium - Cal AIM	4,521,000	4,147,488	373,512
3,601,530	3,659,383	(57,853)	Premium - Provider Enhancement	28,756,436	29,354,214	(597,778)
166,845	187,146	(20,301)	Premium - Ground Emergency Medical Transportation	1,335,448	1,501,362	(165,914)
-	245,400	(245,400)	Premium - Student Behavioral Health Incentive	3,571,473	1,963,200	1,608,273
-	352,514	(352,514)	Premium - Housing and Homelessness Incentive	3,487,489	2,820,112	667,377
116,267	117,874	(1,607)	Other	928,330	950,091	(21,761)
41,688,820	43,125,681	(1,436,861)	Total Title XIX - Medicaid - Family & Other	339,238,363	341,758,435	(2,520,072)
Title XIX - Medicaid - Expansion Members						
33,514,258	30,132,797	3,381,462	Premium - Medi-Cal	263,324,932	242,940,647	20,384,286
541,930	236,486	305,444	Premium - Maternity Kick	4,460,889	1,891,887	2,569,002
818,107	944,622	(126,515)	Premium - Enhanced Care Management	6,460,987	7,616,658	(1,155,671)
337,067	235,926	101,141	Premium - Major Organ Transplant	2,658,990	1,902,314	756,676
-	413,291	(413,291)	Premium - Cal AIM	1,932,701	3,361,695	(1,428,994)
1,731,375	1,563,259	168,116	Premium - Provider Enhancement	13,698,394	12,603,251	1,095,143
240,376	203,907	36,469	Premium - Ground Emergency Medical Transportation	1,908,519	1,644,132	264,387
-	195,905	(195,905)	Premium - Student Behavioral Health Incentive	1,511,801	1,567,240	(55,439)
-	281,415	(281,415)	Premium - Housing and Homelessness Incentive	1,478,208	2,251,320	(773,112)
36,451	33,048	3,403	Other	287,958	266,472	21,486
37,219,564	34,240,656	2,978,908	Total Title XIX - Medicaid - Expansion Members	297,723,379	276,045,616	21,677,763
Title XIX - Medicaid - SPD Members						
18,011,834	18,527,664	(515,830)	Premium - Medi-Cal	141,994,452	148,533,577	(6,539,125)
422,676	508,902	(86,226)	Premium - Enhanced Care Management	3,355,151	4,079,793	(724,642)
251,064	161,802	89,262	Premium - Major Organ Transplant	1,966,025	1,297,143	668,882
-	254,485	(254,485)	Premium - Cal AIM	353,436	2,065,091	(1,711,655)
526,948	461,009	65,939	Premium - Provider Enhancement	4,165,045	3,695,837	469,208
143,350	142,578	772	Premium - Ground Emergency Medical Transportation	1,138,343	1,143,027	(4,684)
-	119,827	(119,827)	Premium - Student Behavioral Health Incentive	283,059	958,616	(675,557)
-	172,130	(172,130)	Premium - Housing and Homelessness Incentive	271,001	1,377,040	(1,106,039)
19,355,872	20,348,397	(992,525)	Total Title XIX - Medicaid - SPD Members	153,526,512	163,150,124	(9,623,612)
Title XIX - Medicaid - LTC Members						
2,999,016	4,530,470	(1,531,454)	Premium - Medi-Cal	20,897,599	24,897,200	(3,999,601)
9,152	14,512	(5,360)	Premium - Enhanced Care Management	63,564	79,974	(16,410)
10,921	21,119	(10,198)	Premium - Major Organ Transplant	76,069	117,513	(41,444)
-	-	-	Premium - Cal AIM	7,846	-	7,846
185	343	(158)	Premium - Provider Enhancement	1,268	2,401	(1,133)
654	-	654	Premium - Ground Emergency Medical Transportation	4,391	-	4,391
-	-	-	Premium - Student Behavioral Health Incentive	6,072	-	6,072
-	-	-	Premium - Housing and Homelessness Incentive	5,907	-	5,907
3,019,928	4,566,444	(1,546,516)	Total Title XIX - Medicaid - LTC Members	21,062,716	25,097,088	(4,034,372)

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED AUGUST 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
PHYSICIAN SERVICES						
3,995,558	4,445,076	449,518	Primary Care Physician Services	32,799,620	35,461,163	2,661,543
14,487,772	14,549,572	61,800	Referral Specialty Services	116,690,696	116,365,362	(325,334)
2,126,819	2,552,802	425,983	Urgent Care & After Hours Advise	16,588,012	20,367,365	3,779,353
9,300	9,300	-	Hospital Admitting Team	72,900	72,900	-
20,619,449	21,556,750	937,301	TOTAL PHYSICIAN SERVICES	166,151,228	172,266,789	6,115,561
OTHER PROFESSIONAL SERVICES						
358,101	357,034	(1,067)	Vision Service Capitation	2,794,197	2,847,233	53,036
2,247,899	2,804,617	556,718	Medical Departments - UM Allocation *	17,026,834	22,436,933	5,410,099
2,543,178	1,459,737	(1,083,441)	Behavior Health Treatment	14,193,695	11,640,512	(2,553,183)
204,118	436,326	232,208	Mental Health Services	2,067,638	3,485,144	1,417,506
1,477,408	1,895,495	418,087	Other Professional Services	12,368,771	15,160,197	2,791,426
6,830,704	6,953,209	122,505	TOTAL OTHER PROFESSIONAL SERVICES	48,451,135	55,570,020	7,118,885
5,600,554	5,773,830	173,276	EMERGENCY ROOM	41,563,132	46,130,101	4,566,969
20,877,596	23,598,103	2,720,507	INPATIENT HOSPITAL	175,096,740	188,919,187	13,822,447
96,688	76,817	(19,871)	REINSURANCE EXPENSE PREMIUM	845,125	612,580	(232,545)
10,613,553	10,509,116	(104,437)	OUTPATIENT HOSPITAL SERVICES	83,932,884	83,455,146	(477,738)
OTHER MEDICAL						
2,359,014	1,657,379	(701,635)	Ambulance and NEMT	17,182,259	13,221,188	(3,961,071)
916,002	1,006,213	90,211	Home Health Services & CBAS	5,652,764	8,051,665	2,398,901
2,133,022	1,592,010	(541,012)	Utilization and Quality Review Expenses	8,744,009	12,736,078	3,992,069
3,942,751	10,170,980	6,228,229	Long Term/SNF/Hospice	53,037,344	72,313,683	19,276,339
5,566,967	5,371,890	(195,077)	Provider Enhancement Expense - Prop. 56	44,290,018	42,864,705	(1,425,313)
868,900	506,949	(361,951)	Provider Enhancement Expense - GEMT	4,817,772	4,074,094	(743,678)
2,733,244	2,046,086	(687,158)	Enhanced Care Management	15,661,320	16,258,254	596,934
619,902	545,342	(74,560)	Major Organ Transplant	5,903,653	4,326,001	(1,577,652)
2,549,680	2,433,228	(116,452)	Cal AIM Incentive Programs	12,473,325	19,467,213	6,993,888
1,550,660	1,066,369	(484,291)	DME/Rebates	10,385,455	8,531,969	(1,853,486)
23,240,142	26,396,446	3,156,304	TOTAL OTHER MEDICAL	178,147,919	201,844,849	23,696,930
534,172	522,775	(11,397)	PAY FOR PERFORMANCE QUALITY INCENTIVE	4,216,280	4,171,355	(44,925)
21,933,791	20,988,762	(945,029)	HOSPITAL DIRECTED PAYMENTS	174,020,713	168,407,036	(5,613,677)
426,925	-	(426,925)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(931,069)	-	931,069
3,672	-	(3,672)	NON-CLAIMS EXPENSE ADJUSTMENT	(1,677,715)	-	1,677,715
589,364	-	(589,364)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(16,403,393)	-	16,403,393
111,366,610	116,375,806	5,009,196	Total Medical Costs	853,412,979	921,377,064	67,964,085

* Medical costs per DMHC regulations

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED AUGUST 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			PHYSICIAN SERVICES			
11.49	12.75	1.26	Primary Care Physician Services	11.74	12.75	1.02
41.65	41.73	0.08	Referral Specialty Services	41.76	41.85	0.09
6.11	7.32	1.21	Urgent Care & After Hours Advise	5.94	7.33	1.39
0.03	0.03	(0.00)	Hospital Admitting Team	0.03	0.03	0.00
59.28	61.83	2.55	TOTAL PHYSICIAN SERVICES	59.46	61.96	2.50
			OTHER PROFESSIONAL SERVICES			
1.03	1.02	(0.01)	Vision Service Capitation	1.00	1.02	0.02
6.46	8.04	1.58	Medical Departments - UM Allocation *	6.09	8.07	1.98
7.31	4.19	(3.12)	Behavior Health Treatment	5.08	4.19	(0.89)
0.59	1.25	0.66	Mental Health Services	0.74	1.25	0.51
4.25	5.44	1.19	Other Professional Services	4.43	5.45	1.03
19.64	19.94	0.31	TOTAL OTHER PROFESSIONAL SERVICES	17.34	19.99	2.65
16.10	16.56	0.46	EMERGENCY ROOM	14.87	16.59	1.72
60.02	67.68	7.66	INPATIENT HOSPITAL	62.66	67.95	5.29
0.28	0.22	(0.06)	REINSURANCE EXPENSE PREMIUM	0.30	0.22	(0.08)
30.51	30.14	(0.37)	OUTPATIENT HOSPITAL SERVICES	30.04	30.02	(0.02)
			OTHER MEDICAL			
6.78	4.75	(2.03)	Ambulance and NEMT	6.15	4.76	(1.39)
2.63	2.89	0.25	Home Health Services & CBAS	2.02	2.90	0.87
6.13	4.57	(1.57)	Utilization and Quality Review Expenses	3.13	4.58	1.45
11.34	29.17	17.84	Long Term/SNF/Hospice	18.98	26.01	7.03
16.00	15.41	(0.60)	Provider Enhancement Expense - Prop. 56	15.85	15.42	(0.43)
2.50	1.45	(1.04)	Provider Enhancement Expense - GEMT	1.72	1.47	(0.26)
7.86	5.87	(1.99)	Enhanced Care Management	5.60	5.85	0.24
1.78	1.56	(0.22)	Major Organ Transplant	2.11	1.56	(0.56)
7.33	6.98	(0.35)	Cal AIM Incentive Programs	4.46	7.00	2.54
4.46	3.06	(1.40)	DME	3.72	3.07	(0.65)
66.81	75.71	8.90	TOTAL OTHER MEDICAL	63.75	72.60	8.85
1.54	1.50	(0.04)	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.51	1.50	-0.01
63.06	60.20	(2.86)	HOSPITAL DIRECTED PAYMENTS	62.27	60.57	(1.70)
1.23	0.00	(1.23)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(0.33)	0.00	0.33
0.01	0.00	(0.01)	NON-CLAIMS EXPENSE ADJUSTMENT	(0.60)	0.00	0.60
1.69	0.00	(1.69)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(5.87)	0.00	5.87
320.17	333.79	13.62	Total Medical Costs	305.40	331.39	25.99

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH AUGUST 31, 2023	JANUARY 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	AUGUST 2023	YEAR TO DATE 2023
PHYSICIAN SERVICES									
Primary Care Physician Services	4,153,283	3,799,063	3,973,992	4,241,474	4,159,263	4,419,579	4,057,408	3,995,558	32,799,620
Referral Specialty Services	14,090,583	13,535,172	14,603,368	14,737,274	15,505,030	15,425,047	14,306,450	14,487,772	116,690,696
Urgent Care & After Hours Advise	2,048,906	1,845,306	2,061,385	2,274,974	2,073,703	2,041,968	2,114,951	2,126,819	16,588,012
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	9,000	9,300	9,300	72,900
TOTAL PHYSICIAN SERVICES	20,302,072	19,187,941	20,648,045	21,262,722	21,747,296	21,895,594	20,488,109	20,619,449	166,151,228
OTHER PROFESSIONAL SERVICES									
Vision Service Capitation	332,837	342,049	345,365	351,010	353,005	355,915	355,915	358,101	2,794,197
Medical Departments - UM Allocation *	2,029,340	1,998,969	2,193,964	1,979,088	2,247,899	2,418,747	2,070,475	2,247,899	17,186,381
Behavior Health Treatment	1,234,423	1,340,804	1,751,711	1,545,908	2,409,753	2,090,128	1,277,790	2,543,178	14,193,695
Mental Health Services	378,598	277,029	277,573	229,037	195,793	258,806	246,684	204,118	2,067,638
Other Professional Services	1,518,707	1,454,787	1,498,555	1,615,756	1,596,694	1,714,577	1,492,287	1,477,408	12,368,771
TOTAL OTHER PROFESSIONAL SERVICES	5,493,905	5,413,638	6,067,168	5,720,799	6,803,144	6,838,173	5,443,151	6,830,704	48,610,682
EMERGENCY ROOM	5,195,994	4,633,288	5,199,635	5,262,548	5,131,679	5,555,164	4,984,270	5,600,554	41,563,132
INPATIENT HOSPITAL	22,641,712	21,804,027	22,997,133	23,980,922	21,382,030	19,096,686	22,316,634	20,877,596	175,096,740
REINSURANCE EXPENSE PREMIUM	90,859	180,937	94,363	94,773	95,311	96,097	96,097	96,688	845,125
OUTPATIENT HOSPITAL SERVICES	9,616,781	9,652,797	11,362,056	10,886,974	11,009,988	10,557,328	10,233,407	10,613,553	83,932,884
OTHER MEDICAL									
Ambulance and NEMT	1,792,123	1,754,080	2,159,726	2,210,825	2,254,991	2,412,744	2,238,756	2,359,014	17,182,259
Home Health Services & CBAS	970,272	809,536	996,283	547,188	451,622	374,989	586,872	916,002	5,652,764
Utilization and Quality Review Expenses	776,558	583,384	940,138	1,342,680	785,929	1,393,601	788,697	2,133,022	8,744,009
Long Term/SNF/Hospice	2,732,047	9,988,072	8,775,140	8,087,627	4,695,700	8,480,647	6,335,360	3,942,751	53,037,344
Provider Enhancement Expense - Prop. 56	5,430,893	5,482,690	5,503,401	5,566,537	5,561,460	5,630,380	5,547,690	5,566,967	44,290,018
Provider Enhancement Expense - GEMT	496,477	513,773	505,452	469,079	562,775	502,239	899,077	868,900	4,817,772
Enhanced Care Management	1,428,973	1,778,842	1,790,813	1,814,108	1,811,803	2,586,249	1,717,288	2,733,244	15,661,320
Major Organ Transplant	751,183	712,804	753,883	766,976	758,618	774,606	765,681	619,902	5,903,653
Cal AIM Incentive Programs	30,326	279,307	295,429	917,196	3,833,523	2,195,256	2,372,608	2,549,680	12,473,325
DME	1,119,968	1,108,882	1,320,219	1,226,194	1,435,049	1,275,704	1,348,779	1,550,660	10,385,455
TOTAL OTHER MEDICAL	15,528,820	23,011,370	23,040,484	22,948,410	22,151,470	25,626,415	22,600,808	23,240,142	178,147,919
PAY FOR PERFORMANCE QUALITY INCENTIVE	498,590	524,238	526,516	529,507	533,873	533,872	535,512	534,172	4,216,280
HOSPITAL DIRECTED PAYMENTS	21,209,673	21,515,947	21,609,701	21,948,157	21,792,771	22,188,234	21,822,439	21,933,791	174,020,713
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(684,297)	33,520	(869,333)	37,816	123,932	15,555	(15,187)	426,925	(931,069)
NON-CLAIMS EXPENSE ADJUSTMENT	(128,832)	3,429	72,961	177,517	(2,449,080)	3,040	639,578	3,672	(1,677,715)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	9,076	32,166	(4,009,312)	(4,430,362)	(4,472,016)	(4,829,330)	707,021	589,364	(16,403,393)
Total Medical Costs	99,774,353	105,993,298	106,739,417	108,419,783	103,850,398	107,576,828	109,851,839	111,366,610	853,572,526

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH AUGUST 31, 2023	JANUARY 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	AUGUST 2023	YEAR TO DATE 2023
PHYSICIAN SERVICES									
Primary Care Physician Services	12.49	10.87	11.32	12.02	11.69	12.35	11.67	11.49	11.73
Referral Specialty Services	42.39	38.73	41.60	41.75	43.56	43.10	41.13	41.65	41.75
Urgent Care & After Hours Advise	6.16	5.28	5.87	6.44	5.83	5.71	6.08	6.11	5.93
Hospital Admitting Team	0.03	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03
TOTAL PHYSICIAN SERVICES	61.07	54.91	58.82	60.23	61.10	61.18	58.91	59.28	59.44
OTHER PROFESSIONAL SERVICES									
Vision Service Capitation	1.00	0.98	0.98	0.99	0.99	0.99	1.02	1.03	1.00
Medical Departments - UM Allocation *	6.10	5.72	6.25	5.61	6.32	6.76	5.95	6.46	6.09
Behavior Health Treatment	3.71	3.84	4.99	4.38	6.77	5.84	3.67	7.31	5.08
Mental Health Services	1.14	0.79	0.79	0.65	0.55	0.72	0.71	0.59	0.74
Other Professional Services	4.57	4.16	4.27	4.58	4.49	4.79	4.29	4.25	4.42
TOTAL OTHER PROFESSIONAL SERVICES	16.53	15.49	17.28	16.21	19.11	19.11	15.65	19.64	17.33
EMERGENCY ROOM	15.63	13.26	14.81	14.91	14.42	15.52	14.33	16.10	14.87
INPATIENT HOSPITAL	68.11	62.39	65.52	67.93	60.08	53.36	64.16	60.02	62.64
REINSURANCE EXPENSE PREMIUM	0.27	0.52	0.27	0.27	0.27	0.27	0.28	0.28	0.30
OUTPATIENT HOSPITAL SERVICES	28.93	27.62	32.37	30.84	30.93	29.50	29.42	30.51	30.03
OTHER MEDICAL									
Ambulance and NEMT	5.39	5.02	6.15	6.26	6.34	6.74	6.44	6.78	6.15
Home Health Services & CBAS	2.92	2.32	2.84	1.55	1.27	1.05	1.69	2.63	2.02
Utilization and Quality Review Expenses	2.34	1.67	2.68	3.80	2.21	3.89	2.27	6.13	3.13
Long Term/SNF/Hospice	8.22	28.58	25.00	22.91	13.19	23.70	18.22	11.34	18.97
Provider Enhancement Expense - Prop. 56	16.34	15.69	15.68	15.77	15.63	15.73	15.95	16.00	15.84
Provider Enhancement Expense - GEMT	1.49	1.47	1.44	1.33	1.58	1.40	2.59	2.50	1.72
Vaccine Incentive Program Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Behaviorial Health Integration Program	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Enhanced Care Management	4.30	5.09	5.10	5.14	5.09	7.23	4.94	7.86	5.60
Major Organ Transplant	2.26	2.04	2.15	2.17	2.13	2.16	2.20	1.78	2.11
Cal AIM Incentive Programs	0.09	0.80	0.84	2.60	10.77	6.13	6.82	7.33	4.46
DME	3.37	3.17	3.76	3.47	4.03	3.56	3.88	4.46	3.72
TOTAL OTHER MEDICAL	46.72	65.85	65.64	65.01	62.24	71.61	64.98	66.81	63.73
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.50	1.50	1.50	1.50	1.50	1.49	1.54	1.54	1.51
HOSPITAL DIRECTED PAYMENTS	63.80	61.57	61.56	62.18	61.23	62.00	62.74	63.06	62.25
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(2.06)	0.10	(2.48)	0.11	0.35	0.04	(0.04)	1.23	(0.33)
NON-CLAIMS EXPENSE ADJUSTMENT	(0.39)	0.01	0.21	0.50	(6.88)	0.01	1.84	0.01	(0.60)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.03	0.09	(11.42)	(12.55)	(12.56)	(13.49)	2.03	1.69	(5.87)
Total Medical Costs	300.15	303.30	304.09	307.13	291.78	300.60	315.85	320.17	305.30

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED AUGUST 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
554,501	528,781	(25,720)	110 - Executive	4,842,251	4,105,252	(736,999)
260,708	269,725	9,017	210 - Accounting	1,951,039	2,157,795	206,756
346,145	388,290	42,145	220 - Management Information Systems	2,799,469	3,106,318	306,849
55,044	26,641	(28,403)	221 - Business Intelligence	183,474	213,128	29,654
410,421	421,256	10,835	222 - Enterprise Development	2,917,289	3,370,048	452,759
171,194	201,164	29,970	223 - Enterprise Configuration	1,250,505	1,609,312	358,807
671,727	675,879	4,152	225 - Infrastructure	5,065,839	5,407,034	341,195
591,293	690,413	99,120	230 - Claims	5,018,009	5,523,304	505,295
275,339	272,020	(3,319)	240 - Project Management	1,881,199	2,176,160	294,961
179,406	145,307	(34,099)	310 - Health Services - Utilization Management	1,359,158	1,162,456	(196,702)
(1,012)	51,625	52,637	311 - Health Services - Quality Improvement	2,680	413,000	410,320
(1,093)	143	1,236	312 - Health Services - Education	437	1,144	707
35,247	70,663	35,416	313 - Pharmacy	375,021	565,304	190,283
(1,236)	3,292	4,528	314 - Enhanced Care Management	28,027	26,336	(1,691)
76,157	78,415	2,258	316 - Population Health Management	560,721	627,320	66,599
(162)	1,218	1,380	317 - Community Based Services	378	9,744	9,366
(75)	31,941	32,016	318 - Housing & Homeless Incentive Program	-	255,528	255,528
9,851	134,370	124,519	319 - CAL AIM Incentive Payment Program (IPP)	331,695	1,074,960	743,265
(68)	947	1,015	601 - Behavioral Health	-	7,576	7,576
(41)	4,315	4,356	602 - Quality & Health Equity	173	34,520	34,347
357,061	345,411	(11,650)	320 - Provider Network Management	2,674,646	2,763,288	88,642
1,041,329	1,205,474	164,145	330 - Member Services	7,374,912	9,643,792	2,268,880
1,018,956	871,256	(147,700)	340 - Corporate Services	7,513,151	6,970,048	(543,103)
191,794	145,475	(46,319)	360 - Audit & Investigative Services	1,218,234	1,163,800	(54,434)
113,512	56,416	(57,096)	410 - Member Engagement	520,985	451,328	(69,657)
255,433	210,572	(44,861)	420 - Sales/Marketing/Public Relations	1,403,912	1,684,576	280,664
332,855	361,965	29,110	510 - Human Resources	2,858,315	2,895,720	37,405
12,969	(141,667)	(154,636)	Administrative Expense Adjustment	2,146,895	(1,133,336)	(3,280,231)
6,957,255	7,051,307	94,052	Total Administrative Expenses	54,278,415	56,285,455	2,007,040

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED AUGUST 31, 2023	JANUARY 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2023	JULY 2023	AUGUST 2023	YEAR TO DATE 2023
110 - Executive	687,266	488,878	631,414	573,435	605,342	763,935	537,480	554,501	4,842,251
210 - Accounting	228,231	226,501	220,815	257,429	255,614	247,295	254,446	260,708	1,951,039
220 - Management Information Systems (MIS)	365,046	378,747	348,807	339,302	365,330	355,130	300,962	346,145	2,799,469
221 - Business Intelligence	63,805	672	10,109	15,308	26,942	22,540	(10,946)	55,044	183,474
222 - Enterprise Development	353,608	328,061	331,145	334,228	376,413	412,669	370,744	410,421	2,917,289
223 - Enterprise Configuration	104,241	216,683	121,896	146,738	136,105	171,714	181,934	171,194	1,250,505
225 - Infrastructure	412,631	771,628	668,401	676,609	498,225	515,544	851,074	671,727	5,065,839
230 - Claims	620,932	609,445	645,581	630,955	672,659	645,714	601,430	591,293	5,018,009
240 - Project Management	140,118	191,244	253,669	237,154	320,496	264,636	198,543	275,339	1,881,199
310 - Health Services - Utilization Management	194,388	186,938	208,456	255,118	260,301	(106,448)	180,999	179,406	1,359,158
311 - Health Services - Quality Improvement	89	90	(97)	1,758	598	783	471	(1,012)	2,680
312 - Health Services - Education	88	297	(8)	417	89	385	262	(1,093)	437
313- Pharmacy	39,747	39,846	37,420	25,750	36,574	122,778	37,659	35,247	375,021
314 - Enhanced Care Management	475	20,697	(112)	7,231	(223)	829	366	(1,236)	28,027
316 -Population Health Management	62,921	63,361	75,452	67,203	74,045	71,685	69,897	76,157	560,721
317 - Community Based Services	165	821	(711)	22	5	29	209	(162)	378
318 - Housing & Homeless Incentive Program	-	1,200	(1,185)	6	6	23	25	(75)	-
319 - CAL AIM Incentive Payment Program (IPP)	-	84,699	51,654	42,927	-	97,232	45,332	9,851	331,695
601 - Behavioral Health	-	-	-	-	11,639	(11,571)	-	(68)	-
602 - Quality & Health Equity	-	1,665	-	-	(1,665)	194	20	(41)	173
320 - Provider Network Management	317,123	285,888	388,095	306,789	329,256	327,933	362,501	357,061	2,674,646
330 - Member Services	802,035	804,897	998,660	856,559	908,944	1,002,188	960,300	1,041,329	7,374,912
340 - Corporate Services	892,136	958,999	902,329	890,795	984,437	921,752	943,747	1,018,956	7,513,151
360 - Audit & Investigative Services	138,360	130,101	142,110	145,775	140,250	157,915	171,929	191,794	1,218,234
410 - Member Engagement	68,972	61,237	45,193	56,083	69,262	27,762	78,964	113,512	520,985
420 - Sales/Marketing/Public Relations	60,714	98,793	207,085	121,647	169,876	370,758	119,606	255,433	1,403,912
510 - Human Resources	362,364	315,305	331,059	346,987	344,312	379,592	445,841	332,855	2,858,315
Total Department Expenses	5,915,456	6,266,693	6,617,237	6,336,225	6,584,832	6,762,996	6,703,795	6,944,286	52,131,520
ADMINISTRATIVE EXPENSE ADJUSTMENT	109,675	301,496	320,296	300,000	300,950	501,326	300,183	12,969	2,146,895
Total Administrative Expenses	6,025,131	6,568,189	6,937,533	6,636,225	6,885,782	7,264,322	7,003,978	6,957,255	54,278,415

KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF AUGUST 31, 2023			
ASSETS	AUGUST 2023	JULY 2023	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,151,019	\$ 1,151,019	-
Interest Receivable	6,000	3,000	3,000
TOTAL CURRENT ASSETS	\$ 1,157,019	\$ 1,154,019	\$ 3,000
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Other Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	\$ -	\$ -	\$ -
NET POSITION:			
Net Position- Beg. of Year	1,130,625	1,130,625	-
Increase (Decrease) in Net Position - Current Year	26,394	23,394	3,000
Total Net Position	\$ 1,157,019	\$ 1,154,019	\$ 3,000
TOTAL LIABILITIES AND NET POSITION	\$ 1,157,019	\$ 1,154,019	\$ 3,000

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED AUGUST 31, 2023	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
ENROLLMENT						
-	-	-	Members	-	-	-
REVENUES						
-	-	-	Premium	-	-	-
3,000	-	3,000	Interest	22,794	-	22,794
-	-	-	Other Investment Income	3,600	-	3,600
3,000	-	3,000	TOTAL REVENUES	26,394	-	26,394
EXPENSES						
-	-	-	Medical Costs	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-
-	-	-	Total Medical Costs	-	-	-
3,000	-	3,000	GROSS MARGIN	26,394	-	26,394
Administrative						
-	-	-	Management Fee Expense and Other Admin Exp	-	-	-
-	-	-	Total Administrative Expenses	-	-	-
-	-	-	TOTAL EXPENSES	-	-	-
3,000	-	3,000	OPERATING INCOME (LOSS)	26,394	-	26,394
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-
3,000	-	3,000	NET INCREASE (DECREASE) IN NET POSITION	26,394	-	26,394
0%	0%	0%	MEDICAL LOSS RATIO	0%	0%	0%
0%	0%	0%	ADMINISTRATIVE EXPENSE RATIO	0%	0%	0%

**KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT**

KERN HEALTH SYSTEMS

MEDI-CAL		2023 MEMBER MONTHS	JAN'23	FEB'23	MAR'23	APR'23	MAY'23	JUN'23	JULY'23	AUG'23
ADULT AND FAMILY										
ADULT	527,171	58,409	65,757	66,276	66,418	67,971	67,525	67,003	67,812	
CHILD	1,172,120	149,881	145,505	145,753	146,329	146,573	147,108	145,979	144,992	
SUB-TOTAL ADULT & FAMILY	1,699,291	208,290	211,262	212,029	212,747	214,544	214,633	212,982	212,804	
OTHER MEMBERS										
PARTIAL DUALS - FAMILY	6,746	851	875	903	822	853	818	837	787	
PARTIAL DUALS - CHILD	0	0	0	0	0	0	0	0	0	
PARTIAL DUALS - BCCTP	85	6	10	10	10	16	11	12	10	
FULL DUALS (SPD)										
SPD FULL DUALS	157,167	9,649	20,632	21,019	21,092	21,349	21,374	21,003	21,049	
SUBTOTAL OTHER MEMBERS	163,998	10,506	21,517	21,932	21,924	22,218	22,203	21,852	21,846	
TOTAL FAMILY & OTHER	1,863,289	218,796	232,779	233,961	234,671	236,762	236,836	234,834	234,650	
SPD										
SPD (AGED AND DISABLED)	144,803	17,442	18,453	18,522	18,599	18,398	18,515	17,440	17,434	
MEDI-CAL EXPANSION										
ACA Expansion Adult-Citizen	769,576	94,512	96,241	96,427	97,590	98,512	99,338	93,325	93,631	
ACA Expansion Duals	13,974	1,637	1,613	1,703	1,746	1,842	1,908	1,809	1,716	
SUB-TOTAL MED-CAL EXPANSION	783,550	96,149	97,854	98,130	99,336	100,354	101,246	95,134	95,347	
LONG TERM CARE (LTC)										
LTC	236	27	-1	33	34	35	38	35	35	
LTC DUALS	2,573	0	380	364	365	366	373	359	366	
TOTAL LTC	2,809	27	379	397	399	401	411	394	401	
TOTAL KAISER	124,004	14,759	14,960	15,308	15,562	15,699	15,881	15,869	15,966	
TOTAL MEDI-CAL MEMBERS	2,918,455	347,173	364,425	366,318	368,567	371,614	372,889	363,671	363,798	

KERN·HEALTH SYSTEMS

July AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T2704	MCG HEALTH LLC ****	1,186,808.43	1,186,808.43	ANNUAL HEALTH CARE MANAGEMENT & SOFTWARE LICENSE 8/5/2023 -08/04/2024	UTILIZATION MANAGEMENT
T4350	COMPUTER ENTERPRISE	743,753.97	3,351,604.22	MAY. & JUN. 2023 PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
T2686	ALLIANT INSURANCE SERVICES INC. ****	615,554.72	620,510.28	2024 -2024 INSURANCE PREMIUMS FOR EXCESS CRIME, FEDUCIARY, MANAGED CARE E&O, AMVP-ADP, ACIP CRIME, DWRP, COMMERCIAL CRIME, PROPERTY, EXCESS CYBER	ADMINISTRATION
T1045	KAISER FOUNDATION HEALTH - HMO	584,148.08	4,072,031.61	JUL. 2023 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T1845	DEPARTMENT OF MANAGED HEALTH CARE ****	523,361.90	523,361.90	2023-2024 1ST INSTALLMENT MCAL ANNUAL ASSESSMENT	ADMINISTRATION
T4737	TEKSYSTEMS, INC.	285,669.60	1,712,168.89	JUN. 2023 PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T1408	DELL MARKETING L.P. ****	155,993.64	610,900.16	25 LATITUDE 5540 XCTO, 25 DOCK STATIONS, 50 24" MONITORS AND ANNUL MICROSOFT PREMIER SUPPORT SERVICES	MIS INFRASTRUCTURE
T5337	CAZADOR CONSULTING GROUP INC	149,149.92	694,614.88	MAY, JUNE & JULY 2023 TEMPORARY HELP - (1) IT: (24) MS: HR (1)	VARIOUS
T4353	TWE SOLUTIONS, INC ****	100,352.52	192,285.74	ANNUAL SECURITY MONITORING SERVICE& VSPHERE 8 ENTERPRISE PLUS	MIS INFRASTRUCTURE
T2458	HEALTHCARE FINANCIAL, INC	97,656.66	472,307.51	APR. & MAY 2023 PROFESSIONAL SERVICES	ADMINISTRATION
T4733	UNITED STAFFING ASSOCIATES	91,355.81	351,500.03	MAY & JUN. 2023 TEMPORARY HELP - (1) FIN: (1) UM: (12) MS: (1) CS	VARIOUS
T4237	FLUIDEDGE CONSULTING, INC	76,172.50	361,657.50	MAY & JUN. 2023 CONSULTING SERVICES	VARIOUS

KERN·HEALTH SYSTEMS

July AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1180	LANGUAGE LINE SERVICES INC	69,457.55	536,887.19	JUN. 2023 INTERPRETATION SERVICES	HEALTH EDUCATION
T1272	COFFEY COMMUNICATIONS INC. ****	59,418.45	99,435.42	SUMMER 2023 FAMILY HEALTH MAGAZINE	HEALTH EDUCATION/MEDIA & ADVERTISING
T5022	SVAM INTERNATIONAL INC	56,970.57	387,357.57	MAY & JUN. 2023 PROFESSIONAL SERVICES	MIS ADMINISTRATION
T5155	A-C ELECTRIC COMPANY ****	56,893.13	1,408,185.00	CARPOOL SOLAR PROJECT	CAPITAL
T4985	CYBERCODERS, INC. ****	55,601.90	55,601.90	MAY & JUN. 2023 PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC	53,099.30	1,127,070.79	JUN. 2023 PROFESSIONAL SERVICES & JUN. 2023 EDI CLAIM PROCESSING	VARIOUS
T5344	SIGNATURE STAFF RESOURCES LLC	50,656.00	177,960.00	JUN. 2023 PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T5658	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	49,879.78	333,401.49	JUL. 2023 VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS
T3449	CDW GOVERNMENT ****	45,006.98	1,524,607.18	ANNUAL JUNIPER NETWORK SUPPORT AND MAINTENANCE	MIS INFRASTRUCTURE
T5421	PREMIER ACCESS INSURANCE COMPANY	43,274.17	301,656.19	JUL. 2023 EMPLOYEE DENTAL BENEFITS PREMIUM	VARIOUS
T5562	JDM SOLUTIONS INC	43,200.00	315,720.00	JUN. 2023 PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5701	THE GRANGER NETWORKS LLC	40,250.00	168,900.00	SENIOR LEADERSHIP COACHING & NEXT ERA BOOTCAMP	ADMINISTRATION
T2584	UNITED STATES POSTAL SVC. - HASLER	40,000.00	170,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

July AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5291	PINNACLE RECRUITMENT SERVICES LLC ****	35,701.31	35,701.31	MAY & JUN. 2023 TEMPORARY HELP - (6) CLAIMS	VARIOUS
T2726	DST PHARMACY SOLUTIONS, INC	35,500.00	252,245.63	PHARMACY CLAIMS MAY 2023	PHARMACY
T3011	OFFICE ALLY, INC	35,290.05	208,239.01	JUN. 2023 EDI CLAIM PROCESSING	CLAIMS
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	30,712.50	266,062.50	JUN. 2023 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4460	PAYSPAN, INC	29,562.86	187,808.85	JUNE 2023 CLAIMS ACTIVITY	FINANCE
T5494	LDP ASSOCIATES, INC. ****	27,300.00	27,300.00	ANNUAL DISASTER RECOVERY & APC SUPPORT	VARIOUS
T2933	SIERRA PRINTERS, INC ****	26,150.57	136,704.99	BUSINESS CARDS, MEDI-CAL FLYER, REWARDS MAILER & BROCHURES	VARIOUS
T1861	CERIDIAN HCM, INC. ****	25,925.75	156,151.17	MAY & JUN. 2023 SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T5509	NGUYEN CAO LUU-TRONG ****	25,462.50	184,498.00	JUN. 2023 PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T1128	HALL LETTER SHOP, INC ****	25,209.89	99,748.31	MEMBER ID CARDS, MEMBER SURVEY & MAIL PREP, NEW MEMBER PACKETS	VARIOUS
T4265	SIERRA SCHOOL EQUIPMENT COMPANY ****	25,014.41	64,962.13	FURNITURE - (40) TASK CHAIRS	CAPITAL PROJECT
T5734	CAROL ANN STILTNER	23,414.19	54,426.39	JUN. 2023 PROFESSIONAL SERVICES	MEDICARE

KERN·HEALTH SYSTEMS

July AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1183	MILLIMAN USA ****	21,749.50	36,904.75	CY2021/2022 TNE & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T5319	CITIUSTECH INC. ****	21,249.00	63,747.00	Q2 2023 FAST+ MAINTENANCE & SUPPORT	MIS INFRASTRUCTURE
T2918	STINSON'S	20,917.05	223,001.20	MAY 2023 OFFICE SUPPLIES	VARIOUS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	20,701.85	140,908.16	JUN. 2023 EDI CLAIM PROCESSING	CLAIMS
		5,703,547.01			
	TOTAL VENDORS OVER \$20,000	5,703,547.01			
	TOTAL VENDORS UNDER \$20,000	612,674.94			
	TOTAL VENDOR EXPENSES- JULY	\$ 6,316,221.95			

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

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	4,072,031.61	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE	3,351,604.22	PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
T5452	BLACKHAWK ENGAGEMENT SOLUTIONS INC	1,758,640.00	PREFUND MEMBER INCENTIVES & MCAS MEMBER REWARDS PROGRAM	UTILIZATION MANAGEMENT-HE & QI
T4737	TEKSYSTEMS, INC.	1,712,168.89	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T3449	CDW GOVERNMENT	1,524,607.18	NUTANIX RENEWAL & ADOBE LICENSES	MIS INFRASTRUCTURE
T5155	A-C ELECTRIC COMPANY	1,408,185.00	CARPOOL SOLAR PROJECT	CAPITAL
T3130	OPTUMINSIGHT, INC	1,249,311.51	ANNUAL LICENSED SOFTWARE	MIS INFRASTRUCTURE
T2704	MCG HEALTH LLC ****	1,186,808.43	ANNUAL HEALTH CARE MANAGEMENT & SOFTWARE LICENSE	UTILIZATION MANAGEMENT
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC	1,127,070.79	PROFESSIONAL SERVICES & ANNUAL LICENSING	VARIOUS
T1071	CLINICA SIERRA VISTA	911,881.47	HEALTH HOMES GRANT & PROVIDER CARE QUALITY GRANT PROGRAM	COMMUNITY GRANTS
T4699	ZEOMEGA, INC	766,615.22	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5337	CAZADOR CONSULTING GROUP INC	694,614.88	TEMPORARY HELP	VARIOUS
T5432	CATALYST SOLUTIONS, LLC	649,285.52	PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T2686	ALLIANT INSURANCE SERVICES INC. ****	620,510.28	2024 -2024 INSURANCE PREMIUMS	ADMINISTRATION

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1408	DELL MARKETING L.P.	610,900.16	COMPUTER EQUIPMENT & SOFTWARE MAINTENANCE	MIS INFRASTRUCTURE
T5466	ZIPARI, INC	600,545.68	2023 JIVA MEMBER PORTAL	MIS INFRASTRUCTURE
T1180	LANGUAGE LINE SERVICES INC	536,887.19	INTERPRETATION SERVICES	HEALTH EDUCATION
T1845	DEPARTMENT OF MANAGED HEALTH CARE ****	523,361.90	2023-2024 MCAL ANNUAL ASSESSMENT	ADMINISTRATION
T2458	HEALTHCARE FINANCIAL, INC	472,307.51	PROFESSIONAL SERVICES	ADMINISTRATION
T5022	SVAM INTERNATIONAL INC	387,357.57	PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4237	FLUIDEDGE CONSULTING, INC	361,657.50	CONSULTING SERVICES	VARIOUS
T4733	UNITED STAFFING ASSOCIATES	351,500.03	TEMPORARY HELP	VARIOUS
T5658	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	333,401.49	VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS
T5562	JDM SOLUTIONS INC	315,720.00	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5421	PREMIER ACCESS INSURANCE COMPANY	301,656.19	EMPLOYEE DENTAL BENEFITS PREMIUM	VARIOUS
T4165	SHI INTERNATIONAL CO.	284,714.53	NETWORK SWITCHES WITH SUPPORT	MIS INFRASTRUCTURE
T5684	REBELLIS GROUP LLC	278,084.54	MAPD BUSINESS CONSULTING	MEDICARE
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	266,062.50	PROFESSIONAL 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
T4331	COTIVITI, INC	256,854.52	2023 HEDIS LICENSE & PROFESSIONAL SERVICES	HEALTH SERVICES - QI
T2726	DST PHARMACY SOLUTIONS, INC	252,245.63	PHARMACY CLAIMS	PHARMACY
T5292	ALL'S WELL HEALTH CARE SERVICES	234,346.80	TEMPORARY HELP	VARIOUS
T2918	STINSON'S	223,001.20	OFFICE SUPPLIES	VARIOUS
T3011	OFFICE ALLY, INC	208,239.01	EDI CLAIM PROCESSING	CLAIMS
T4452	WELLS FARGO	200,786.62	ACH- MISC CREDIT CARD PURCHASES	VARIOUS
T4353	TWE SOLUTIONS, INC	192,285.74	CORTEX XDR PRO LICENSES	MIS INFRASTRUCTURE
T5546	BITWISE TECHNOLOGY CONSULTING, LLC	188,131.80	OCR SERVICES AND PROFESSIONAL SERVICES	VARIOUS
T4460	PAYSPAN, INC	187,808.85	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5509	NGUYEN CAO LUU-TRONG	184,498.00	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T2167	PG&E	182,975.88	UTILITIES	CORPORATE SERVICES
T5344	SIGNATURE STAFF RESOURCES LLC	177,960.00	2023 PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T2584	UNITED STATES POSTAL SVC - HASLER	170,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5701	THE GRANGER NETWORK LLC	168,900.00	SUPERVISOR BOOTCAMP	ADMINISTRATION

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2469	DST HEALTH SOLUTIONS, LLC	167,100.00	ANNUAL ACG LICENSE & SUPPORT	BUSINESS INTELLEGENCE
T4708	HEALTH MANAGEMENT ASSOCIATES, INC	164,202.50	PROFESSIONAL SERVICES	ADMINISTRATION
T1861	CERIDIAN HCM, INC.	156,151.17	MONTHLY SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T5111	ENTISYS 360, E360	153,614.34	NUTANIX ACROPOLIS SOFTWARE LICENSE	MIS INFRASTRUCTURE
T4657	DAPONDE SIMPSON ROWE PC	152,397.75	LEGAL FEES	VARIOUS
WT/ACH	USPS	150,000.00	FUND KHS POSTAL ONE/EPS ACCOUNT	CORPORATE SERVICES
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	140,908.16	2023 EDI CLAIM PROCESSING	CLAIMS
T2933	SIERRA PRINTERS, INC	136,704.99	PRINTING OF MEMBER EDUCATION MATERIAL/PROVIDER DIRECTORY/BUSINESS CARDS	VARIOUS
T5145	CCS ENGINEERING FRESNO INC	136,435.49	JANITORIAL SERVICES	CORPORATE SERVICES
T5503	SECURE-CENTRIC INC	124,794.20	RUBRIK ENTERPRISE SUPPORT	MIS INFRASTRUCTURE
T5738	INSURICA - WALTER MORTENSEN INSURANCE	118,770.00	2023-2024 ANNUAL WORKERS' COMP PREMIUM	ADMINISTRATION
T5340	GARTNER INC	117,060.00	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4501	ALLIED UNIVERSAL SECURITY SERVICES	104,620.28	ONSITE SECURITY	CORPORATE SERVICES
T4514	A.J. KLEIN, INC T.DENATALE, B. GOLDNER	101,757.62	LEGAL FEES	ADMINISTRATION

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2955	DELTA ELECTRIC INC	101,095.00	OFFICE REMODEL ELECTRICAL WORK	CORPORATE SERVICES
T1128	HALL LETTER SHOP	99,748.31	MEMBER ID CARDS, MEMBER SURVEY & MAIL PREP, NEW MEMBER PACKETS	VARIOUS
T1272	COFFEY COMMUNICATIONS INC	99,435.42	MEMBER NEWSLETTER/WEBSITE IMPLEMENTATION	HEALTH EDUCATION/MEDIA & ADVERTISING
T5583	THE MIHALIK GROUP, LLC	94,080.00	NCQA TRAINING	HEALTH SERVICES - QI
T5486	ALLIED GENERAL CONTRACTORS, INC	93,650.00	OFFICE PAINTING & CONSTRUCTION	CAPITAL
T2961	SOLUTION BENCH, LLC	91,581.55	M-FILES SOFTWARE ANNUAL RENEWAL	MIS INFRASTRUCTURE
T4217	CONTEXT 4 HEALTHCARE, INC	86,083.12	ANNUAL RENEWAL AMA FEES & CPT LICENSE	MIS INFRASTRUCTURE
T2413	TREK IMAGING INC	85,685.15	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T1005	COLONIAL LIFE & ACCIDENT	83,860.27	LIFE INSURANCE PREMIUM	VARIOUS
T5121	TPX COMMUNICATIONS	81,430.18	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T1022	UNUM LIFE INSURANCE CO.	80,210.10	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T4483	INFUSION AND CLINICAL SERVICES, INC	80,177.67	DIABETIC GRANT PROGRAM	COMMUNITY GRANTS
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	77,000.00	2023 ANNUAL DUES ASSESSMENT	ADMINISTRATION

KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4484	JACOBSON SOLUTIONS	76,148.22	TEMPORARY HELP	HEALTH SERVICES - UM
T5520	BG HEALTHCARE CONSULTING, INC	74,700.00	PROFESSIONAL SERVICES	POPULATION HEALTH MANAGEMENT
T4792	KP LLC	66,399.79	PROVIDER DIRECTORIES	PROVIDER NETWORK MANAGEMENT
T4963	LINKEDIN CORPORATION	65,388.50	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES
T4265	SIERRA SCHOOL EQUIPMENT COMPANY	64,962.13	BOARDROOM FURNITURE	CORPORATE SERVICES
T2941	KERN PRINT SERVICES INC	64,953.44	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T5319	CITIUSTECH INC	63,747.00	FAST+ ANNUAL MAINTENANCE & SUPPORT	MIS INFRASTRUCTURE
T4503	VISION SERVICE PLAN	62,765.85	EMPLOYEE HEALTH BENEFITS	VARIOUS
T5329	RELAY NETWORK, LLC	61,666.61	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T5436	THE BEACON STUDIOS LLC	56,502.00	TV COMMERCIAL PRODUCTION	MEDIA & ADVERTISING
T2969	AMERICAN BUSINESS MACHINES INC	56,062.01	HARDWARE AND MAINTENANCE	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
T4985	CYBERCODERS, INC ****	55,601.90	PROFESSIONAL SERVICES	MIS ADMINISTRATION
T5734	CAROL ANN STILTNER	54,426.39	PROFESSIONAL SERVICES	MEDICARE
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	51,900.00	2022 AUDIT FEES	FINANCE
T1960	LOCAL HEALTH PLANS OF CALIFORNIA	51,545.60	WEBINAR REGISTRATIONS & SPECIAL DUES ASSESSMENT	VARIOUS
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	50,427.02	2023 EDI CLAIM PROCESSING	CLAIMS
T3972	JOURNEY AIR CONDITIONING CO., INC	50,035.00	HVAC NEW UNIT & INSTALL	CAPITAL
T5524	REST & REASSURE, LLC	49,500.00	2023 PROFESSIONAL SERVICES	POPULATION HEALTH MANAGEMENT
T5644	JENNIFER ELIZABETH CLANCY	49,500.00	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T4585	DELANO UNION SCHOOL DISTRICT	49,000.00	SCHOOL WELLNESS GRANT	COMMUNITY GRANTS
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	47,677.00	2023 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5479	TRANSFORMING LOCAL COMMUNITIES, INC	47,647.40	DEC. 2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2509	USPS	45,392.96	PERMIT #88 SUMMER ISSUE FAMILY HEALTH MAGAZINE POSTAGE FUNDING	HEALTH EDUCATION
T2869	COMMUNITY ACTION PARTNERSHIP OF KERN	45,000.00	2023 COMMUNITY GRANT	COMMUNITY GRANTS
T5645	RIDGECREST REGIONAL HOSPITAL	45,000.00	PROVIDER QUALITY CARE GRANT PROGRAM	COMMUNITY GRANTS

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	43,723.01	INTERNET SERVICES	MIS INFRASTRUCTURE
T5107	CITRIX SYSTEMS, INC	42,619.20	CITRIX LICENSE RENEWAL	MIS INFRASTRUCTURE
T5480	PRESS GANEY ASSOCIATES LLC	40,985.25	2023 ECM & PROVIDER SATISFACTION SURVEYS	VARIOUS
T5592	BRAND CO MARKETING	40,135.41	KHS STORE INVENTORY ITEMS	HUMAN RESOURCES
T5367	ADVENTIST HEALTH DELANO	39,910.73	PROVIDER GRANT PROGRAM	COMMUNITY GRANT
T3986	JACQUELYN S JANS	38,370.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING
T5467	MOSS ADAMS LLP	37,597.00	2023 CLAIMS AUDIT TOOL SUPPORT & LICENSES	MIS INFRASTRUCTURE
T1183	MILLIMAN USA ****	36,904.75	CY2021/2022 TNE & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T5435	TEGRIA SERVICES GROUP - US, INC	36,500.00	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T5291	PINNACLE RECRUITMENT SERVICES LLC ****	35,701.31	TEMPORARY HELP	VARIOUS
T4059	KERN VALLEY HEALTHCARE DISTRICT	35,327.26	2022 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T2578	AMERICAN HEART ASSOCIATION - KERN COUNTY	35,000.00	SPONSORSHIP	MEDIA & ADVERTISING
T2446	AT&T MOBILITY	34,602.92	CELLULAR PHONE/INTERNET USAGE	MIS INFRASTRUCTURE
T1097	NCQA	34,502.56	HEDIS, VOL 2 PLUS QUALITY COMPASS AND POPULATION HEALTH PROGRAM ACCREDITATION	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
T4785	COMMGAP	34,406.25	INTERPRETATION SERVICES	HEALTH EDUCATION
T4182	THE LAMAR COMPANIES	32,129.12	OUTDOOR ADVERTISEMENT - BILLBOARDS	ADVERTISING
T4216	NEXSTAR BROADCASTING INC	31,350.00	ADVERTISEMENT - MEDIA	MARKETING
T5408	MARY HARRIS	30,957.50	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T5568	MICHELLE OXFORD	30,910.89	CONSULTING SERVICES	EXECUTIVE
T5201	JAC SERVICES, INC	30,577.08	AC MAINTENANCE & SERVICE	CORPORATE SERVICES
T5574	CARMAX AUTO SUPERSTORES, INC	30,451.85	COMPANY VEHICLE	CORPORATE SERVICES
T5392	THE KNOWLEDGE ACADEMY INC	30,155.00	CA PROJECT MANAGEMENT TRAINING	MIS ADMINISTRATION
T2921	DOUBLETREE HOTEL	30,076.00	PROVIDER FORUM EDUCATIONAL EVENT	PROVIDER NETWORK MANAGEMEN
T2851	SINCLAIR TELEVISION OF BAKERSFIELD, LLC	30,030.00	ADVERTISEMENT - MEDIA	MARKETING
T5012	KERN MEDICAL CENTER FOUNDATION	30,000.00	VALLEY FEVER WALK SPONSOSHIP	MARKETING
T5687	IRISE EXECUTIVE COACHING LLC	30,000.00	EXECUTIVE RETREAT	ADMINISTRATION
T2641	MARANATHA GARDENING & LANDSCAPING, INC	29,777.50	2023 BUILDING MAINTENANCE	CORPORATE SERVICE
T2441	LAURA J BREZINSKI	29,750.00	MARKETING MATERIALS	MARKETING

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Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4607	AGILITY RECOVERY SOLUTIONS INC	29,217.42	PROFESSIONAL SERVICES	ADMINISTRATION
T5429	JANE MACADAM	29,118.77	2022 HYBRID COMMUTING	COMPLIANCE
T5109	RAND EMPLOYMENT SOLUTIONS	29,050.68	TEMPORARY HELP	VARIOUS
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	28,900.00	OUTDOOR ADVERTISEMENT - BUSES	ADVERTISING
T4554	THE KEN BLANCHARD COMPANIES	28,845.93	LEADERSHIP TRAINING COURSES	HUMAN RESOURCES
T4982	NGC US, LLC	28,550.00	PREFUND MEMBER INCENTIVES - COVID 19 INCENTIVE PROGRAM	VARIOUS
T5494	LDP ASSOCIATES, INC ****	27,300.00	2023/2024 DISASTER RECOVERY & PC COOLING MAINT.	VARIOUS
T5395	LIVONGO HEALTH, INC ****	27,258.00	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC	26,780.00	COVID-19 TESTING	HUMAN RESOURCES
T5578	KIMBERY A MARTIN	25,665.50	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4731	GO TO TECHNOLOGY CONSULTING, LLC	25,062.00	INTERNET SERVICES	MIS INFRASTRUCTURE
T1347	ADVANCED DATA STORAGE	24,192.04	STORAGE AND SHREDDING SERVICES	CORPORATE SERVICES
T5530	JONES LANG LASALLE AMERICAS, INC	23,960.00	CUBICLE SCHEDULING APP IMPLEMENTATION & TRAIING	CORPORATE SERVICES
T4993	LEGALSHIELD	23,654.65	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2787	SAGE SOFTWARE, INC	23,561.11	SAGE 300 CLOUD SOFTWARE RENEWAL	FINANCE
T5317	PRESIDIO NETWORKED SOLUTIONS GROUP LLC	23,125.00	NUTANIX HARDWARE & SOFTWARE - SECURITY PROGRAM ASSESSMENT	MIS INFRASTRUCTURE
T4230	COFFEE BREAK SERVICE, INC. ****	22,120.26	COFFEE SUPPLIES	CORPORATE SERVICES
T4375	EQUIFAX WORKFORCE SOLUTIONS, LLC ****	21,420.19	EMPLOYEE RECRUITMENT	HUMAN RESOURCES
T5669	THE OPEN DOOR NETWORK	21,418.00	2023 SPONSORSHIPS & COMMUNITY GRANT	MARKETING
T5711	CALABRIO, INC. ****	20,159.50	TELEOPTI WFM LICENSES	MIS INFRASTRUCTURE
T4934	APPLE INC. ****	20,076.60	EQUIPMENT - CELL PHONES	VARIOUS
T1007	FEDERAL EXPRESS CORP. ****	20,035.06	DELIVERY SERVICES	VARIOUS
T5535	PANAMA-BUENA VISTA UNION SCHOOL DISTRICT	20,000.00	SCHOOL WELLNESS GRANT	COMMUNITY GRANTS
		<u>35,501,949.23</u>		
	TOTAL VENDORS OVER \$20,000	35,501,949.23		
	TOTAL VENDORS UNDER \$20,000	1,642,947.62		
	TOTAL VENDOR EXPENSES- JULY	<u>\$ 37,144,896.85</u>		

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

KERN·HEALTH SYSTEMS

August AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5452	BLACKHAWK ENGAGEMENT SOLUTIONS, INC ****	1,582,000.00	3,340,640.00	PREFUND MEMBER INCENTIVES & MCAS MEMBER REWARDS PROGRAM	UTILIZATION MANAGEMENT-HE & QI
T1045	KAISER FOUNDATION HEALTH - HMO	627,461.89	4,699,493.50	AUG. 2023 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T5684	REBELLIS GROUP LLC ****	503,583.53	781,668.07	JUN. & JUL. 2023 MAPD BUSINESS CONSULTING	MEDICARE
T4350	COMPUTER ENTERPRISE	491,000.68	3,842,604.90	JUL. 2023 PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
T4737	TEKSYSTEMS, INC.	204,844.09	1,917,012.98	JUN. & JUL. 2023 PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T1408	DELL MARKETING L.P.	196,086.35	806,986.51	100 DELL DOCKS & MONITORS & 1 YEAR SOFTWARE SUPPORT	MIS INFRASTRUCTURE
T5155	A-C ELECTRIC COMPANY	182,058.00	1,590,243.00	CARPPOOL SOLAR PROJECT	CAPITAL
T1960	LOCAL HEALTH PLANS OF CALIFORNIA ****	139,528.43	191,074.03	2023/2024 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5337	CAZADOR CONSULTING GROUP INC	131,952.43	826,567.31	JUL. & AUG. 2023 TEMPORARY HELP - (1) IT: (16) MS: (1) HR: (1) CS: (1) AD	VARIOUS
T4733	UNITED STAFFING ASSOCIATES	120,752.85	472,252.88	JUL. & AUG. 2023 TEMPORARY HELP - (1) FIN: (1) UM: (23) MS: (1) AD: (1) CS	VARIOUS
T2918	STINSON'S	111,902.71	334,903.91	JUN. & JUL. 2023 OFFICE SUPPLIES	VARIOUS
T5701	THE GRANGER NETWORKS LLC	94,250.00	263,150.00	SENIOR LEADERSHIP COACHING & NEXT ERA BOOTCAMP	ADMINISTRATION

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August AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T2167	PG&E ****	92,205.89	275,181.77	JUN. & JUL. 2023 UTILITIES	CORPORATE SERVICES
T1128	HALL LETTER SHOP, INC	85,941.54	185,689.85	MEMBER ID CARDS, MEMBER SURVEY & MAIL PREP, NEW MEMBER PACKETS	VARIOUS
T2413	TREK IMAGING INC ****	72,336.69	158,021.84	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T5022	SVAM INTERNATIONAL INC	64,400.00	451,757.57	JUL. & AUG. 2023 PROFESSIONAL SERVICES	MIS ADMINISTRATION
T1861	CERIDIAN HCM, INC.	62,625.35	218,776.52	JUN., JUL. & AUG. 2023 SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4657	DAPONDE SIMPSON ROWE PC ****	61,207.32	213,605.07	JUN. 2023 LEGAL FEES	VARIOUS
T5520	BG HEALTHCARE CONSULTING, INC ****	60,825.00	135,525.00	JUN. 2023 PROFESSIONAL SERVICES	POPULATION HEALTH MANAGEMENT
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC	50,178.37	1,177,249.16	JUL. & AUG. 2023 PROFESSIONAL SERVICES & JUL. 2023 EDI CLAIM PROCESSING	VARIOUS
T5486	ALLIED GENERAL CONTRACTORS, INC ****	49,700.00	143,350.00	BUILDING IMPROVEMENT - OFFICE REMODELING	CAPITAL
T5658	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	49,478.41	382,879.90	AUG. 2023 VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS
T5743	INTEL AGREE, COLABS ****	48,125.00	58,375.00	CONTRACTING MANAGEMENT SOFTWARE	CAPITAL
T4963	LINKEDIN CORPORATION ****	46,984.00	112,372.50	LINKEDIN LEARNING LICENSE RENEWAL	HUMAN RESOURCES
T5421	PREMIER ACCESS INSURANCE COMPANY	45,614.15	347,270.34	AUG. 2023 EMPLOYEE DENTAL BENEFITS PREMIUM	VARIOUS

KERN·HEALTH SYSTEMS

August AP Vendor Report
Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4237	FLUIDEDGE CONSULTING, INC	43,687.50	405,345.00	JUL. 2023 CONSULTING SERVICES	VARIOUS
T2584	UNITED STATES POSTAL SVC. - HASLER	40,000.00	210,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5145	CCS ENGINEERING FRESNO INC ****	33,420.14	169,855.63	AUG. & SEP. 2023 JANITORIAL	CORPORATE SERVICES
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	33,225.00	299,287.50	JUL. 2023 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T5696	ASA GLOBAL HEALTHCARE SERVICES PC ****	31,000.00	31,000.00	MAY, JUN. & JUL. 2023 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T3011	OFFICE ALLY, INC	30,979.16	239,218.17	JUL. 2023 EDI CLAIM PROCESSING	CLAIMS
T5741	HEALTHWISE, INCORPORATED ****	28,402.23	28,402.23	MEMBER SELF MANAGEMENT TOOLS	HEALTH EDUCATION
T2955	DELTA ELECTRIC INC ****	27,820.00	128,915.00	ELECTRICAL WORK NEW CUBICLES 3RD FLOOR	CORPORATE SERVICES
T4424	GUROCK SOFTWARE GmpH ****	26,565.97	26,565.97	TESTRAIL SOFTWARE RENEWAL	MIS INFRASTRUCTURE
T4460	PAYSPAN, INC	25,899.49	213,708.34	JUL. 2023 CLAIMS ACTIVITY	FINANCE
T4501	ALLIED UNIVERSAL SECURITY SERVICES ****	25,210.64	129,830.92	JUL. & AUG. 2023 SECURITY SERVICES	CORPORATE SERVICES
T4452	WELLS FARGO ACH	23,064.79	223,851.41	JUL. 2023 MISC CREDIT CARD PURCHASES	VARIOUS
T5291	PINNACLE RECRUITMENT SERVICES LLC	21,552.84	57,254.15	JUL. 2023 TEMPORARY HELP - (6) CLAIMS	VARIOUS

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Amounts over \$20,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T3130	OPTUMINSIGHT, INC ****	21,439.00	1,270,750.51	EASY GROUP LICENSE RENEWAL	MIS INFRASTRUCTURE
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	20,738.28	161,646.44	JUL. 2023 EDI CLAIM PROCESSING	CLAIMS
T1272	COFFEY COMMUNICATIONS INC.	20,672.43	120,107.85	SUMMER 2023 FAMILY HEALTH MAGAZINE & JUL. 2023 WEB SITE	HEALTH EDUCATION/MEDIA & ADVERTISING
T5201	JAC SERVICES, INC. ****	20,137.00	50,714.08	MAINTENANCE SERVICE AGREEMENT	CORPORATE SERVICES
		5,648,857.15			
	TOTAL VENDORS OVER \$20,000	5,648,857.15			
	TOTAL VENDORS UNDER \$20,000	730,616.82			
	TOTAL VENDOR EXPENSES- AUGUST	\$ 6,379,473.97			

Note:

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

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	4,699,493.50	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE	3,842,604.90	PROFESSIONAL SERVICES/CONSULTING SERVICES	VARIOUS
T5452	BLACKHAWK ENGAGEMENT SOLUTIONS INC	3,340,640.00	PREFUND MEMBER INCENTIVES & MCAS MEMBER REWARDS PROGRAM	UTILIZATION MANAGEMENT-HE & QI
T4737	TEKSYSTEMS, INC.	1,917,012.98	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5155	A-C ELECTRIC COMPANY	1,590,243.00	CARPPOOL SOLAR PROJECT	CAPITAL
T3449	CDW GOVERNMENT	1,538,663.18	NUTANIX RENEWAL & ADOBE LICENSES	MIS INFRASTRUCTURE
T3130	OPTUMINSIGHT, INC	1,270,750.51	ANNUAL LICENSED SOFTWARE	MIS INFRASTRUCTURE
T2704	MCG HEALTH LLC	1,186,808.43	ANNUAL HEALTH CARE MANAGEMENT & SOFTWARE LICENSE	UTILIZATION MANAGEMENT
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC	1,177,249.16	PROFESSIONAL SERVICES & ANNUAL LICENSING	VARIOUS
T1071	CLINICA SIERRA VISTA	911,881.47	HEALTH HOMES GRANT & PROVIDER CARE QUALITY GRANT PROGRAM	COMMUNITY GRANTS
T5337	CAZADOR CONSULTING GROUP INC	826,567.31	TEMPORARY HELP	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1408	DELL MARKETING L.P.	806,986.51	COMPUTER EQUIPMENT & SOFTWARE MAINTENANCE	MIS INFRASTRUCTURE
T5684	REBELLIS GROUP LLC	781,668.07	MAPD BUSINESS CONSULTING	MEDICARE
T4699	ZEOMEGA, INC	766,615.22	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5432	CATALYST SOLUTIONS, LLC	662,854.37	PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T2686	ALLIANT INSURANCE SERVICES INC.	620,510.28	2023 -2024 INSURANCE PREMIUMS	ADMINISTRATION
T5466	ZIPARI, INC	600,545.68	2023 JIVA MEMBER PORTAL	MIS INFRASTRUCTURE
T1180	LANGUAGE LINE SERVICES INC	550,050.02	INTERPRETATION SERVICES	HEALTH EDUCATION
T1845	DEPARTMENT OF MANAGED HEALTH CARE	523,361.90	2023-2024 MCAL ANNUAL ASSESSMENT	ADMINISTRATION
T2458	HEALTHCARE FINANCIAL, INC	478,307.51	PROFESSIONAL SERVICES	ADMINISTRATION
T4733	UNITED STAFFING ASSOCIATES	472,252.88	TEMPORARY HELP	VARIOUS
T5022	SVAM INTERNATIONAL INC	451,757.57	PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4237	FLUIDEDGE CONSULTING, INC	405,345.00	CONSULTING SERVICES	VARIOUS
T5658	THE PRUDENTIAL INSURANCE COMPANY OF AMERICA	382,879.90	VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS

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Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5421	PREMIER ACCESS INSURANCE COMPANY	347,270.34	EMPLOYEE DENTAL BENEFITS PREMIUM	VARIOUS
T2918	STINSON'S	334,903.91	OFFICE SUPPLIES	VARIOUS
T5562	JDM SOLUTIONS INC	325,640.00	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	299,287.50	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T4165	SHI INTERNATIONAL CO.	287,729.29	NETWORK SWITCHES WITH SUPPORT	MIS INFRASTRUCTURE
T4331	COTIVITI, INC	275,540.02	2023 HEDIS LICENSE & PROFESSIONAL SERVICES	HEALTH SERVICES - QI
T2167	PG&E	275,181.77	UTILITIES	CORPORATE SERVICES
T5701	THE GRANGER NETWORK LLC	263,150.00	SUPERVISOR BOOTCAMP	ADMINISTRATION
T2726	DST PHARMACY SOLUTIONS, INC	262,745.63	PHARMACY CLAIMS	PHARMACY
T5292	ALL'S WELL HEALTH CARE SERVICES	249,673.11	TEMPORARY HELP	VARIOUS
T3011	OFFICE ALLY, INC	239,218.17	EDI CLAIM PROCESSING	CLAIMS
T4452	WELLS FARGO	223,851.41	ACH- MISC CREDIT CARD PURCHASES	VARIOUS
T1861	CERIDIAN HCM, INC.	218,776.52	MONTHLY SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4460	PAYSPAN, INC	213,708.34	ELECTRONIC CLAIMS/PAYMENTS	FINANCE

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Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4657	DAPONDE SIMPSON ROWE PC	213,605.07	LEGAL FEES	VARIOUS
T2584	UNITED STATES POSTAL SVC - HASLER	210,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5344	SIGNATURE STAFF RESOURCES LLC	192,520.00	2023 PROFESSIONAL SERVICES	BUSINESS INTELLIGENCE
T4353	TWE SOLUTIONS, INC	192,285.74	CORTEX XDR PRO LICENSES	MIS INFRASTRUCTURE
T1960	LOCAL HEALTH PLANS OF CALIFORNIA	191,074.03	WEBINAR REGISTRATIONS & SPECIAL DUES ASSESSMENT	VARIOUS
T5509	NGUYEN CAO LUU-TRONG	190,948.00	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T5546	BITWISE TECHNOLOGY CONSULTING, LLC	188,131.80	OCR SERVICES AND PROFESSIONAL SERVICES	VARIOUS
T1128	HALL LETTER SHOP	185,689.85	MEMBER ID CARDS, MEMBER SURVEY & MAIL PREP, NEW MEMBER PACKETS	VARIOUS
T4708	HEALTH MANAGEMENT ASSOCIATES, INC	170,918.75	PROFESSIONAL SERVICES	ADMINISTRATION
T5145	CCS ENGINEERING FRESNO INC	169,855.63	JANITORIAL SERVICES	CORPORATE SERVICES
T2469	DST HEALTH SOLUTIONS, LLC	167,100.00	ANNUAL ACG LICENSE & SUPPORT	BUSINESS INTELLIGENCE
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	161,646.44	2023 EDI CLAIM PROCESSING	CLAIMS
T2413	TREK IMAGING INC	158,021.84	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS

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Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5111	ENTISYS 360, E360	153,614.34	NUTANIX ACROPOLIS SOFTWARE LICENSE	MIS INFRASTRUCTURE
WT/ACH	USPS	150,000.00	FUND KHS POSTAL ONE/EPS ACCOUNT	CORPORATE SERVICES
T5486	ALLIED GENERAL CONTRACTORS, INC	143,350.00	OFFICE PAINTING & CONSTRUCTION	CAPITAL
T2933	SIERRA PRINTERS, INC	138,385.38	PRINTING OF MEMBER EDUCATION MATERIAL/PROVIDER DIRECTORY/BUSINESS CARDS	VARIOUS
T5520	BG HEALTHCARE CONSULTING, INC	135,525.00	PROFESSIONAL SERVICES	POPULATION HEALTH MANAGEMENT
T4501	ALLIED UNIVERSAL SECURITY SERVICES	129,830.92	ONSITE SECURITY	CORPORATE SERVICES
T2955	DELTA ELECTRIC INC	128,915.00	OFFICE REMODEL ELECTRICAL WORK	CORPORATE SERVICES
T5503	SECURE-CENTRIC INC	124,794.20	RUBRIK ENTERPRISE SUPPORT	MIS INFRASTRUCTURE
T1272	COFFEY COMMUNICATIONS INC	120,107.85	MEMBER NEWSLETTER/WEBSITE IMPLEMENTATION	HEALTH EDUCATION/MEDIA & ADVERTISING
T5738	INSURICA - WALTER MORTENSEN INSURANCE	118,770.00	2023-2024 ANNUAL WORKERS' COMP PREMIUM	ADMINISTRATION
T5340	GARTNER INC	117,060.00	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4963	LINKEDIN CORPORATION	112,372.50	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES
T4514	A.J. KLEIN, INC T.DENATALE, B. GOLDNER	105,207.62	LEGAL FEES	ADMINISTRATION

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Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5583	THE MIHALIK GROUP, LLC	104,665.00	NCQA TRAINING	HEALTH SERVICES - QI
T1005	COLONIAL LIFE & ACCIDENT	95,710.80	LIFE INSURANCE PREMIUM	VARIOUS
T5121	TPX COMMUNICATIONS	94,490.75	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T1022	UNUM LIFE INSURANCE CO.	93,984.50	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T2961	SOLUTION BENCH, LLC	91,581.55	M-FILES SOFTWARE ANNUAL RENEWAL	MIS INFRASTRUCTURE
T4217	CONTEXT 4 HEALTHCARE, INC	86,083.12	ANNUAL RENEWAL AMA FEES & CPT LICENSE	MIS INFRASTRUCTURE
T2941	KERN PRINT SERVICES INC	83,808.96	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T4483	INFUSION AND CLINICAL SERVICES, INC	80,177.67	DIABETIC GRANT PROGRAM	COMMUNITY GRANTS
T5329	RELAY NETWORK, LLC	78,333.27	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	77,000.00	2023 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T4484	JACOBSON SOLUTIONS	76,148.22	TEMPORARY HELP	HEALTH SERVICES - UM
T5734	CAROL ANN STILTNER	72,912.23	PROFESSIONAL SERVICES	MEDICARE

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Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4503	VISION SERVICE PLAN	72,204.47	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4265	SIERRA SCHOOL EQUIPMENT COMPANY	68,088.93	BOARDROOM FURNITURE	CORPORATE SERVICES
T4792	KP LLC	67,149.79	PROVIDER DIRECTORIES	PROVIDER NETWORK MANAGEMENT
T5319	CITIUSTECH INC	63,747.00	FAST+ ANNUAL MAINTENANCE & SUPPORT	MIS INFRASTRUCTURE
T2969	AMERICAN BUSINESS MACHINES INC	59,126.70	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T5436	THE BEACON STUDIOS LLC	58,902.00	TV COMMERCIAL PRODUCTION	MEDIA & ADVERTISING
T5524	REST & REASSURE, LLC	58,500.00	2023 PROFESSIONAL SERVICES	POPULATION HEALTH MANAGEMENT
T5743	INTEL AGREE, COLABS ****	58,375.00	CONTRACTING MANAGEMENT SOFTWARE	CAPITAL
T5291	PINNACLE RECRUITMENT SERVICES LLC	57,254.15	TEMPORARY HELP	VARIOUS
T4985	CYBERCODERS, INC	55,601.90	PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	55,272.96	2023 EDI CLAIM PROCESSING	CLAIMS
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	51,900.00	2022 AUDIT FEES	FINANCE
T5201	JAC SERVICES, INC	50,714.08	AC MAINTENANCE & SERVICE	CORPORATE SERVICES
T3972	JOURNEY AIR CONDITIONING CO., INC	50,035.00	HVAC NEW UNIT & INSTALL	CAPITAL

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Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5550	CHARTER COMMUNICATIONS OPERATING, LLC	49,793.19	INTERNET SERVICES	MIS INFRASTRUCTURE
T5644	JENNIFER ELIZABETH CLANCY	49,500.00	PROFESSIONAL SERVICES	MIS INFRASTRUCTURE
T4585	DELANO UNION SCHOOL DISTRICT	49,000.00	SCHOOL WELLNESS GRANT	COMMUNITY GRANTS
T5429	JANE MACADAM	48,775.18	2022/2023 HYBRID COMMUTING	COMPLIANCE
T5479	TRANSFORMING LOCAL COMMUNITIES, INC	48,611.30	2022/2023 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	47,677.00	2023 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5592	BRAND CO MARKETING	46,150.84	KHS STORE INVENTORY ITEMS	HUMAN RESOURCES
T5480	PRESS GANEY ASSOCIATES LLC	46,002.00	2023 ECM & PROVIDER SATISFACTION SURVEYS	VARIOUS
T2509	USPS	45,392.96	PERMIT #88 SUMMER ISSUE FAMILY HEALTH MAGAZINE POSTAGE FUNDING	HEALTH EDUCATION
T2869	COMMUNITY ACTION PARTNERSHIP OF KERN	45,000.00	2023 COMMUNITY GRANT	COMMUNITY GRANTS
T5645	RIDGECREST REGIONAL HOSPITAL	45,000.00	PROVIDER QUALITY CARE GRANT PROGRAM	COMMUNITY GRANTS
T3986	JACQUELYN S JANS	43,890.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING

KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4785	COMMGAP	43,198.75	INTERPRETATION SERVICES	HEALTH EDUCATION
T5107	CITRIX SYSTEMS, INC	42,619.20	CITRIX LICENSE RENEWAL	MIS INFRASTRUCTURE
T5687	IRISE EXECUTIVE COACHING LLC	42,000.00	EXECUTIVE RETREAT	ADMINISTRATION
T2446	AT&T MOBILITY	40,235.08	CELLULAR PHONE/INTERNET USAGE	MIS INFRASTRUCTURE
T5367	ADVENTIST HEALTH DELANO	39,910.73	PROVIDER GRANT PROGRAM	COMMUNITY GRANT
T4607	AGILITY RECOVERY SOLUTIONS INC	37,636.12	PROFESSIONAL SERVICES	ADMINISTRATION
T5467	MOSS ADAMS LLP	37,597.00	2023 CLAIMS AUDIT TOOL SUPPORT & LICENSES	MIS INFRASTRUCTURE
T1183	MILLIMAN USA	36,904.75	CY2021/2022 TNE & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T5435	TEGRIA SERVICES GROUP - US, INC	36,500.00	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T5392	THE KNOWLEDGE ACADEMY INC	36,410.00	CA PROJECT MANAGEMENT TRAINING	MIS ADMINISTRATION
T4216	NEXSTAR BROADCASTING INC	36,178.00	ADVERTISEMENT - MEDIA	MARKETING
T4182	THE LAMAR COMPANIES	35,649.78	OUTDOOR ADVERTISEMENT - BILLBOARDS	ADVERTISING
T4059	KERN VALLEY HEALTHCARE DISTRICT	35,327.26	2022/2023 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2578	AMERICAN HEART ASSOCIATION - KERN COUNTY	35,000.00	SPONSORSHIP	MEDIA & ADVERTISING
T5408	MARY HARRIS	34,860.00	PROFESSIONAL SERVICES	HEALTH SERVICES - UM
T2641	MARANATHA GARDENING & LANDSCAPING, INC	34,752.50	2023 BUILDING MAINTENANCE	CORPORATE SERVICE
T1097	NCQA	34,502.56	HEDIS, VOL 2 PLUS QUALITY COMPASS AND POPULATION HEALTH PROGRAM ACCREDIATION	HEALTH SERVICES - QI
T5109	RAND EMPLOYMENT SOLUTIONS	34,475.49	TEMPORARY HELP	VARIOUS
T2441	LAURA J BREZINSKI	34,000.00	MARKETING MATERIALS	MARKETING
T2851	SINCLAIR TELEVISION OF BAKERSFIELD, LLC	33,610.00	ADVERTISEMENT - MEDIA	MARKETING
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	32,900.00	OUTDOOR ADVERTISEMENT - BUSES	ADVERTISING
T5696	ASA GLOBAL HEALTHCARE SERVICES PC ****	31,000.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T5568	MICHELLE OXFORD	30,910.89	CONSULTING SERVICES	EXECUTIVE
T5574	CARMAX AUTO SUPERSTORES, INC	30,451.85	COMPANY VEHICLE	CORPORATE SERVICES
T2921	DOUBLETREE HOTEL	30,076.00	PROVIDER FORUM EDUCATIONAL EVENT	PROVIDER NETWORK MANAGEMENT
T5012	KERN MEDICAL CENTER FOUNDATION	30,000.00	VALLEY FEVER WALK SPONSOSHIP	MARKETING

KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1347	ADVANCED DATA STORAGE	29,732.53	STORAGE AND SHREDDING SERVICES	CORPORATE SERVICES
T4554	THE KEN BLANCHARD COMPANIES	28,845.93	LEADERSHIP TRAINING COURSES	HUMAN RESOURCES
T4982	NGC US, LLC	28,550.00	PREFUND MEMBER INCENTIVES - COVID 19 INCENTIVE PROGRAM	VARIOUS
T5741	HEALTHWISE, INCORPORATED ****	28,402.23	MEMBER SELF MANAGEMENT TOOLS	HEALTH EDUCATION
T5494	LDP ASSOCIATES, INC	27,300.00	2023/2024 DISASTER RECOVERY & PC COOLING MAINT.	VARIOUS
T5395	LIVONGO HEALTH, INC	27,258.00	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4993	LEGALSHIELD	26,884.90	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC	26,780.00	COVID-19 TESTING	HUMAN RESOURCES
T4424	GUROCK SOFTWARE GmbH ****	26,565.97	TESTRAIL SOFTWARE RENEWAL	MIS INFRASTRUCTURE
T5578	KIMBERY A MARTIN	25,665.50	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4230	COFFEE BREAK SERVICE, INC.	25,632.18	COFFEE SUPPLIES	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
T4731	GO TO TECHNOLOGY CONSULTING, LLC	25,062.00	INTERNET SERVICES	MIS INFRASTRUCTURE
T5298	TOTALMED, INC ****	24,509.89	TEMPORARY HELP	VARIOUS
T4934	APPLE INC.	24,500.35	EQUIPMENT - CELL PHONES	VARIOUS
T5530	JONES LANG LASALLE AMERICAS, INC	23,960.00	CUBICLE SCHEDULING APP IMPLEMENTATION & TRAIING	CORPORATE SERVICES
T2787	SAGE SOFTWARE, INC	23,561.11	SAGE 300 CLOUD SOFTWARE RENEWAL	FINANCE
T4375	EQUIFAX WORKFORCE SOLUTIONS, LLC	23,213.58	EMPLOYEE RECRUITMENT	HUMAN RESOURCES
T5317	PRESIDIO NETWORKED SOLUTIONS GROUP LLC	23,125.00	NUTANIX HARDWARE & SOFTWARE - SECURITY PROGRAM ASSESSMENT	MIS INFRASTRUCTURE
T4228	THE SSI GROUP, LLC ****	22,330.40	2023 EDI CLAIM PROCESSING	CLAIMS
T1007	FEDERAL EXPRESS CORP.	21,489.19	DELIVERY SERVICES	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$20,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5669	THE OPEN DOOR NETWORK	21,418.00	2023 SPONSORSHIPS & COMMUNITY GRANT	MARKETING
T5420	PAYPRO ADMINISTRATORS ****	20,969.80	FSA EMPLOYEE BENEFIT	VARIOUS
T5653	SUN OUTDOOR ADVERTISING LLC ****	20,935.00	OUTDOOR ADVERTISEMENT - BILLBOARDS	ADVERTISING
T5711	CALABRIO, INC.	20,159.50	TELEOPTI WFM LICENSES	MIS INFRASTRUCTURE
T5535	PANAMA-BUENA VISTA UNION SCHOOL DISTRICT	20,000.00	SCHOOL WELLNESS GRANT	COMMUNITY GRANTS
		41,661,572.86		
	TOTAL VENDORS OVER \$20,000	41,661,572.86		
	TOTAL VENDORS UNDER \$20,000	1,862,798.47		
	TOTAL VENDOR EXPENSES- AUGUST	\$ 43,524,371.33		

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

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
January							
Jacquelyn S. Jans	\$135,840.00	Yes	MRK	Louie Iturriria	Marketing & Corporate Image Consulting	1/2/2023	12/31/2024
HD Dynamics	\$50,000.00	Yes	PNM	Amisha Pannu	Consulting services for Microsoft Dynamics CRM	1/2/2023	12/31/2023
Rest and Reassure, LLC	\$144,000.00	Yes	PHM	Deb Murr	Consulting services for Cal-Aim & PHM dept requirements	1/2/2023	12/31/2023
BG Healthcare	\$189,000.00	Yes	PHM	Deb Murr	Consulting services	1/2/2023	12/23/2022
SHI	\$51,094.74	Yes	IT	Richard Pruitt	VMWare renewal	1/1/2023	12/31/2023
Catalyst	\$199,999.00	Yes	Exec	Michelle Oxford	D-SNP and related Medicare health plan resource	1/30/2023	6/2/2023
Jennifer Clancy	\$49,500.00	Yes	BH	Deb Murr	Behavioral Health Department Development	1/30/2023	5/30/2023
Lamar	\$69,115.56	Yes	MRK	Louie Iturriria	(6) Billboards for advertising	1/23/2023	6/30/2024
Cotiviti	\$175,000.00	Yes	QI	Jane Daughenbaugh	Medical record retrieval services	1/27/2023	5/31/2023
February							
Gartner	\$117,060.00	Yes	IT	Richard Pruitt	Executive Programs Member license for CIO	2/1/2023	1/31/2024
Language Line	\$75,000.00	Yes	HE	Isabel Silva	Interpreting services	2/28/2023	2/27/2024
Coffey Communications	\$120,000.00	Yes	HE	Isabel Silva	Printing agreement	2/15/2023	2/14/2024
Lifesigns	\$80,000.00	Yes	HE	Isabel Silva	ASL interpreting services	2/23/2023	2/22/2025
Entisys360	\$69,201.68	Yes	IT	Richard Pruitt	Nutanix Prod APP storage expansion	2/8/2023	2/7/2024
March							
GET Bus	\$72,900.00	Yes	MRK	Louie Iturriria	Four (4) King Kong outdoor advertisements	3/1/2023	6/30/2024
Dell	\$79,746.97	Yes	IT	Richard Pruitt	Laptops (25), docking stations (50), & monitors (100)	3/6/2023	3/6/2027
The Granger Network	\$110,000.00	Yes	HR	Anita Martin	Supervisor Bootcamp	3/31/2023	6/31/23
April							
Advanced Medical Reviews (AMR)	\$182,000.00	Yes	UM	Misty Dominguez	Peer to Peer Medical Reviews	4/1/2023	3/31/2025
May							
IntelAgree	\$129,675.00	Yes	CS	Andrea Hylton	Contracting Management Software	5/24/2023	5/23/2026
CDW-G	\$98,501.35	Yes	IT	Richard Pruitt	Nutanix Xi Leap renewal	5/27/2023	5/26/2024
Dell	\$84,751.00	Yes	IT	Richard Pruitt	Microsoft Unified Support Services	5/10/2023	5/9/2024
Tel-Tec	\$197,196.01	Yes	IT	Richard Pruitt	Camera surveillance system phase 1	5/24/2023	10/31/2023
June							
HMA	\$99,000.00	Yes	ACCT	Veronica Barker	Actuarial services (RDT, DSR's & Rate Analysis)	6/1/2023	5/31/2024
Milliman	\$199,000.00	Yes	ACCT	Veronica Barker	Analysis)	6/1/2023	5/31/2024
TWE Solutions	\$96,900.00	Yes	IT	Richard Pruitt	24x7 Security Monitoring Services	6/14/2023	6/13/2024

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
Relay Network	\$199,999.00	Yes	IT	Richard Pruitt	Mobile Communication Platform; Unlimited Texting	6/1/2023	5/31/2024
Healthwise	\$113,609.00	Yes	HE	Isabel Silva	materials	6/5/2023	6/4/2024
The Granger Network	\$198,500.00	Yes	HR	Anita Martin	Leadership Development: Creating the Next Era	6/7/2023	11/30/2023
Context4 Healthcare	\$86,083.12	Yes	IT	Richard Pruitt	RCD-10, HCPCS, and CPT codes through American Medical Association	6/27/2023	6/26/2024
Bitfocus	\$168,704.94	Yes	MIS	Richard Pruitt	Clarity Human Services SaaS & professional services	6/22/2023	6/21/2024
LinkedIn	\$55,890.00	Yes	HR	Anita Martin	Online job postings (5 slots)	6/1/2023	5/31/2026
July							
Agility Recovery	\$192,600.00	Yes	CS	Andrea Hylton	Disaster Recovery & Business Continuity services	7/6/2023	7/5/2026
The Granger Network	\$144,000.00	Yes	HR	Anita Martin	Executive Coaching services	7/6/2023	7/5/2024
BG Healthcare Consulting	\$81,000.00	Yes	QI	Martha Tasinga	Consulting services for the QI department	7/12/2023	12/31/2023
Solution Bench	\$76,461.55	Yes	IT	Richard Pruitt	M-Files subscription based licenses, annual renewal	7/24/2023	7/23/2024
August							
Octopai	\$148,992.00	Yes	IT	Richard Pruitt	Data Lineage Software	8/12/2023	8/11/2025
Schellman	\$161,834.80	Yes	IT	Richard Pruitt	Cyber Security Assessment Services	8/21/2023	8/20/2024

2023 TECHNOLOGY CONSULTING RESOURCES																		
ITEM	PROJECT	CAP/EXP	BUDGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD	TOTAL	REMAINING BALANCE
#	Project Name																	
1	Member Engagement	CAP	\$158,500	\$23,832	\$22,640	\$26,215	\$23,832	\$26,215	\$26,215	\$0							\$148,949	\$9,551
2	DSNP MCAS Star Software	CAP	\$158,500	\$0	\$0	\$0	\$0	\$0	\$0	\$17,476							\$17,476	\$141,024
3	Population Health Management	CAP	\$301,000	\$34,348	\$32,436	\$38,231	\$36,047	\$40,719	\$39,839	\$41,432							\$263,052	\$37,948
4	DSNP JIVA Medicare Module	CAP	\$81,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0							\$0	\$81,750
5	Data Lineage and Cataloging System	CAP	\$91,012	\$0	\$0	\$0	\$0	\$0	\$0	\$0							\$0	\$91,012
6	IT Staff Augmentation	EXP	\$7,365,693	\$549,087	\$472,083	\$607,699	\$248,118	\$570,405	\$545,734	\$469,708							\$3,462,834	\$3,902,859
7	PM Staff Augmentation	EXP	\$1,185,600	\$17,940	\$91,885	\$142,020	\$391,554	\$157,653	\$147,951	\$134,758							\$1,083,761	\$101,839
8	DSNP Staff Augmentation	EXP	\$6,515,185	\$81,624	\$309,241	\$386,281	\$412,054	\$221,676	\$585,541	\$435,719							\$2,432,135	\$4,083,050
Totals:		Totals	\$15,857,240	\$706,831	\$928,285	\$1,200,446	\$1,111,605	\$1,016,668	\$1,345,279	\$1,099,093	\$0	\$0	\$0	\$0	\$0	\$0	\$7,408,207	\$8,449,033

Updated 9/21/23

**KERN HEALTH SYSTEMS
BOARD OF DIRECTORS
NEW VENDOR CONTRACTS
October 12, 2023**

Legal Name DBA	Specialty	Address	Comments	Contract Effective Date
PAC 09/06/2023				
Awakened Consulting, Inc	Marriage/Family Therapy	728 21st St Bakersfield CA	AB2581-60-day Turnaround	Retro Approval 9/1/2023
Jonathan Rizo dba: Rizo Psychological & Behavioral Health Services	ABA	930 Truxtun Ave Ste 206 Bakersfield CA	AB2581-60-day Turnaround	Retro Approval 9/1/2023
Positive Behavior Supports Corporation	ABA	3815 Ming Ave #352 Bakersfield CA	AB2581-60-day Turnaround	Retro Approval 9/1/2023
Cal City Urgent Care INC. A California Professional Medical Corporation DBA: Cal City Urgent Care	Urgent Care Clinic	8100 California City Blvd California City CA		10/1/2023
Coachella Valley Anesthesia, A Prof Corp	Anesthesiology	420 34th Street Bakersfield CA		10/1/2023
Mijo Yoon DBA: Joy Service	Transportation	2211 Brundage Ln Ste A Bakersfield CA		10/1/2023
Bakersfield American Indian Health Project	ECM-Case Management	501 40th Street Bakersfield CA		10/1/2023
Environmental Alternatives DBA: EA Family Services	ECM-Case Management	3201 F Street Bakersfield CA		Retro Approval 9/1/2023
Pantogran LLC dba: Center for Autism and Related Disorders (CARD)	ABA Provider		Change of Ownership, TIN & NPI	Retro Approval 9/1/2023
PAC 10/04/2023				
Apollo Surgery Center, LLC	Ambulatory Surgery Center	43944 15th St W, Suite 101 Lancaster CA 93534		11/1/2023
Antelope Valley Neuroscience Med Grp dba: Antelope Valley Neuroscience	Specialty	42135 10th St West Ste 301 Lancaster CA 93534		11/1/2023
Arise Psychiatric Medical Group, Inc	Mental Health	1500 Haggin Oaks Blvd, Suite 202 Bakersfield CA 93301		Retro Approval 10/1/2023

**KERN HEALTH SYSTEMS
BOARD OF DIRECTORS
NEW VENDOR CONTRACTS
October 12, 2023**

Legal Name DBA	Specialty	Address	Comments	Contract Effective Date
Bakersfield Community Health Center, Inc.	CSS CBO – Nursing Facility Transition/Diversion to Assisted Living Facility; Community Transition Services/Nursing Facility Transition to Home	1801 Oak Street Bakersfield CA 93301	Existing Vendor for CBAS / New Contract for CSS Services	Services Effective 7/1/2023
Environmental Alternatives DBA: EA Family Services	CSS CBO – Housing Deposit, Housing Navigation, Housing Tenancy and Sustaining	3201 F Street Bakersfield CA	Existing Vendor for ECM / New Contract for CSS Services	11/1/2023
Heart Beat Med Transit LLC	Transportation	8720 Harris Rd Ste 102A Bakersfield CA 93311		11/1/2023
Hongtao Wang dba: Valley Gastroenterology Institute Inc	Pediatric Gastroenterology	1191 E Herndon Ave #103 Fresno CA		11/1/2023
Jasleen Duggal MD Inc dba: Kern Endocrine Center	Multi-Spec	3008 Sillect Avenue Ste. 240 Bakersfield CA 93311		11/1/2023
Manning Gardens Care Center Inc	SNF	2113 E Manning Ave Fresno CA 93725		11/1/2023
Seven Oaks Medical Group Inc	PCP - Primary Care	9900 Stockdale Hwy Ste. 107 Bakersfield CA 93311		11/1/2023
Spiritus Home Health Care Inc dba: Royal Congregate Living Facility	Congregate Health Living Facility	3100 Mildwood Ct Lancaster CA 93536		11/1/2023
Elizabeth Sotelo dba: The Bra Shoppe	DME	1400 Calloway Dr Ste 202 Bakersfield CA 93312		11/1/2023
Tehachapi ADHC Inc	CBAS	123 West F Street Tehachapi CA 93561		Retro Approval 10/1/2023

**KERN HEALTH SYSTEMS
BOARD OF DIRECTORS
TERMED CONTRACTS
October 12, 2023**

Legal Name DBA	Specialty	Address	Comments	Term Effective Date
Center for Autism and Related Disorders, LLC	Behavioral Health	8302 Espresso Dr #100 Bakersfield CA	New Ownership	8/25/2023
Magnifique Congregate Living, Inc.	SNF/Congregate Living	1827 W Avenue Ste. K12 Lancaster CA	License Expired	7/25/2023
Siniva Kaneen Helliwell MD, A Prof Med Corp	OB/GYN	8501 Brimhall Rd #300 Bakersfield CA	Resigned	9/13/2023
Apne Quest Sleep Center	Sleep Center	6001-B Truxtun Avenue Ste. 260 Bakersfield CA	Site Closed / No Response	8/20/2023
Wise Buys Drugs	Pharmacy	2 H Street Bakersfield CA	Site Closed	8/21/2023



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Compliance Program Update, Q3 2023
DATE: October 12, 2023

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. In response to the many laws, rules and regulations governing healthcare, e.g., federal and state false claims and whistleblower laws, KHS has established a comprehensive compliance program to help the organization achieve our commitment to adhere to the highest ethical standards of conduct in all business practices.

The goal of KHS's compliance program is to advance the mission of prevention, detection, and resolution of variances during the provision of the extraordinary primary and specialty care within our health care delivery system. This report includes the 3rd Quarter Compliance Key Performance Indicators Metrics (KPI) as well as the Compliance Workplan.

REQUESTED ACTION

Receive and file.

Compliance KPI's
3rd Quarter 2023



Compliance Communications 📢

All Plan Letter (APL's) & Guidance Letters 📄

KHS Highlights

- KHS received DHCS “go live” approval for the 2024 Contract on 09/01/2023.
- Submissions will continue through Quarter 2 2024

Regulatory Audits

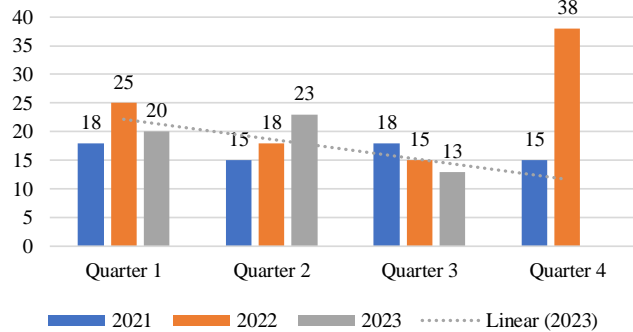
Department of Managed Health Care (DMHC)

- Annual audit conducted January 2023, pending initial findings report.

Department of Healthcare Services (DHCS)

- 2022 Audit CAP still underway
- 2023 Annual Audit notice received.
 - Audit will include routine medical audit as well as a focused audit on transportation and behavioral health.
 - Virtual interview sessions will occur 11/27/2023 through 12/08/2023.

Quarterly Comparison of APL's & Guidance Letters



All Plan Letters and Guidance Letters Received		
2021	2022	2023
66	96	56

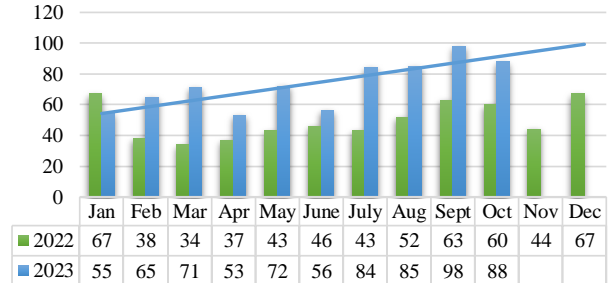
Retrospective Audits & Reviews

Year	APL Number	APL Name	Status
2022	APL 22-005	No Wrong Door for Mental Health Services Policy	Completed
2022	APL 22-006	Medi-Cal Managed Care Health Plan Responsibilities for Non-Specialty Mental Health Services	Completed
2022	APL 22-020	Community-Based Adult Services Emergency Remote Services	Completed
2022	APL 22-028	Adult and Youth Screening and Transition of Care Tools for Medi-Cal Mental Health Services	Completed
2023	APL 23-009	Authorizations for Post-Stabilization Care Services	Completed
2023	APL 23-004	Skilled Nursing Facilities – Long Term Care Benefit Standardization and Transition of Members to Managed Care	Completed
2023	APL 23-005	Requirements for Coverage of Early & Periodic Screening, Diagnostic, and Treatment Services for Medi-Cal Members Under the Age of 21	Completed
2022	APL 21-017	Community Supports Requirements (revised)	Completed
2023	APL 23-010	Responsibilities for Behavioral Health Treatment Coverage for Members Under the Age of 21	Completed
2022	APL 22-030	Initial Health Appointment	Upcoming
2023	APL 21-004	Standards for Determining Threshold Languages, Nondiscrimination Requirements, and Language Assistance Services (revised)	Upcoming
2023	APL 21-011	Grievance and Appeal Requirements, Notice and “Your Rights” Templates (revised)	Upcoming
2022	APL 22-016	Community Health Workers Services Benefit (revised)	Upcoming

Regulatory Reports & Filings

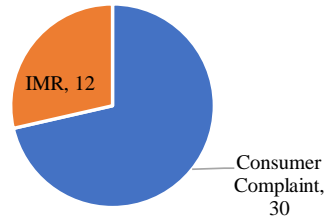
Regulatory Reports & Filings Submissions to Government Agencies 2023		
Regulatory Agency	August	September
DHCS Total	85	77
DMHC Total	13	11

**Number of Plan to Regulator Submissions
2022 vs. 2023**



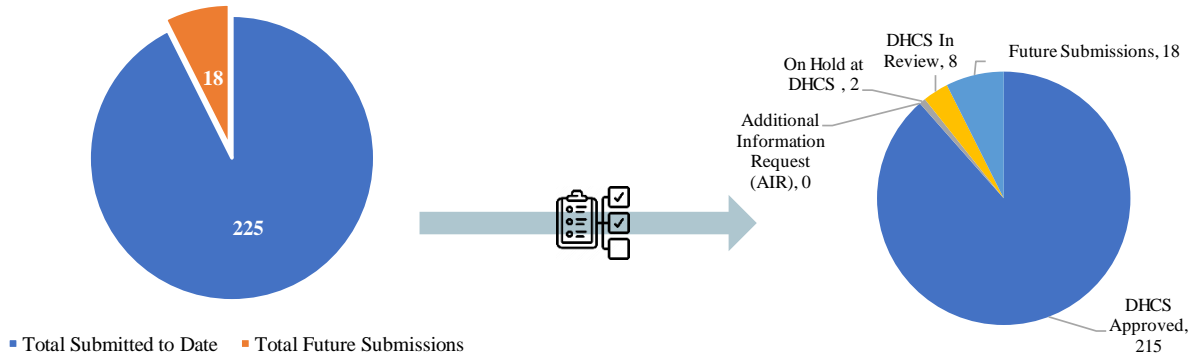
DMHC Consumer Complaints & Independent Medical Reviews (IMR)

IMR vs. Consumer Complaints



KHS Decision		DHMC Decision	
Uphold	21	Closed	18
Overturn	9	Favor of Plan	12
Return to plan (RTP)	6	Favor of Member	7
Misdirected	5	In Review	3
Potential Quality Issue (PQI)	1	Withdrawn	2
Grand Total	42	Grand Total	42

2024 Operational Contract Readiness: Total Deliverables



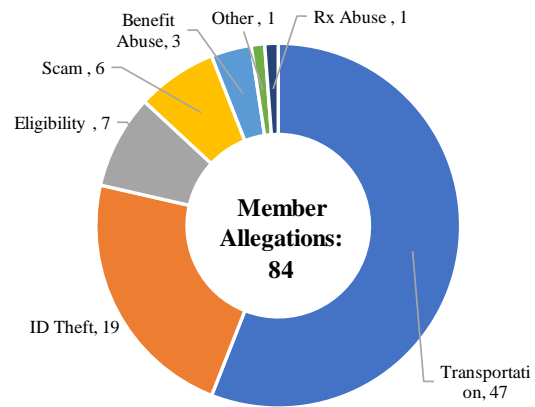
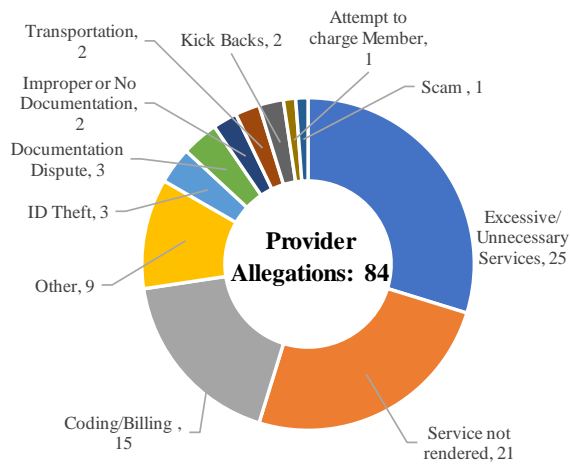
HIPPA Breach Activity: August and September 2023

Summary of Potential Protected Health Information (“PHI”) Disclosures for the months of June and July 2023:

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”).

In August and September 2023, the Compliance Department investigated and reviewed sixty-three **(63) allegations of privacy concerns** and forty-two (42) of the cases were sent to the State for their review. Thirty (30) cases were closed as non-breaches and twelve (12) cases are still under review by the State.

Fraud, Waste, and Abuse (FWA)

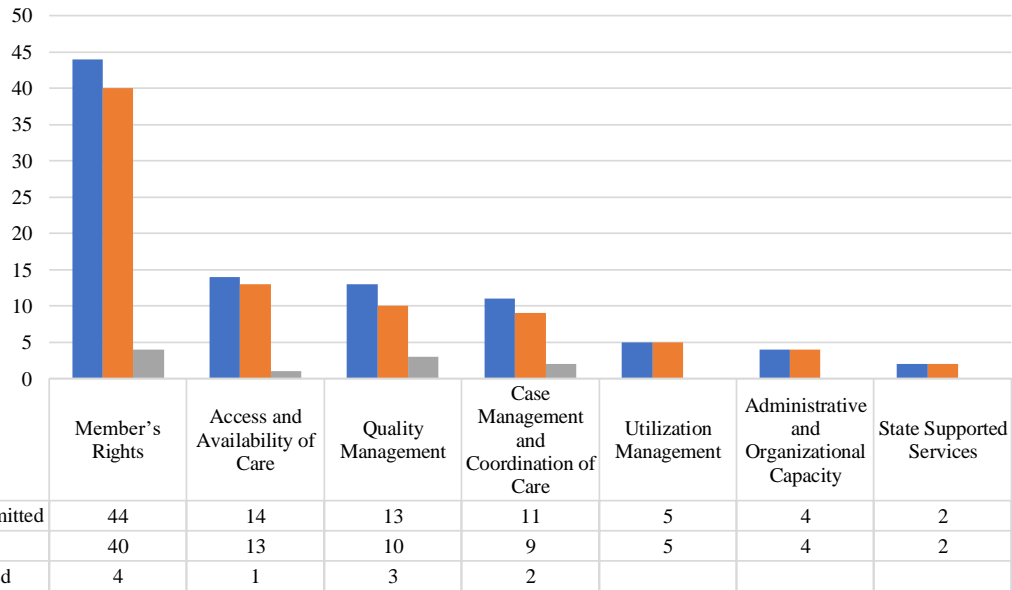


DHCS Regulatory Medical Audit | 2022

DHCS Audit Finding Summary



KHS had a total of **29** findings across the six categories audited by DHCS.



Metric	Description
All Plan Letters (APL's) & Guidance Letters	
Department of Health Care Services (DHCS)	
<p>APL 23-021 (Issued 08/15/2023) Population Needs Assessment and Population Health Management Strategy</p>	<p>The APL provides the Plan with guidance on the modified Population Needs Assessment (PNA) and new Population Health Management (PHM) Strategy requirements.</p>
<p>APL 23-022 (Issued 08/15/2023) Continuity of Care for Medi-Cal Beneficiaries Who Newly Enroll in Medi-Cal Managed Care from Medi-Cal Fee-For-Service, on or After January 1, 2023</p>	<p>The APL provides the Plan with guidance on Continuity of Care for beneficiaries who are mandatorily transitioning from Medi-Cal Fee-For-Service to enroll as Members in Medi-Cal managed care. This APL applies to both Medi-Cal only beneficiaries and those dually eligible for Medicare and Medi-Cal.</p>
<p>APL 23-023 (Issued 08/18/2023) Intermediate Care Facilities for Individuals with Developmental Disabilities -- LTC Benefit Standardization and Transition of Members to Managed Care</p>	<p>This APL contains requirements related to Intermediate Care Facilities for the Developmentally Disabled Homes, Intermediate Care Facilities for the Developmentally Disabled-<u>Habilitative</u> Homes, and Intermediate Care Facilities for the Developmentally Disable - <u>Nursing</u> Homes.</p>
<p>APL 23-024 (Issued 08/24/2023) Doula Services</p>	<p>The APL provides the Plan with guidance regarding the qualifications for providing doula services, effective for dates of service on or after January 1, 2023</p>
<p>APL 23-025 (Issued 9/14/2023) Diversity, Equity, and Inclusion Training Program Requirement</p>	<p>This APL provides the Plan with guidance regarding the Diversity, Equity, and Inclusion training program requirements</p>
<p>APL 23-026 (Issued 09/25/2023) Federal Drug Utilization Review Requirements Designed to Reduce Opioid Related Fraud, Misuse and Abuse</p>	<p>The APL provides the Plan with guidance related to the implementation of federal Medicaid Drug Utilization Review requirements.</p>
<p>APL 23-027 (Issued 09/26/2023) Subacute Care Facilities -- Long Term Care Benefit Standardization and Transition of Members to Managed Care</p>	<p>The APL provides requirements to the Plan on the Subacute Care Facility Long Term Care benefit standardization provisions of the California Advancing and Innovating Medi-Cal initiative, including the mandatory transition of Medi-Cal members to managed care.</p>
Department of Managed Health Care (DMHC)	
<p>APL 23-018 (Issued 8/17/2023) RY 2024/MY 2023 PAAS NPMH Provider Follow-Up Appointment Initial Performance Target for Corrective Action</p>	<p>The APL states that in reporting year (RY) 2024/MY 2023, reporting plans are to meet or exceed an 80% Provider Appointment Availability Survey initial performance target for Non-Physician Mental Health provider follow-up appointments. It also requires reporting plans that do not meet this rate of compliance for one or more networks to submit a corrective action plan.</p>
<p>APL 23-019 (Issued 9/21/2023) Health Plan Expansion for Medicare Medi-Cal Plans</p>	<p>The APL provides background and identifies the subsets of health care service plans regulated by the Department that are required to submit a filing for Medicare Medi-Cal Plans, the California-specific names for Exclusively Aligned Enrollment Dual Eligible Special Needs Plans.</p>
Retrospective Audits & Reviews	
<p>The Compliance Department conducts retrospective audits on regulatory All Plan Letters and issues guidance. From the published requirements, the Compliance Department conducts a risk analysis and identifies those that pose a higher degree of risk to the Plan. All Plan Letters published in 2022 and the first and second quarter of 2023 were evaluated and selected for review based on the risk assessment. To date, the plan has completed seven retrospective audits.</p>	

Regulatory Reports & Filings	
<p style="text-align: center;">Regulatory Reports & Filings Submission to Government Agencies</p>	<p>KHS is required to submit certain types of information to both DHCS and DMHC for various reasons. In some cases, plans are required under statute or regulation to regularly 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.</p> <p>Those submissions often come in the form of 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>
<p style="text-align: center;">Regulatory Submissions 2022 vs 2023</p>	<p>Regulatory submissions to both DHCS and DMHC will continue to increase annually in relation to the various legislative and CalAIM requirements either currently or planned for implementation in 2024-2026.</p> <p>From January through September, KHS has seen an increase of 50% in the number of submissions over the same time period in 2022.</p>
DMHC Consumer Complaints & Independent Medical Reviews	
<p>The Plan addresses and tracks enrollee complaints and requests for independent medical review (IMR) as assigned by the DMHC. In August and September 3 IMRs were received vs. 6 Consumer complaints. 2023 Totals: 12 IMRs; 30 Consumer Complaints.</p>	
2024 Operational Contract Readiness	
<p>DHCS initiated Operational Readiness Activities associated with the 2024 contract in February 2023. The new 2024 contract incorporates some significant changes – some of which have been communicated in APLs, and some of which have not. The 2024 contract will amplify DHCS’s ongoing investment in its vision for Medi-Cal and includes significant requirements for expanding California Advancing and Innovation Medi-Cal (CalAIM) framework, provision of benefits for all, regardless of immigration status, implement Children and Youth Behavioral Health initiative, expand Behavioral Health Continuum infrastructure, increased funding for Home and Community Based Services, new benefits to support culturally competent services and provide alignment with DHCS’s Comprehensive Quality Strategy and Equity Roadmap.</p>	
<p style="text-align: center;">Submission Summary</p>	<p>A total of 225 deliverables have been submitted; KHS is on track to deliver remaining items by the required due dates (10 deliverables due 12/28/2023; 10 deliverables are awaiting due dates from DHCS.)</p> <p>Project underway to ensure the successful implementation of all required updates needed for 2024.</p>
<p style="text-align: center;">Submission Status</p>	<p>Of the materials submitted to date, 215 have been approved by DHCS, with 8 items under review at DHCS, and 2 on hold at DHCS.</p> <p>DHCS has approved KHS to ‘go live’ under the new contract in 2024.</p>
Fraud, Waste, and Abuse (FWA)	
<p>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. Many of the investigations include re-education of the providers and members on topics such as correct coding; ensuring claims are submitted with the rendering provider, and the appropriate use of transportation benefits. To date in 2023, KHS has received or identified 168 allegations of potential fraud, waste, or abuse, with 100 cases being reported to DHCS.</p>	

DHCS Regulatory Medical Audit | 2022

DHCS conducted a routine medical survey of KHS in late 2022/early 2023. The survey period covered 11/01/2021 – 10/31/2022:

- KHS had a total of twenty-nine (29) findings across the six (6) categories audited by DHCS.
- KHS submitted our initial Corrective Action Plan on 06/08/2023 and currently submits a monthly response to any additional requests from DHCS for clarification and/or additional supporting documentation.
 - Our second monthly update was submitted on 09/15/2023, with the next update due 10/15/2023.
 - Ninety-three (93) separate corrective actions were submitted for the twenty-nine (29) findings, which included but were not limited to: policy updates, job aids, refresher trainings, updated reports and internal monitoring/auditing processes.
 - DHCS has accepted eighty-three (83) of the actions submitted
 - DHCS has partially accepted ten (10) of the actions submitted
 - The Corrective Action Plans for nineteen (19) of the twenty-nine (29) findings have been fully accepted by DHCS

The Corrective Action Plans for ten (10) of the twenty-nine (29) findings have been partially accepted by DHCS.

KERN HEALTH SYSTEMS
2023
Compliance Program

ACTIVITY	DETAIL/TASK	TARGET DATE	ACCOUNTABILITY	Risk	STATUS	Q1 COMMENTS	Q2 COMMENTS	Q3 COMMENTS	Q4 COMMENTS
Compliance Plan									
A. Annual Review/Update of Compliance Documents and Written Policies and Procedures									
1. 2023 Compliance Plan	Create 2023 Compliance Plan and for Executive approval	3/31/2023	Director of Compliance		Complete	Draft submitted to CCO 03/29/2023			
1a. Obtain Board Approval	Obtain Board Approval of Compliance Plan	4/16/2023	Chief Compliance Officer		Complete		BOD approval on 4/16/2023		
2. Review/Update and Approval of Compliance Code of Conduct	Update Code of Conduct to align with 2024 DHCS Contract and obtain Board approval	8/22/2023	Director of Compliance		Complete		Updated Code of Conduct to incorporate 2024 language; approved by DHCS on 06/14/2023; will be reviewed by CEO/CCO to determine if additional updates are needed.		
2a. Obtain Board Approval of Compliance Code of Conduct	Obtain Board Approval of Compliance Code of Conduct	11/15/2023	Chief Compliance Officer		In Progress				
3. Review/Update and Approval of Compliance Guide	Update Code of Conduct to align with 2024 DHCS Contract and obtain Board approval	11/15/2023	Director of Compliance		In Progress				
3a. Obtain Compliance Committee Approval of Compliance Guide	Obtain Compliance Committee Approval of Compliance Guide	11/15/2023	Chief Compliance Officer		In Progress				
4. Create 2023 Compliance Program	Create 2023 Compliance Program description and obtain Board approval	5/22/2023	Director of Compliance		Complete				
4a. Obtain Compliance Committee Approval of Compliance Program	Obtain Compliance Committee Approval of Compliance Program	11/15/2023	Chief Compliance Officer		In Progress	Many reviews/updates underway as part of 2024 contract readiness	Updated to incorporate 2024 language; approved by DHCS on 06/14/2023; will be reviewed by CEO/CCO to determine if additional updates are needed.		
5. Coordinate Departmental Review/Update of all Policy and Procedures	Create schedule & ensure all policies	12/31/2023	Compliance Manager Compliance Analyst Compliance Specialist		In Progress	Many reviews/updates underway as part of 2024 contract readiness	Currently reconciling policies updated through 2024 contract readiness activities vs. policy updates for other regulatory efforts.		
5a. Create schedule and distribute to stakeholders	Create schedule for policy reviews and distribute	8/15/2023	Compliance Manager		Complete		In progress and on track	Tasks created and distributed according to regulatory requirements	
5b. Track to completion	All policies to be reviewed by end of year	12/31/2023	Compliance Manager Compliance Analyst Compliance Specialist		In Progress				
5c. Report Policy Review Status in Compliance Committee Meetings	Provide quarterly update to Compliance Committee (number reviewed/to be reviewed by department)	3Q 2023 forward	Compliance Manager Compliance Analyst Compliance Specialist		In Progress		Updated to begin reporting in Compliance Committee in the third quarter meeting	Reconciling policies for 2024 contract, NCQA, and APL alignment ongoing	
6. Review/Update Compliance Policy & Procedures	Review/Update all Compliance owned policy and procedures	12/31/2023	Director of Compliance Compliance Manager		In Progress		Several policies updated through 2024 Contract Readiness deliverables; remaining policies will be reviewed by target date	Reconciling policies for 2024 contract, NCQA, and APL alignment ongoing	
6a. Create Public versions of policies where needed (e.g. FWA, HIPAA)	Create public facing versions of identified policies (e.g. HIPAA; FWA; etc)	10/31/2023	Director of Compliance Compliance Analyst		In Progress		Updated for 2024 DHCS Contract Readiness; public-facing policies created, will be sent internally for review and then filed with regulators for approvals by 08/31/2023	Updated due date to 10/31/2023; HIPAA policies being revamped to separate into multiple new policies for multiple subjects (access; amendment, verification of authority, etc.). On track to be completed by 10/31/2023	
6b. Finalize New HIPAA Privacy policies and procedures	Create missing privacy-related policies and procedures	10/31/2023	Director of Compliance Compliance Manager		In Progress		Updated for 2024 DHCS Contract Readiness. Gaps also identified for Federal HIPAA requirements and additional policies being created. In progress; will be sent internally for review and then filed with regulators for approvals by 08/31/2023	Updated due date to 10/31/2023; HIPAA policies being revamped to separate into multiple new policies for multiple subjects (access; amendment, verification of authority, etc.). On track to be completed by 10/31/2023	
B. Compliance Committee and Oversight									
1. Conduct Committee Meetings at least quarterly									
1a. Conduct Compliance Committee meetings at least quarterly	Create agenda, minutes and action items, related reporting and documents for review and hold meeting quarterly	Quarterly	Director of Compliance Compliance Manager		In Progress	Q1 Meeting held 03/27/2023	Q2 Meeting held 07/10/2023	Q3 Meeting scheduled 10/9/2023	
1b. Conduct Fraud, Waste, and Abuse Committee at least quarterly	Create agenda, minutes and action items, related reporting and documents for review and hold meeting quarterly	Quarterly	Director of Compliance Compliance Manager		In Progress	Q1 Meeting held 04/17/2023	Q2 Meeting held 07/25/2023	Q3 meeting scheduled 10/10/2023	

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ACTIVITY	DETAIL/TASK	TARGET DATE	ACCOUNTABILITY	Risk	STATUS	Q1 COMMENTS	Q2 COMMENTS	Q3 COMMENTS	Q4 COMMENTS
1c. Conduct Delegation Oversight Committee at least quarterly	Create agenda, minutes and action items, related reporting and documents for review and hold meeting quarterly	Quarterly	Director of Compliance Compliance Manager		In Progress	Q1 Meeting held 03/24/2023	Q2 Meeting held 07/26/2023	Q3 meeting scheduled 10/11/2023	
2. Review/update Committee Charters at least annually	Review/Update Charters and obtain Committee Approvals							Will schedule review/approval to align with 2024 contract implementation	
2a. Compliance Committee	Review/Update Charter	11/30/2023	Chief Compliance Officer		In Progress			Will schedule review/approval to align with 2024 contract implementation	
2a.1 Obtain Committee Approval	Obtain Committee Approval on updated Charter	11/30/2023	Chief Compliance Officer		In Progress			Will schedule review/approval to align with 2024 contract implementation	
2b. FWA Committee	Review/Update Charter	11/30/2023	Chief Compliance Officer		In Progress			Will schedule review/approval to align with 2024 contract implementation	
2a.1 Obtain Committee Approval	Obtain Committee Approval on updated Charter	11/30/2023	Chief Compliance Officer		In Progress			Will schedule review/approval to align with 2024 contract implementation	
2c. Delegation Oversight Committee	Review/Update Charter	11/30/2023	Chief Compliance Officer		In Progress			Will schedule review/approval to align with 2024 contract implementation	
2c.1 Obtain Committee Approval	Obtain Committee Approval on updated Charter	11/30/2023	Chief Compliance Officer						
3. Provide regular Compliance Updates to the Board of Directors	Distribute monthly Compliance Corner email communication by the 10th of each month	Bi-Monthly BOD Meetings	Chief Compliance and Fraud Prevention Officer/Director of Compliance		In Progress	02/16/2023 BOD Update	Due to agenda, update not provided	8/16/2023 BOD update, including recommendation for new format and Board and Compliance Governance Committee, pending final approval	
C. Effective Training and Education									
1. In coordination with HR, review/update Corporate Compliance Training for calendar year 2024									
1a. Compliance Training	Review/update Compliance Training	11/30/2023	Director of Compliance		In Progress	In progress	Reviewed for 2023, but additional enhancements to be created for 2024 training.		
1b. Fraud, Waste, and Abuse Training	Review/Update FWA Training	11/30/2023	Director of Compliance		In Progress		Reviewed for 2023, but additional enhancements to be created for 2024 training.		
1c. HIPAA/Privacy Training	Review/Update HIPAA/Privacy Training	11/30/2023	Director of Compliance		In Progress		Reviewed for 2023, but additional enhancements to be created for 2024 training.		
2. In coordination with HR, track/report on completion of mandatory training (Compliance, FWA, HIPAA)	Track annual training to completion	12/30/2023	Director of Compliance (HR resource TBD)		In Progress		Working with 2024 DHCS Contract Project team to develop Compliance Dashboard to include this		
2a. Report training status in quarterly Compliance Committee Meetings	Report status of training completions, by department, in quarterly Compliance Committee Meetings	Quarterly	Director of Compliance (HR resource TBD)		In Progress		On track to report in October Compliance Committee Meeting and moving forward	On track to report in 10/09/2023 Compliance Committee Meeting and moving forward	
3. Review/Update New Hire Orientation Overview	Review/Update Compliance New Hire Orientation Overview	5/15/2023	Director of Compliance		Complete		Updated and completed monthly by Chief Compliance Officer with new hires	Completed monthly by Chief Compliance Officer with new hires	
4. Compliance & Ethics Week	Plan and Execute activities for annual Compliance & Ethics Week	11/15/2023	Compliance Manager Compliance Team Members		In Progress				
5. Establish Compliance Training for Subcontractors	Establish content and method for delegated entity/subcontractor Compliance training	10/31/2023	Compliance Manager Director of Compliance		In Progress				
5a. Identify Delegated Entities/Subcontractors to receive training	Identify subcontractors to which Compliance Training applies	8/31/2023	Compliance Manager Director of Compliance		Complete		Stria no longer a business partner with KHS	KP, VSP, Helath Dialog, Language Line, and AL are identified as delegated entities	
5b. Implement Compliance Training for Subcontractors	Implement delegated entity/identified subcontractor training	12/31/2023	Compliance Manager Director of Compliance		In Progress				
6. Review and provide feedback on content of Provider Manual	Review and continually expand upon content of Provider Manual for Compliance-related topics	Quarterly	Compliance Manager Director of Compliance		Complete	Compliance Manager Completed Review Director to review and submit to PNM	Provided feedback to PNM for updating FWA section in Q2 On track to provide additional information to include regarding HIPAA for Q3 review		
7. Compliance distributes notifications to key stakeholders of any DHCS-related meeting/webinar/presentations	Receive, review, distribute regulatory updates regarding trainings, webinars, meetings to relevant stakeholders	Ongoing	Compliance Manager		In Progress				

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ACTIVITY	DETAIL/TASK	TARGET DATE	ACCOUNTABILITY	Risk	STATUS	Q1 COMMENTS	Q2 COMMENTS	Q3 COMMENTS	Q4 COMMENTS
8. 2024 DHCS Contract Readiness Activities	Compliance coordinates with project team and key stakeholders on deliverables, AIRs, and implementation readiness	Ongoing	Director of Compliance Compliance Analyst		In Progress		196 deliverables submitted to date and 190 approved by DHCS; 5 items still under DHCS review and 1 on hold by DHCS. 55 deliverables with future due dates remain and are on target for submission.	To date, 254 total deliverables with 218 approved by DHCS. KHS received approval from DHCS to move forward with 2024 contract based on deliverables to date. Remaining MOU work will continue through mid 2024.	
9. Compliance key personnel attend regulatory-focused meetings:	Attend calls and report relevant updates to key stakeholders								
9a. LHPC call (weekly)		Weekly	Director of Compliance		In progress		Compliance attends weekly calls		
9b. CAHPS meeting (weekly)		Weekly	Manager of Compliance		In progress		Compliance attends weekly calls		
9c. DHCS Plan Call (including Payment Call) (weekly)		Weekly	Director of Compliance		In progress		Compliance attends weekly calls		
9d. DHCS topic-specific webinars/meetings (ad hoc)		As scheduled	Director of Compliance Compliance Manager		In progress		Compliance attends weekly calls topic-specific and webinars as scheduled by DHCS		
9e. DMHC Roundtable Meetings (quarterly)		Quarterly	Director of Compliance		In progress		Compliance Director attends quarterly		
9f. LHPC Compliance Officer Meetings (monthly)		Monthly	Chief Compliance Officer Director of Compliance		In progress		Compliance attends monthly		
9g. LHPC Compliance Officer Contract Readiness (bi-monthly)		Bi-Monthly	Chief Compliance Officer Director of Compliance		Complete		This meeting ended in Q1 and conversation rolled into 9f above.		
D. Effective Lines of Communication									
1. Distribute Monthly "Compliance Capsule" email communications	Distribute monthly Compliance Capsule email communication by th 15th of each month	05/15/2023 - 12/15/2023	Compliance Manager Compliance Analysts		In progress		Began sending out monthly Compliance Capsule and posting to Ceridian: May Compliance Capsule: HIPAA June Compliance Capsule: FWA	July Compliance Capsule: DMHC vs DHCS Education	
2. Conduct Compliance Awareness Survey	Compliance will implement a compliance survey to obtain feedback from employees regarding various compliance topics such as training, retaliation, HIPAA, and the Compliance Helpline. Such surveys evaluate how well the compliance program is functioning and identify areas that can be strengthened.	11/30/2023	Compliance Manager / Director of Compliance					Updated due date to 11/30/2023 to conduct survey following completion of Compliance Week activities in early November.	
4. Focus at least one monthly Compliance Capsule email on methods for communication with Compliance		8/15/2023	Director of Compliance		In progress		Compliance Capsule posted each months Q2	Compliance Capsule posted each months Q3	
5. Compliance Updates			Chief Compliance Officer Director of Compliance		In progress				
5a. Compliance provide updates at monthly in Executive Officers Meeting		Monthly	Chief Compliance Officer Director of Compliance		In Progress	Updates on Compliance issues provided during monthly ELT meetings 2/28/23; 3/28/23.	Updates on Compliance issues provided during monthly ELT meetings 4/11/23; 5/2/23; 5/23/23; 6/6/23; 6/20/2023.		
5b. Compliance provides updates at least every-other-month in Operations Meeting		At least every other month	Chief Compliance Officer Director of Compliance		In Progress				
6. Compliance continues to coordinate communication and hold meetings as needed regarding regulatory updates (APLs, emails, DHCS weekly meetings, etc.)		Ongoing	Compliance Manager Director of Compliance		In Progress				
7. Participate in weekly Grievance & Appeals review meetings	review materials, attend meetings, request updates, provide education in weekly meetings	weekly	Director of Compliance		In Progress	Compliance Director has participated and provided feedback in each weekly meeting	Compliance Director has participated and provided feedback in each weekly meeting		
8. Participate in weekly Discriminations review meetings	review materials, attend meetings, request updates, provide education in weekly meetings	weekly	Director of Compliance		In Progress	Compliance Director has participated and provided feedback in each weekly meeting	Compliance Director has participated and provided feedback in each weekly meeting		
E. Well Publicized Disciplinary Standards									
1. In coordination with HR, ensure review of new hires against exclusionary databases and report out in Compliance Committee		10/30/2023	Director of Compliance					Audit recent new hires for review of exclusionary database cross reference in October 2023	
2. Incorporate further emphasis on disciplinary standards into Compliance materials, trainings, policies, and new hire orientation		11/30/2023	Director of Compliance					Add information to new hire orientation presentation at onboarding 10/9/2023	
F. Routine Monitoring and Identification of Compliance Risks									

**KERN HEALTH SYSTEMS
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Compliance Program**

ACTIVITY	DETAIL/TASK	TARGET DATE	ACCOUNTABILITY	Risk	STATUS	Q1 COMMENTS	Q2 COMMENTS	Q3 COMMENTS	Q4 COMMENTS
1. Complete Risk Assessments and incorporate into Compliance Auditing/Monitoring Plan for 2024		8/30/2023	Director of Compliance						
1a. 2022 APLs		8/30/2023	Director of Compliance		Complete		Compliance completed risk assessment of 2022 APLs and prioritized for retrospective reviews	Prioritized APL retrospective reviews (10) for completion	
1b. 2022 DHCS Medical Survey Findings		8/30/2023	Director of Compliance		Complete				
1c. 2023 DMHC Medical Survey Findings		8/30/2023	Director of Compliance		Complete				
1d. Prior Regulatory Audits		8/30/2023	Director of Compliance		Complete				
4. Establish Routine monthly Operational Reporting for Monitoring/Oversight/Identification of Potential Compliance Issues (e.g. Grievance timeliness)		04/30/2023	Director of Compliance		In Progress	Has been added to 2024 Readiness project as acceptance criteria	Defined requirements and currently working with 2024 DHCS Contract Readiness Project Team to develop Compliance Dashboard On Track for Grievance team to provide independent timeliness reporting in Q3 Compliance Committee Meeting		
5. Based on final monitoring plan, report on items being monitored in quarterly Compliance Committee Meeting		10/31/2023	Director of Compliance		In Progress		On track to report out in 10/9/2023 Compliance Committee Meeting		
6. Based on final internal auditing plan, conduct and report out on all audits in the Compliance Committee Meeting (# TBD)		Q3 2023	Director of Compliance		In Progress			Internal retrospective audit began in 7/2023-will report out in Q3 Compliance committee	
G. Procedures and Systems for Prompt Response to Compliance Issues									
1. Create Compliance Issues Tracking Log		2/1/2023	Director of Compliance		Complete	Log created and 2023 items being tracked			
1a. Report on status of Compliance Issues in quarterly Compliance Committee Meetings		Q3, Q4 meetings	Director of Compliance Manager of Compliance		In Progress		Log implemented; Compliance Committee Reporting will begin with 10/09/2023 Compliance Committee Meeting		
2. Create Compliance Policy for Prompt Response to compliance Issues (include tracking mechanism, reporting, CAP process)		06/30/2023	Director of Compliance		Complete		Draft policy completed		
2a. Create Corrective Action Plan template for CAPs (internal/external)		11/30/2023	Director of Compliance		In Progress		Began compiling options for actual template	Targeting end of Q3 for completion	
2b. Report on status of CAPs in quarterly Compliance Committee Meetings		Q2, Q3, Q4 meetings	Director of Compliance		In Progress		No Corrective Action Plans issued	Several CAPs are in draft and will be reported in Compliance Committee Meeting on 10/09/2023: * Kaiser Audit * VSP access & availability * Provider potential FWA	
H. Fraud, Waste, and Abuse (FWA)									
1. Attend Annual and Quarterly DOJ FWA Trainings		12/31/2023	Director of Compliance Chief Compliance Officer Compliance Analyst		In Progress	Director of Compliance and Compliance Analyst attended in February	CCO attended 5/9/23 in San Francisco	KHS did not attend August meeting-DOJ omitted invite	
2. Review/Update Annual FWA Plan	Review, update, and submit annual FWA plan to DMHC	12/31/2023	Director of Compliance					FWA subgroup chaired by CCO to review process for monitoring/oversight	
3. Facilitate FWA Data Mining Workgroup at least every other month	Facilitate workgroup meetings and prioritize	Ongoing	Director of Compliance		In Progress				
3b. Identify and assess at least one FWA Data Mining Initiative per quarter		Ongoing	Director of Compliance / Compliance Analyst Data Mining Workgroup		In Progress	* Impossible Visits and high-level E&M currently underway * Data refresh for transportation requested for 2nd quarter initiative	Transportation (ghost/duplicate trips)	Lab tests and telehealth reviewed for overutilization	
4. Conduct investigations regarding potential FWA and provide Updated FWA Reporting to FWA Committee		Ongoing	Director of Compliance / Compliance Analyst		In Progress		Investigations ongoing; 104 cases received in 2023 through June 30, 2023; 80 complete. Status reported in 04/17/2023 FWA Committee		
I. Delegation Oversight									
1. Schedule & Coordinate Annual Delegation Oversight Audits						Part of Compliance Audit/Monitoring Plan			

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ACTIVITY	DETAIL/TASK	TARGET DATE	ACCOUNTABILITY	Risk	STATUS	Q1 COMMENTS	Q2 COMMENTS	Q3 COMMENTS	Q4 COMMENTS
1a. Kaiser		9/30/2023	PNM		Complete		KP requesting to delay until August/September 2023 due to other scheduled audits. On track to complete by end of Q3	Completed in Spetember 2023-final report to KP October 11, 2023	
1b. VSP		10/31/2023	PNM/UM		In progress	Claims and Credentialing completed	On track to complete by end of Q3	Planned for October 2023	
1c. Stria		8/31/2023	Robin Dow-Morales - monthly Stria quality audit Director of Compliance		Complete		Stria/Bitwise business furloughed/closed May 2023- services no longer utilized/delegated. Claims completed monthly Audits through March		
1d. American Logistics (AL)		11/30/2023	Member Services Marketing		In progress			Planned for November 2023	
1e. Health Dialog		10/31/2023	UM		In progress	Identify additional elements that need to be audited (in progress)		Planned for October 2023	
2. Determine additional Subcontractors to be audited (e.g. Interpreter; Health Education vendors; etc.) and develop schedule		8/30/2023	Director of Compliance (w/ Director of C&L/HE)		In progress		Language line oversight implemented		
3. Participate in quarterly delegated subcontractor joint operating meetings (JOM)									
3a. Kaiser		Ongoing	Director of Compliance		In progress	Director of Compliance participated in 03/21/2023 JOM	Director of Compliance participated in 06/23/2023 JOM		
3b. VSP		Ongoing	Director of Compliance		In progress	Director of Compliance participated in 02/01/2023 JOM	Director of Compliance participated in 05/10/2023 JOM		
3c. AL		Ongoing	Director of Compliance		In progress		Director of Compliance added to distribution and participated in 05/25/2023 JOM		
3d. Health Dialog		Ongoing	Director of Compliance		In progress		Director of Compliance added to distribution and participated in 05/11/2023 JOM		
4. Create delegation reporting and compliance plan in accordance with 2024 contract readiness requirements			Director of Compliance		Complete		Delegation reporting and compliance plan was drafted and submitted to DHCS for approval on 06/14/2023		
4a. Delegation Function Matrix		6/30/2023	Director of Compliance		Complete		Delegation Function Matrix was drafted and submitted to DHCS for approval on 06/14/2023		
4b. Delegation Justification and Plan		6/30/2023	Director of Compliance		Complete		Delegation justification and plan was drafted and submitted to DHCS for approval on 06/14/2023		
4c. Contract Requirements Grid		6/30/2023	Director of Compliance		Complete		Delegation reporting and compliance plan was drafted and submitted to DHCS for approval on 06/14/2023		
5. Track Delegated Entity Compliance with APLs through APL grid attestation at least quarterly	Distribute APL grid to Kaiser and VSP; follow up as needed with subcontractors to complete; report out on status in Delegation Oversight Committee quarterly	Send by the 15th of the month following each quarter	Compliance Manager		In progress	2022 Grid distributed and responses received	Q1 distributed to Kaiser and VSP 04/03/2023	Q2 distributed to Kaiser and VSP 07/17/2023	
5a. Report status of Delegates APL compliance quarterly	Report status in Delegation Oversight Committee meeting quarterly	Meeting schedule	Compliance Manager		In progress		On Track to review in 07/26/2023 Delegation Oversight Committee Meeting		
5b. Determine if/how to incorporate other subcontractors and which subcontractors and begin distribution/tracking	Distribute APL grid and track to ensure responses received	Meeting schedule	Compliance Manager		In progress				



MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Alan Avery, Chief Operating Officer
SUBJECT: 3rd Quarter 2023 Operations Report
DATE: October 12, 2023

Kern Health System's (KHS) Operational Departments continue to meet all regulatory and health plan performance goals during the 3rd Quarter of 2023. Operational efficiency and productivity continue to look great as we manage the increased claims submission and new membership along with assisting our members to renew their Medi-Cal coverage.

CLAIMS

We continue to experience an increase in the number of incoming provider claims received during the 3rd Quarter of 2023. During this past quarter, we received an increase of 111,000 claims submitted in comparison to the 3rd Quarter of 2022. This increase can be attributed to the significant increase in new KHS membership and members once again seeking healthcare services. We will continue to monitor this trend as we experience the results of the Medi-Cal member redetermination activity which began with the July 1st eligibility. Given this continued increase in volume, we project we will exceed 4.4 million claims received in 2023 compared to 3.8 million in 2022. We do not have concerns with the increased number of claim receipts as 99% of claims continue to be submitted electronically with only 1% of the claims received via paper. These paper claims are then converted into an electronic file format allowing them to load electronically into the KHS claims workflow. Once loaded into the claims workflow, the QNXT core system processes them automatically. The auto adjudication of the claims continued to remain consistently high at 85%, meaning claims were received and processed without any manual intervention.

The Claims Department has a Provider Call Center within the department where providers can contact the Claims Department directly with questions and concerns. Calls coming into the Claims Provider Call Center are either directly from provider offices or third-party billers acting on behalf of providers offices. Most calls from local providers are requesting clarification for claim denials, coding questions and regulatory guidelines. On the other hand, calls from third party billers are basic questions that could be addressed via the provider portal-receipt of claims, status, check number, paid amount, address, etc. These calls often take longer to resolve as we often need to help educate callers regarding basic terminology, coding, authorization guidelines, etc. During the 3rd Quarter of 2023 we noticed a slight decrease in the number of calls from the previous quarter, from 8,129 to 7,379 calls. We attribute this slight decrease to the KHS staff educating callers

regarding how to use the KHS provider and PaySpan portals to answer their questions. In addition, multiple questions are addressed with the provider without having to make multiple calls.

ENCOUNTER REPORTING

In addition to processing provider claims on a weekly basis, KHS is required to submit the resulting payment form of encounters to the Department of Health Care Services (DHCS). The submission of encounters is critical as they are used by the State to determine the future reimbursement to KHS as well as supplemental pass-through payments to providers such as Hospital Directed Payments. The State reviews our weekly files and either accepts or rejects the individual encounters.

Prior to 2020, encounter reporting was inconsistent and was not a priority. There were no consistencies in addressing errors and rejections from the State. However, KHS was not alone as most Health Plans were handling encounter submissions in much the same manner. DHCS was not providing clear direction in how they were administering the encounter process and was even considering sanctioning Health Plans for low performing, unacceptable, or needs improvement. At that point, KHS assigned the Claims Department the responsibility of overseeing the encounter submission process. The Claims management team established a multi departmental team consisting of Member Services Eligibility, I.T. and Claims staff members. This cross functional team worked closely together to confirm acceptance criteria from the State and ensured files were submitted every week, were processed by the State, and worked any rejections or errors identified in the process. As a result, KHS has now been recognized by the State on our 2nd Quarter 2023 Encounter Data Repot Card as a **High-Performing Health Plan with 100% completeness and 100% timeliness rating**. In fact, our current Encounter Data Grade Point Average is 4.0. It does not get any better than this!

MEMBER SERVICES

Member and Provider calls to the Member Services Department Call Center increased during the 3rd Quarter by almost 8500 calls. This increase can be attributed to new membership and the expanded member outreach as part of the MCAS call campaign and the Medi-Cal redetermination communication campaign. As a result of the increased calls, we had difficulty maintaining our historical low abandonment rate and short average speed to answer rate. Even though both metrics are within targeted goals, management is working on staffing and process improvements plans to improve these metrics. The top five reasons members continued to call Member Services remain the same: (1) New Member questions, (2) Changing PCP, (3) Making demographic changes, (4) ID Card replacement and (5) Checking referral status. There was a total of 84,535 outbound calls made during the 3rd Quarter of 2023 which is in line with previous quarters.

On-site member visits in the 3rd Quarter also increased to 1138 visitors to the building to address their benefit questions and pick up new I.D. cards. However, the majority of the increased is being driven by members requesting help to complete their Medi-Cal renewal. We continue to successfully manage member onsite visits and incoming phone activity by encouraging members to obtain their own personal account on the KHS Member Portal powered by the Zipari/HealthX

member portal. Currently 67,101 members have online accounts which allows them to perform all the top five reasons they would normally call or visit Member Services.

PROVIDER RELATIONS

On a quarterly basis, the Provider Network Management (PNM) Department monitors network growth, capacity, and accessibility.

The Primary Care Provider (PCP) network had a modest increase of 9 new providers while the specialty provider network also had a slight increase of 16 net new providers during the 3rd Quarter. Our complete contracted provider network consisted of 3,749 providers at the close of the Quarter.

The Department monitors network capacity/adequacy via a Full-Time Equivalency (FTE) provider to member ratio, based on regulatory requirements. For PCPs, the regulatory standard is one FTE PCP for every 2,000 members. As of the 3rd Quarter of 2023, the Plan maintains a network of one FTE PCP for every 1,760 members, meeting the requirement. The Plan is also required to maintain a network of one FTE physician for every 1,200 members. As of the 3rd Quarter, the Plan maintains a network of one FTE Physician for every 345 members, meeting the requirement. Even as our membership continues to grow, the Plan's network continues to meet all regulatory capacity/adequacy requirements. PNM maintains ongoing recruitment and contracting efforts to promote network growth and ensure access to care for Plan members.

The last key provider network indicator that we continually monitor, and report is PCP and Specialty care appointment availability. Non-urgent PCP appointments must be available within 10 days. During the 3rd Quarter, the PCPs provided visits on average within 3.7 days. Non-urgent appointments with a specialist must be available within 15 days. Our specialist appointment is currently at 5.0 days.

GRIEVANCE REPORT

Total grievances for the 3rd quarter appear to have decreased, but this representation is due to the short turnaround time for reporting purposes. We will better understand the 3rd quarter trends when we report the 4th quarter and look back over the entire year of 2023. The biggest change that may remain true in the 3rd quarter is the decrease in Potential Inappropriate Care (PIC) grievances. During the 3rd quarter, there was a change in the grievance reviewing process; instead of the clinical team in the Quality Improvement (QI) Department performing the initial reviews, Grievance Coordinators have been trained to identify PIC grievances and then forward to the QI Department for further review and investigation.

DHCS requires health plans to forward copies of all member discrimination grievances within 10 days to their office of Civil Rights when members allege discrimination based on any characteristic protected by federal or state nondiscrimination laws. Characteristics protected by federal, or state nondiscrimination laws include sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental ability, physical disability, medical condition, genetic information, marital status, gender, gender identity, sexual orientation, creed, or health status. The plan received 32 grievances classified as discrimination during the 3rd Quarter reporting period compared to 64

received during the previous quarter. We believe this decrease will hold up as an overall decrease when we wrap up the 2023 year-end report. All discrimination grievances were reported timely to DHCS Office of Civil Rights.

Part two of the Grievance Report is the disposition of the formal grievances. Following the QI review and investigation of the 490 PIC grievances received, 217 of the decisions were upheld, 179 required further review, and 94 were overturned and ruled in favor of the member. The remaining 979 grievances were reviewed and managed by the Grievance Coordinators. 400 of the decisions were upheld by the Plan, 272 required further review, and 307 were overturned and ruled in favor of the member. The primary reason for overturning the original decision of the grievance occurs when we receive additional supporting documentation from the member or the provider.

To fully understand the dynamics and relativity of the grievance volume, the plan calculates the number of grievances received in relation to the number of medical visits and the enrollment. During the 3rd Quarter, there was over a million medical encounters provided to our 370,000 members many of whom are new to managed care. In total, KHS received 1.03 grievances per 1,000 members, well within the range of the other LHPC Plan averages of 1.00 – 3.99 per month.

MEDI-CAL REDETERMINATION

During the 3rd Quarter, KHS continued in the execution of an extensive Member Redetermination direct and general outreach to assist members in renewing their Medi-Cal coverage. To support the strategy, KHS partnered with the Kern County Department of Human Services (DHS) by housing three DHS workers on-site. In addition, KHS has added twenty Member Navigators who have been fully trained to assist members in the Medi-Cal renewal process including using the California Statewide Automated Welfare System- CalSAWS. This tool has dramatically improved KHS staff 's ability to assist the County and DHS in the renewal process.

The Medi-Cal strategy is comprised of three parts: (1) member direct outreach (2) member and community outreach including revised advertising campaign and (3) provider and community partner collaboration.

KHS receives a weekly update file from DHS with KHS enrolled members who are due to renew their eligibility within the next sixty days. We use this information to focus our efforts on those who have not completed the renewal process. A letter is mailed to each head of household sixty and thirty days in advance of their renewal date. KHS also conducts live outreach by our Member Navigators, text messages and robocalls. Finally, members who still have not completes their renewal application within ten days of their renewal, receive a text message, robocall and a personal call from one of the KHS Member Navigators.

The member and community outreach component of the redetermination strategy includes KHS Community Enrollment Navigators who work with our provider/community partners in Bakersfield and the outlying areas of Delano, McFarland, Taft and Arvin.

The provider and community partner component of the redetermination strategy also includes collaboration efforts with the major Medi-Cal enrollment entities such as Clinica Sierra Vista, Omni Family Health, Kern Medical, Community Health Initiative, CAPK, Community Health Workers and others. KHS maintains a list of enrollment agencies to refer members who need hands on assistance to the closest location.

KHS has also increased the general outreach to the community thru improved and expansion of social media, posts and additional focused advertisement strategies via television, radio, cinema commercials in local theaters and the Department of Motor Vehicle offices. In addition, we continue to increase our community presentations by attending back to school events, presentations to the farm workers at local vineyards and providing flyers to our community partners.

We believe our Redetermination Strategy is paying off in huge dividends. 91% of the KHS members with a renewal date of June, July, and August are still enrolled with us. This is significantly better than other California Medi-Cal Plans who are reporting losses of 15-20% of their members. We will continue to monitor the success of our strategy and look for opportunities to enhance it through the various outreach activities along with the support of our community and provider partners.

REQUESTED ACTION

Receive and file.

3rd Quarter 2023 | Operational Report

Board of Directors

October 12, 2023

KHS Board of Directors Meeting, October 12, 2023

Alan Avery
Chief Operating Officer



3rd Quarter 2023 Claims Department Indicators

Activity	Goal	3 rd Quarter	Status	2 nd Quarter 2023	1 st Quarter 2023	4 th Quarter 2022	3 rd Quarter 2022
Claims Received		1,093,561		1,146,582	1,049,582	958,308	982,337
Electronic	95%	99%		99%	99%	99%	99%
Paper	>5%	1%		1%	1%	1%	1%
Claims Processed Within 30 days	90%	98%		98%	95%	99%	99%
Claims Processed within 45 days	95%	99%		99%	99%	99%	99%
Claims Processed within 90 days	99%	100%		100%	100%	100%	100%
Claims Inventory-Under 30 days	96%	99%		99%	99%	99%	99%
31-45 days	3%	1%		1%	1%	1%	1%
Over 45 days	1%	1%		1%	1%	1%	1%
Auto Adjudication	85%	85%		87%	87%	86%	85%
Audited Claims with Errors	3%	2%		2%	2%	2%	2%
Claims Disputes	5%	1%		1%	1%	1%	1%
Provider Calls (New Category)		7,379		8,129	9,348	8841	7705



KHS State Encounters

Why are Encounters Important?

- All Claim submissions where payment occurs are sent to the state on a weekly basis.
- The State then reviews those files and either accepts or rejects the encounter.
- Encounter acceptance is key as it is used to determine payments to us as well as supplemental pass-through payments to providers - such as Hospital HDP payments.



KHS State Encounters

Over 75,000 records per week sent – highlighting acceptance rate of 99.92%

Week Starting 09/11	837P	837I	Totals
Total Claims Sent To State	63957	11145	75102
Transaction Accepted and Encounter Accepted	63909	11136	75045
Transaction Accepted and Encounter Denied	48	9	57
Transaction Rejected and Encounter Accepted	0	0	0
Transaction Rejected and Encounter Rejected	0	0	0
Acceptance Rate	99.92%	99.92%	99.92%
Denied Rate	0.08%	0.08%	0.08%

KHS State Encounters: Where we were

- Prior to 2020, encounters were not given the attention necessary, and our scores were continually unsatisfactory.
- We were not compliant with sending all files, and we were not compliant with addressing errors in files.
- The state was getting ready to administer fines and sanctions to plans based on encounters.
- 2.0 – low-performing – unacceptable – needs improvement - were terms on the Report Cards



KHS State Encounters: Current Day

- In 2020, The Claims Department became the oversight department, and established a multi-departmental team that addresses issues with encounters on a real time basis.
- The Multi-departmental team consists of team members from IT-EDI, Eligibility, and Claims.
- KHS has dedicated team members working the files.
- The cross-functional team works like a well-oiled machine and we are proud to share the scores we receive today.



Encounter Data Report Card

State of California - Health and Human Services Agency
 Department of Health Care Services
 Encounter Data Quality Report Card
 Kern Health Systems
 2023Q2



Encounter Data Grade Point Average (ED-GPA): 4.0

Plan Code	Encounter Data Quality Grade	Quarterly Data Quality Grade	Quarterly Averaged Rate	Quarterly Dimensional Rates			Previous QDQG		
				Completeness	Reasonability	Timeliness	2023Q1	2022Q4	2022Q3
				303	High-Performing	Acceptable	100.00%	100.00%	

3rd Quarter 2023 Member Service Indicators

Activity	Goal	3 rd Quarter 2023	Status	2 nd Quarter 2023	1 st Quarter 2023	4 th Quarter 2022	3 rd Quarter 2022
Incoming Calls		72,1886		63,691	68,925	56,216	66,020
Abandonment Rate	<5%	5%		1%	4%	1%	1.00%
Avg. Answer Speed	<2:00	1:32		:18	:53	:16	:09
Average Talk Time	<9:00	8:54		8:39	8:50	8:14	7:34
Top Reasons for Member Calls	Trend	1. New Member 2. PCP Change 3. Demographic Changes 4. ID Card 5. Referrals		1. New Member 2. PCP Change 3. Demographic Changes 4. ID Card 5. Referrals	1. New Member 2. PCP Change 3. Demographic Changes 4. ID Card 5. Referrals	1. New Member 2. PCP Change 3. Demographic Changes 4. ID Card 5. Referrals	1. New Member 2. PCP Change 3. Demographic Changes 4. ID Card 5. Referrals
Outbound Calls	Trend	84,535		84,668	111,401	72350	85,326
# of Walk Ins	Trend	1138		901	867	540	204
Member Portal Accounts-Q/Total	4%	3402 67,101 (18.21%)		3292 63,698 (17.03%)	2977 60,112 (16.37%)	2778 57,145 (16.41%)	4058 54,361 (15.93%)



3rd Quarter 2023 Provider Network Indicators

Activity	Goal	3 rd Quarter 2023	Status	2 nd Quarter 2023	1 st Quarter 2023	4 th Quarter 2022	3 rd Quarter 2022
Provider Counts							
# of PCP		458		449	438	428	434
% Growth		2.0%		2.51%	2.34%	(1.38%)	(1.81%)
# of Specialist		518		502	504	505	495
% Growth		3.19%		[.39%]	[.20%]	2.02%	10.49%
FTE Ratios							
FTE PCP Ratio	1:2000	1:1760		1:1829	1:1828	1:1755	1:1759
FTE Physician Ratio	1:1200	1:345		1:397	1:395	1:393	1:507
Wait Times							
PCP	< 10 days	3.7 days		1.9 days	3.5 days	2.8 days	4.3days
Specialty	< 15 days	5.0 days		9.6 days	10.6 days	6.9 days	12.2 days



3rd Quarter 2023 Grievance Report

Category2	Q3 2023	Status	Issue	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Access to Care	254		Appointment Availability	235	107	108	132
Coverage Dispute	0		Authorizations and Pharmacy	0	0	0	0
Medical Necessity	383		Questioning denial of service	421	312	335	346
Other Issues	52		Miscellaneous	55	48	38	30
Potential Inappropriate Care	490		Questioning services provided. All cases forwarded to Quality Dept.	703	627	670	514
Quality of Service	258		Questioning the professionalism, courtesy and attitude of the office staff. All cases forwarded to PR Department	282	163	156	86
Discrimination (New Category)	32		Alleging discrimination based on the protected characteristics	64	49	46	73
Total Formal Grievances	1469			1760	1306	1353	1181
Exempt	1328		Exempt Grievances-	1870	1564	1816	2328
Total Grievances (Formal & Exempt)	2797			3630	2870	3169	3509

**KHS Grievances per 1,000 members – 1.25/month.
LHPC Average 1.0 – 3.99/month**



Additional Insights-Formal Grievance Detail

Issue	2023 3 rd Quarter Grievances	Upheld Plan Decision	Further Review by Quality	Overtured Ruled for Member	Still Under Review
Access to Care	177	73	0	33	71
Coverage Dispute	0	0	0	0	0
Specialist Access	77	30	0	17	30
Medical Necessity	383	116	0	218	49
Other Issues	52	25	0	5	22
Potential Inappropriate Care	490	217	0	94	179
Quality of Service	258	133	0	33	92
Discrimination	32	23	0	1	8
Total	1469	617	0	401	451



Medi-Cal Redetermination-Direct Outreach

- KHS Member Redetermination Communication Strategy
 - Continuing partnership with Kern County Department of Human Services
 - Weekly Data exchanges
 - KCDHS Onsite Staffing
 - Supported by 20 KHS Member Navigators
 - Direct Member Outreach-mail, robocalls, personal calls, texting
 - Improved technology access
 - Renewal data included in online Member and Provider Portals
 - KHS Staff have read only access to the California Statewide Automated Welfare System (CalSAWs)
 - Ongoing Updates to the Direct Member Multichannel Outreach
 - Analysis of effective outreach modality
 - Adjusted efforts and content
 - Provider and Community Partner Collaboration and Support
 - Onsite staff assistance
 - Sponsored Provider and Community Partner staff training
 - Ongoing renewal data sharing and support



Medi-Cal Redetermination-General Outreach

- Improved advertising content and broadcast venues
 - Revised TV advertisement
 - Included cinema and the Department of Motor Vehicles offices
 - Revised radio advertisement
- Improved social media design and posts
 - Use of advanced technology such as social medial mirroring and geofencing to increase posts for a broader spectrum
- Community presentations and flyer distributions
 - Attended back to school events distributing flyers in backpacks
 - Provided in-person presentation to farm workers in local vineyards
 - Provided flyers to CBO's and other community partners



Medi-Cal Renewal Membership Impact

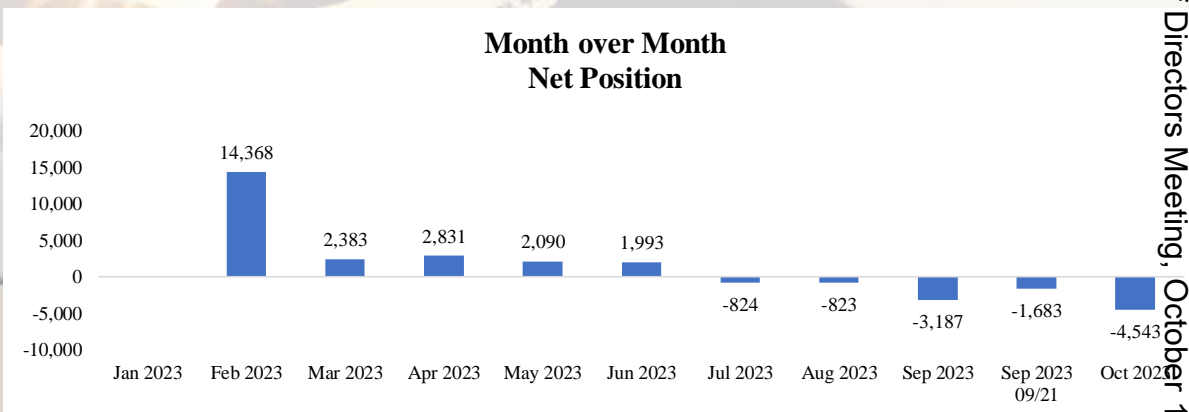
- Since the start of Medi-Cal Renewal, the plan has experienced a **decrease** in Net Position by **11,060 Members**

- June 2023 Membership: 373,434
- October 2023 Membership: 362,374

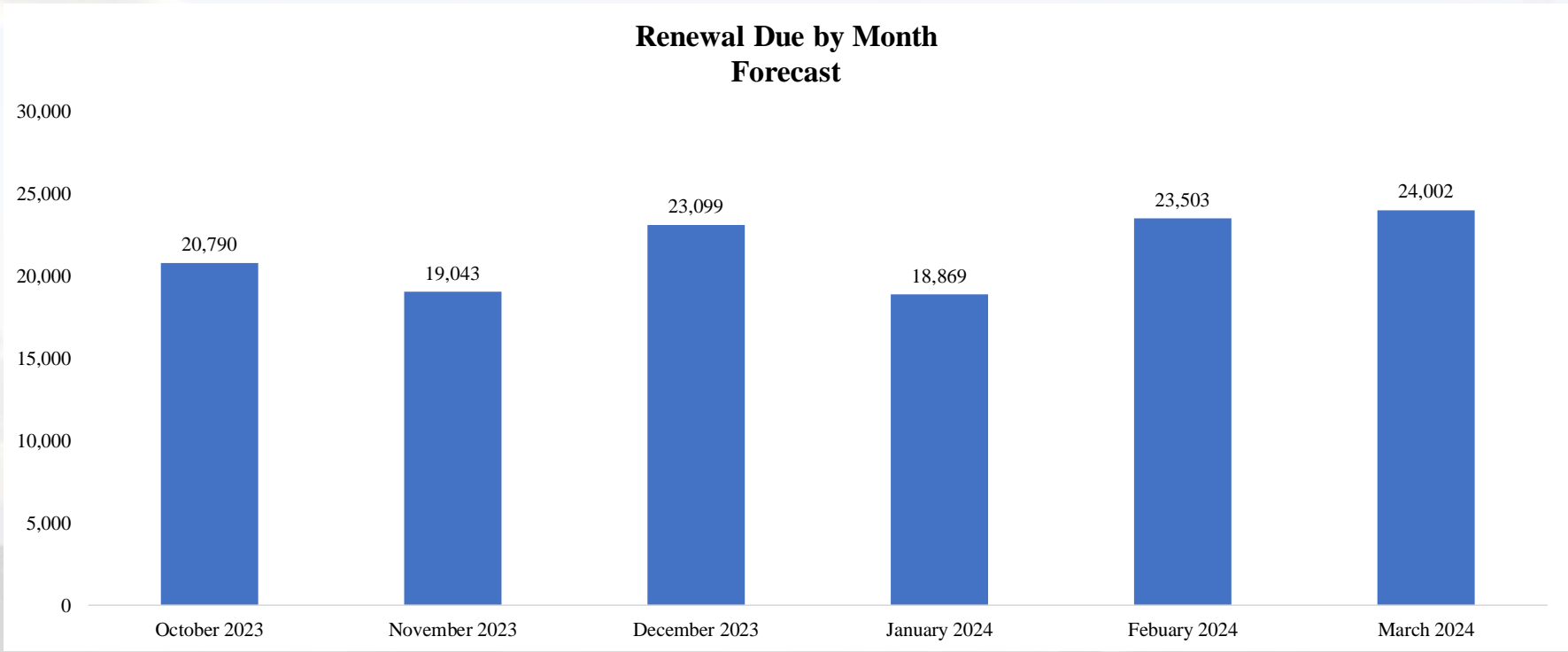
- 09/21 Disenrollment DHCS Backlog Experience

- Medi-Cal Renewal Rate for June, July and August:

- 91.2%
- Members with a renewal date of June, July and August that are still enrolled within the plan as of 09/28/2023



Medi-Cal Renewal Outlook



You + Us = a better day!

Questions

For additional information, please contact:

Alan Avery

Chief Operating Officer

(661) 664-5005





MEMORANDUM

TO: Kern Health Systems Board of Directors
FROM: Martha Tasinga, MD, MPH, MBA
SUBJECT: Chief Medical Officer Report
DATE: October 12, 2023

BACKGROUND

The Chief Medical Officer’s presentation provides an update on the Population Health Management (PHM) programs, clinical services utilizations, and Medi-Cal Managed Care Accountability (MCAS) Measures for the 3rd Quarter of 2023.

In addition to the presentation a detailed dashboard is included (Attachments A – E) that showcase the medical management performance. The dashboard categories include physician, inpatient, outpatient hospital, and emergency room services. Additionally, the MCAS dashboard outlines the performance metrics for KHS.

REQUESTED ACTION

Receive and File.

Chief Medical Officer Report

Board of Directors
October 12, 2023



Martha Tasinga, MD, MPH, MBA
Chief Medical Officer



KHS PHM Program

1. Major Organ Transplants (MOT) program

- January 2022 to September 2023
- 268 members in different stages of the transplant process
 - 156 in evaluation phase
 - 85 listed
 - 27 post transplant
- 26 members post transplant are stable and discharged from the program

2. Palliative Care program

- Voluntary program
- 4673 eligible members
- 47 participating
- 2024 project to increase members participation in the program

3. Baby Steps plus

- 618 pregnant women called
- 408 were unable to contact
- 136 contacted screened for depression
- 4 positive

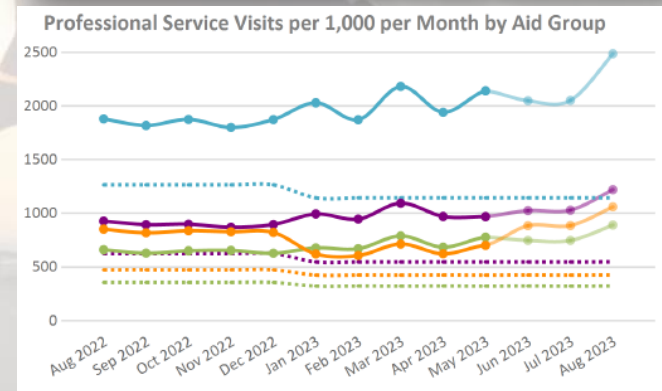
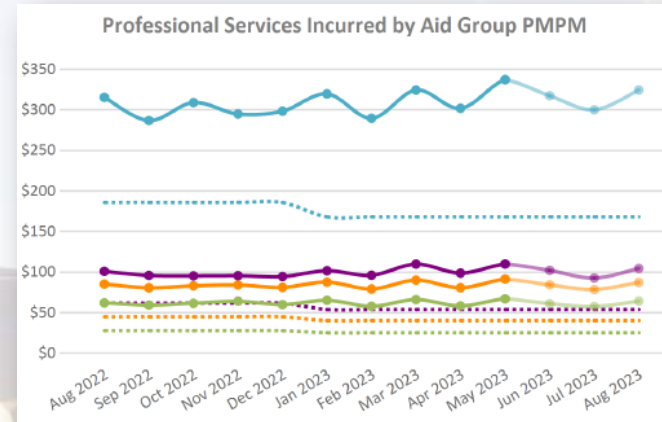
4. Community Health Workers(CHW) home visits

- 34 members referred
- 22 visited
- 12 could not be found



Professional Services Utilization

- All Aid codes show a spike in number of professional visits in August
- Cost per professional visit has remained stable
- 118/1000 visits are related to wellness and prevention. Encounter for general examination without complaint,
- Back to school activities might have contributed to the spike. We will watch this closely to see if there are any trends.
- Top 3 diagnosis
 - Hypertension
 - Diabetes
 - Chronic kidney disease



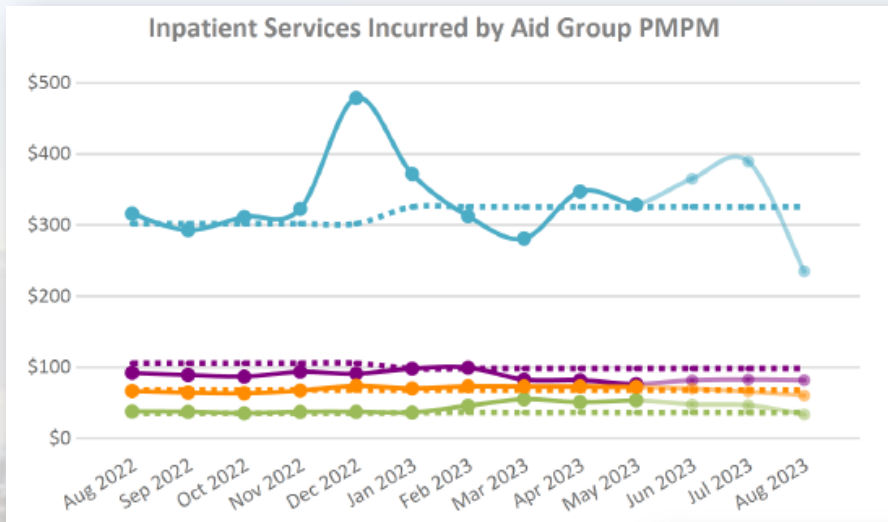
Services provided through: 8/31/2023

Claims Paid through: 9/30/2023

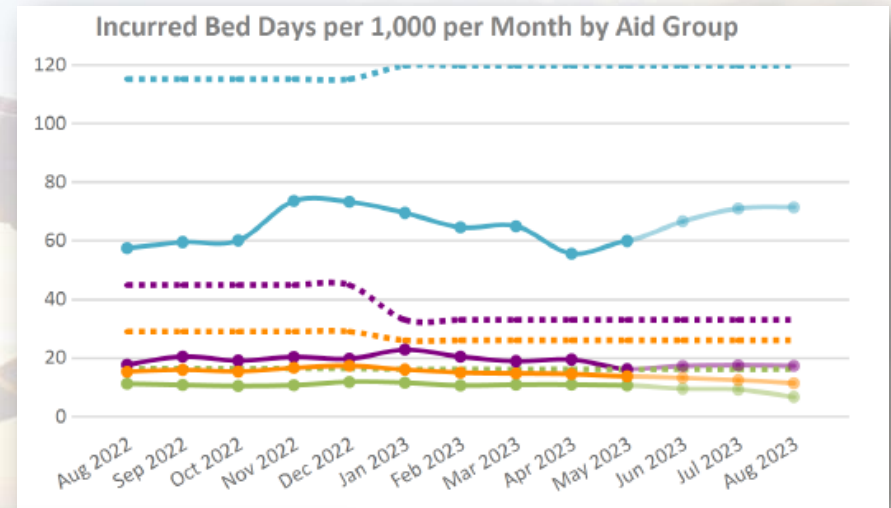


Inpatient Utilization

Inpatient cost for all aid codes remained stable and close to projection through August 2023



Bed days per 1000 members per month for the SPDs is leveling off

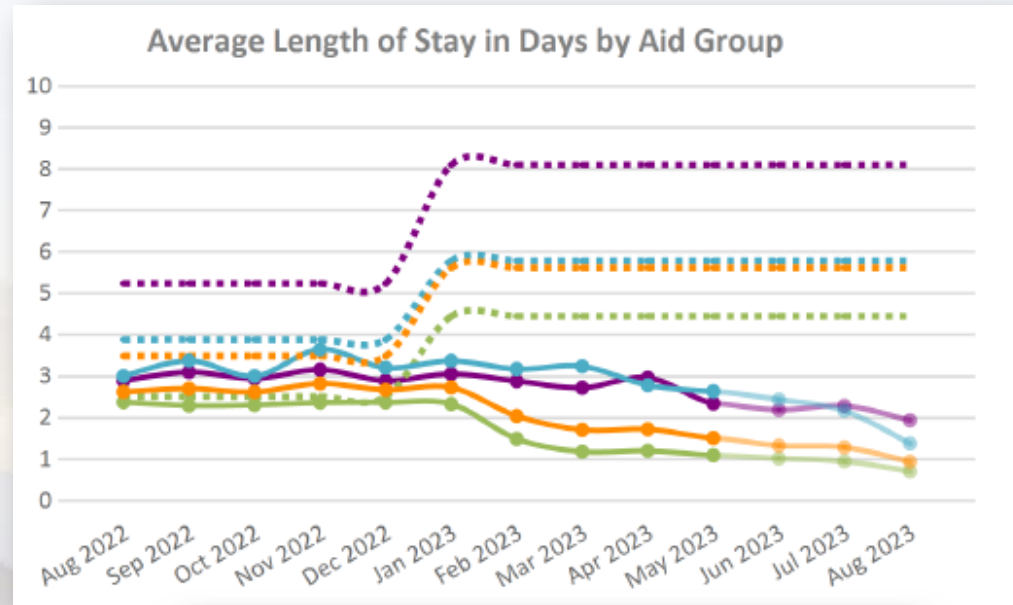


Services provided through: 8/31/2023 Claims Paid through: 9/30/2023

- 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

Inpatient Utilization *continued*

Overall average length of stay for all Aide codes in the Acute hospital continue to be below our projections through August 2023.



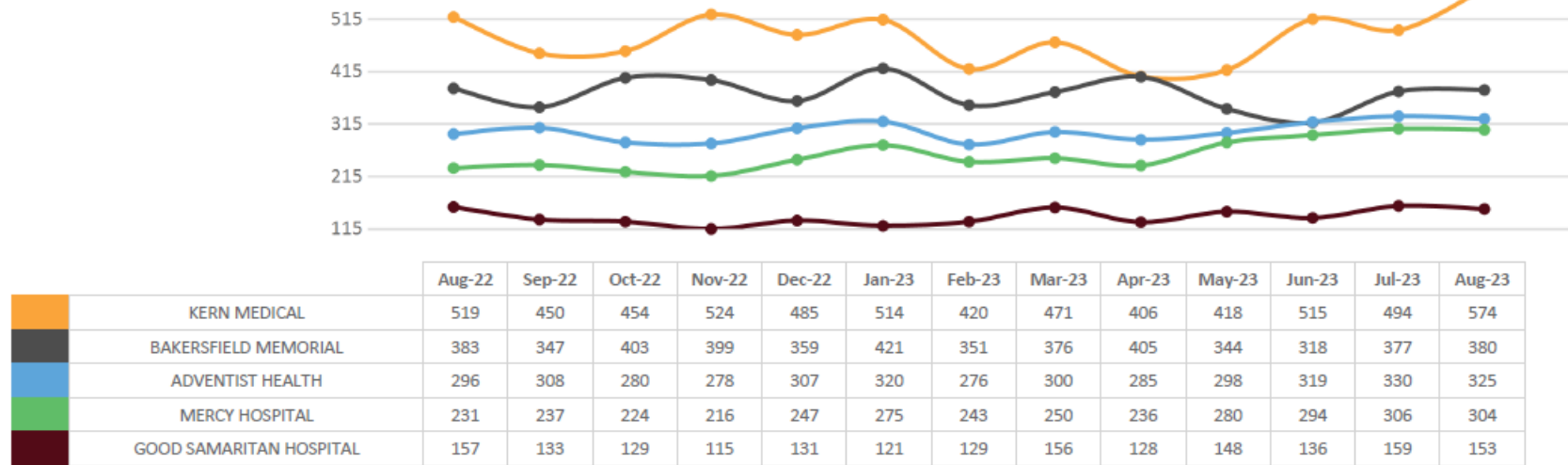
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- ⋯ Total Combined - Budget
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- MCAL Family\Other - Forecast
- MCAL SPD - Forecast
- Total Combined - Forecast

Inpatient Utilization *continued*

- Top 4 reasons for inpatient stay are related to pregnancy and delivery. (average 400 deliveries every month)
- Most inpatient stays are at Kern Medical and BMH

Inpatient Admits by Hospital



Hospital Outpatient Utilization

These are services provided in the outpatient section of the hospital. However, it also includes patients who are admitted to the hospital for observation usually less than 2 days LOS

Top diagnosis for utilization of these services in descending order



Chronic Kidney/end stage kidney disease



Diabetes



Hypertension

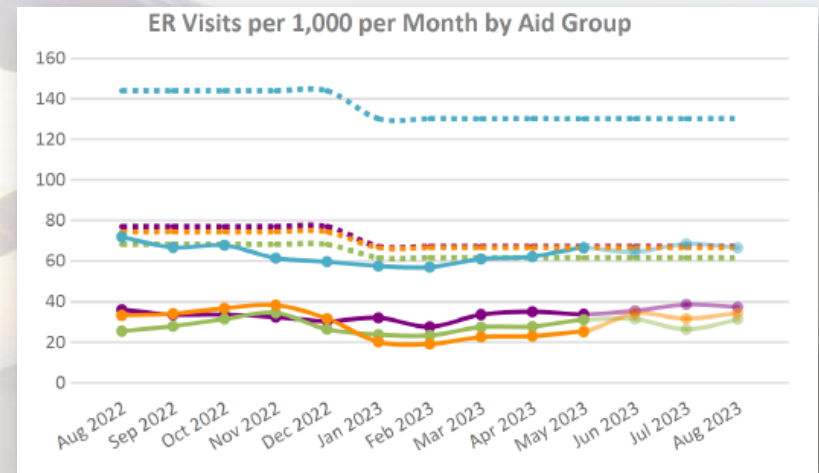
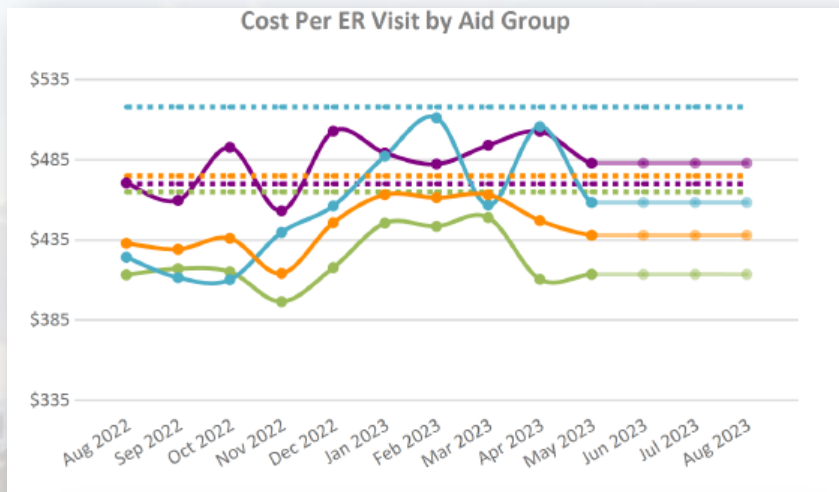


Emergency Room Visits

Below projections cost per ER visit and visits per 1,000 per month by AID codes

Top diagnoses for ED visit in descending order of frequency

- COVID – 19 acute respiratory disease
- Chest pain
- Abdominal and pelvic pain

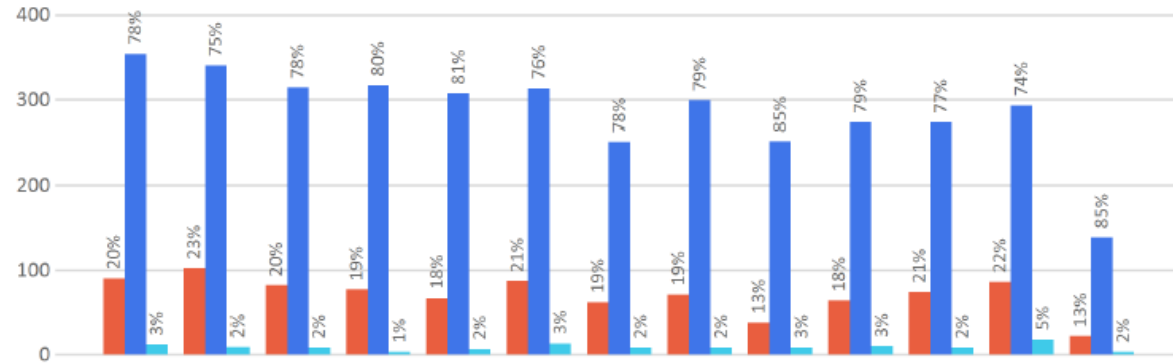


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- Total Combined - Budget
- MCAL Expansion - Forecast
- MCAL Family\Other - Forecast
- MCAL SPD - Forecast
- Total Combined - Forecast

OB Services

- Primary C/Section average for May 2023 first quarter is 13% compared to CA goal of 23%
- Top hospitals for deliveries
 - Bakersfield memorial hospital
 - Kern Medical Hospital



	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
VAGINAL DELIVERY	354	340	314	317	307	313	251	299	252	273	273	293	139
C-SECTION DELIVERY	90	102	82	77	67	87	62	71	38	64	74	86	22
PREVIOUS C-SECTION DELIVERY	12	9	8	3	7	13	8	8	8	10	8	18	3



Medi-Cal Managed Care Accountability (MCAS) Update



MCAS MY2023 Performance Trending Metrics through September 2023

#	Measure Acronym	Measure	MY2023 (%)	MPL (%)	HPL (%)
Behavioral Health Domain Measures					
1	FUM 30 Day Follow-up	Follow-Up After ED Visit for Mental Illness	16.89	54.51	72.01
2	FUA 30 Day Follow-up	Follow-Up After ED Visit for Substance Abuse	12.45	21.24	32.38
Children's Health Domain Measures					
3	WCV	Child and Adolescent Well-Care Visits	35.92	48.93	62.70
4	CIS	Childhood Immunization Status	18.07	34.79	49.76
5	CDEV	Developmental Screening in the First Three (3) Years of Life	17.05	35.60	38.60
6	IMA	Immunizations for Adolescents	29.60	35.04	48.42
7	LSC	Lead Screening in Children	55.11	63.99	79.57
8	TFLCH	Prevention: Topical Fluoride for Children	25.90	50.00	50.00
9	W30 0-15 Months	Well-Child Visits in the First 30 Months of Life 0 to 15 Months – Six or More Well-Child Visits	41.55	55.72	67.56
10	W30 15-30 Months	Well-Child Visits in the First 30 Months of Life 15 to 30 Months – Two or More Well-Child Visits	61.68	65.83	78.07
Chronic Disease Management Domain Measures					
11	AMR	Asthma Medication Ratio	68.51	64.78	75.32
12	CBP	Controlling High Blood Pressure	42.21	59.85	69.19
13	HBD	Hemoglobin A1c Testing & Control for Patients With Diabetes	60.59	39.90	30.90
Reproductive Health Domain Measures					
14	CHL	Chlamydia Screening in Women	51.61	55.32	67.84
15	PPC-Post	Prenatal and Postpartum Care	64.56	77.37	84.18
16	PPC-Pre	Prenatal and Postpartum Care	41.91	85.40	91.89
Cancer Prevention Domain Measures					
17	BCS	Breast Cancer Screening	54.36	50.95	61.27
18	CCS	Cervical Cancer Screening	51.24	57.64	66.88

MCAS Measures: How are we doing?

18 measure held to MPL | Reference **Attachment E** for details.

■ **2** measure meeting MPL

- Asthma Medication Ratio (AMR)
- Breast Cancer Screening

■ **13** measures compliance rate higher compared to last year

■ **1** measures compliance rate slightly below from last year

- Prenatal and Postpartum Care (PPC Pre)

■ **2** new measures that have no baseline data to report

- Developmental Screening in the First 3 Years of Life | CDEV
- Prevention: Topical Fluoride for Children | TFLCH



MCAS Providers Focus Interventions

- Regular meetings with providers to assist them on how to reduce missed opportunities for closing gaps during visits
- EMR access and cross walking data to reflect real-time compliance is ongoing
- Breast Cancer Screening initiative with network oncology provider
- A1C management pilot program with network endocrinology provider
- A1C testing pilot with network urgent cares
- FUA/FUM initiative with network telehealth provider



Member Focus Interventions

- Baby Steps Program
 - Calling all members with a positive pregnancy test
 - Educating them on benefits of early visit to OB
 - Helping with appointments and transportation
 - Wrong phone numbers is a significant barrier to this intervention
- Continuing member outreach continuing for members aging out of measures
- Educating members on available incentives for prenatal post partum visits



Measure Specific Interventions

Stratification of the data by ages, the outreach team prioritize calling members aging out of measures

- Child and Adolescent Well – Care Visits (WCV)
 - Childhood Immunization Status – Combination 10 (CIS-10)
 - Immunizations for Adolescents – Combination 2 (IMA-2)
 - Lead Screening in Children (LSC)
 - Well-Child Visits in the first 30 months of life (W30)
-
- Continuing Outreach to members within the 45 days of aging out and schedule doctor's visits for preventative health care services.



You + Us = a better day!

For additional information, please contact:

Martha Tasinga, MD MPH MBA

Chief Medical Officer



Kern Health Systems

KHS Medical Management Performance Dashboard (Critical Performance Measurements)

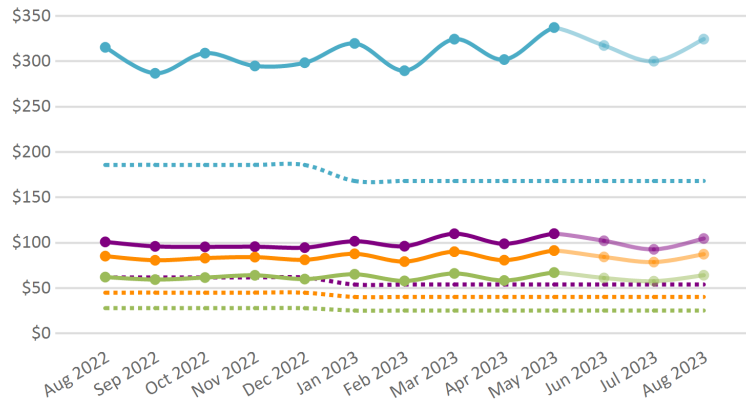


Physician Services

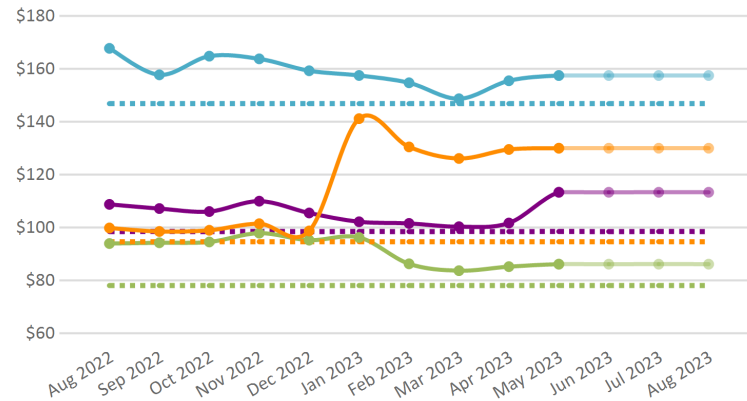
(Includes: Primary Care Physician Services, Referral Specialty Services, Other Professional Services and Urgent Care)

- 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

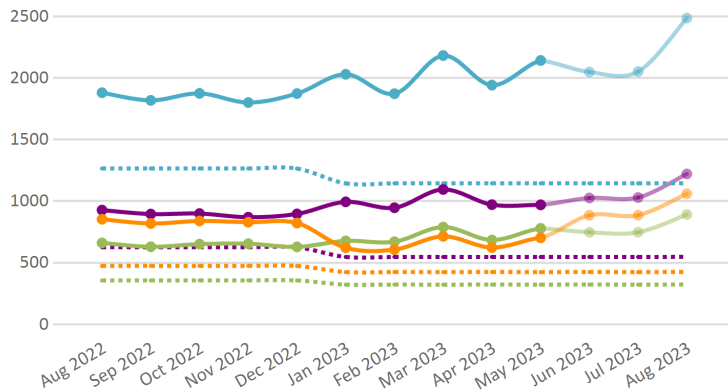
Professional Services Incurred by Aid Group PMPM



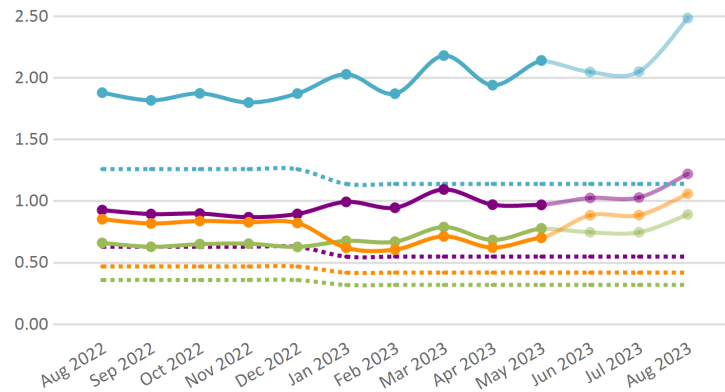
Cost per Professional Service Visit by Aid Group



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



Professional Service Visits per Member per Month by Aid Group



Services provided through: 8/31/2023

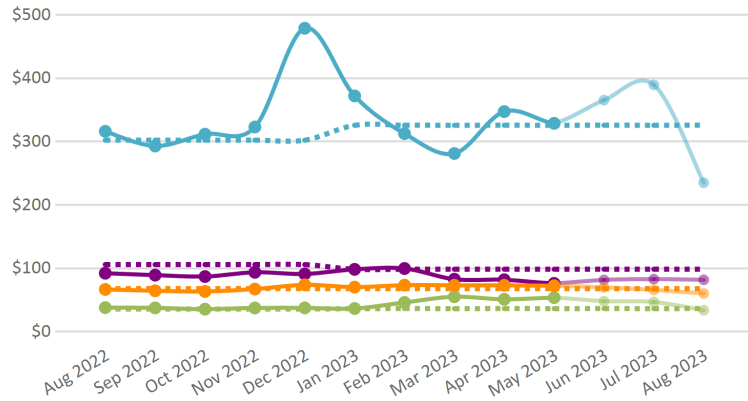
Claims Paid through: 9/30/2023

Inpatient

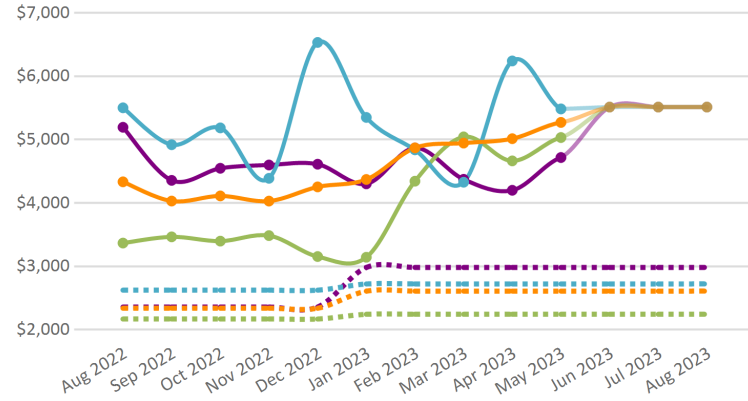
(Includes: Inpatient Hospital Claims)

- 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

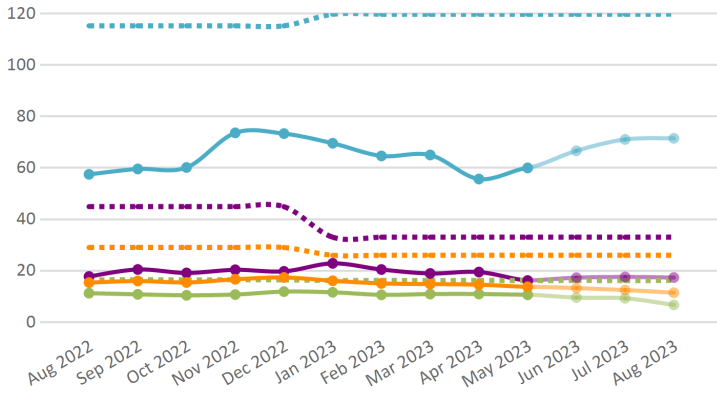
Inpatient Services Incurred by Aid Group PMPM



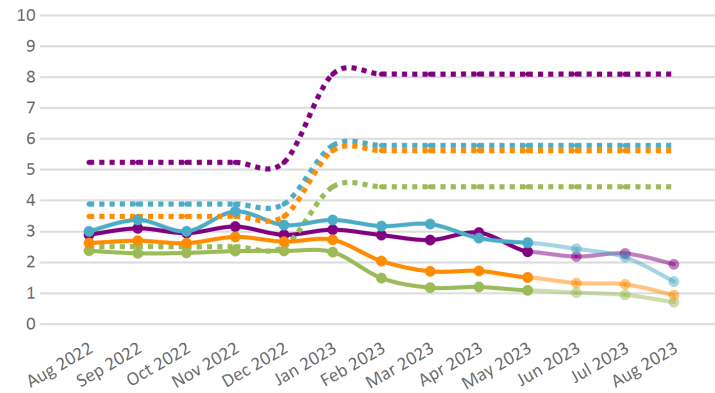
Cost Per Bed Day by Aid Group



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



Average Length of Stay in Days by Aid Group



Services provided through: 8/31/2023

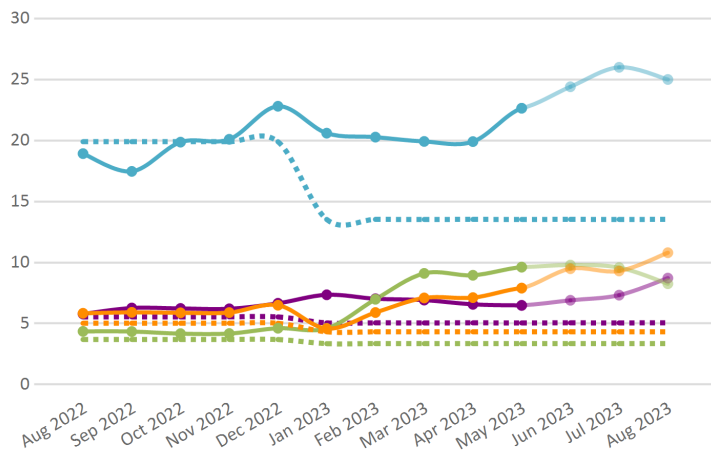
Claims Paid through: 9/30/2023

Inpatient

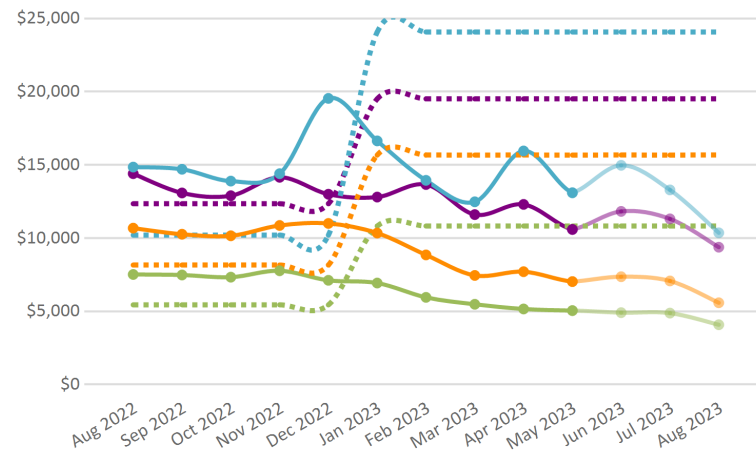
(Includes: Inpatient Hospital Claims)



Incurring Admits per 1,000 per Month by Aid Group



Cost per Admit by Aid Group



Services provided through: 8/31/2023

Claims Paid through: 9/30/2023

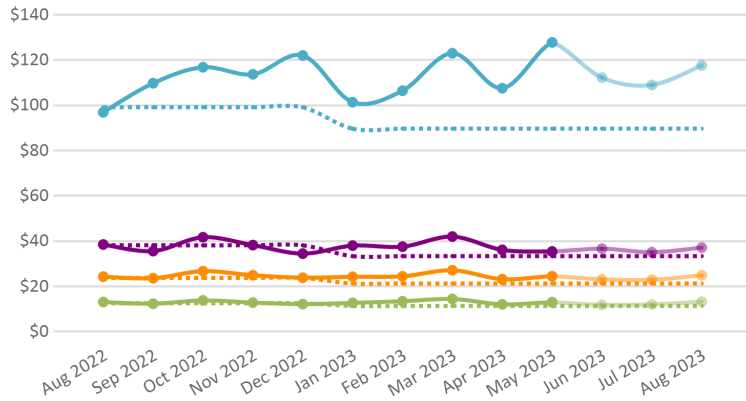


Outpatient Hospital

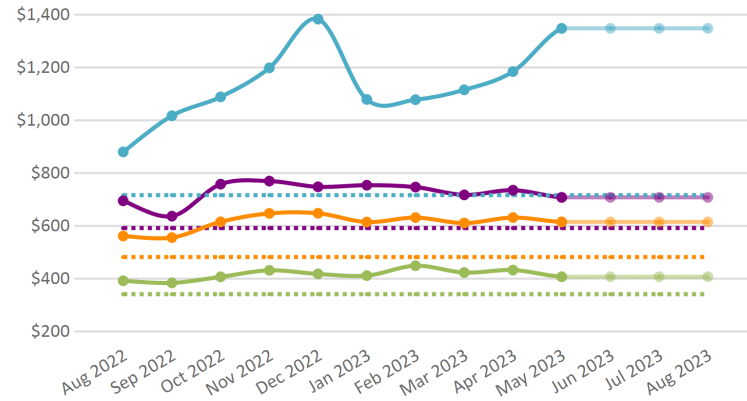
(Includes: Outpatient Diagnostic, Outpatient Surgery, Outpatient Observation, and Outpatient Other)

- 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

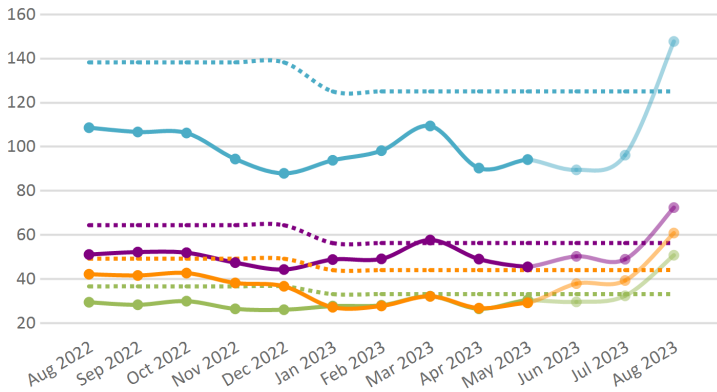
Outpatient Services Incurred by Aid Group PMPM



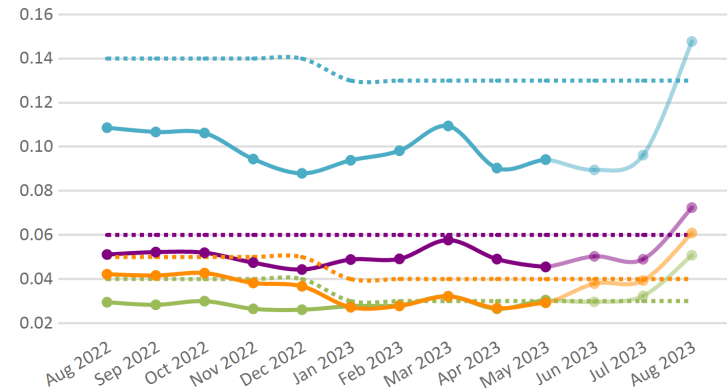
Cost Per Outpatient Visit by Aid Group



Outpatient Visits per 1,000 per Month by Aid Group



Outpatient Visits per Member per Month by Aid Group



Services provided through: 8/31/2023

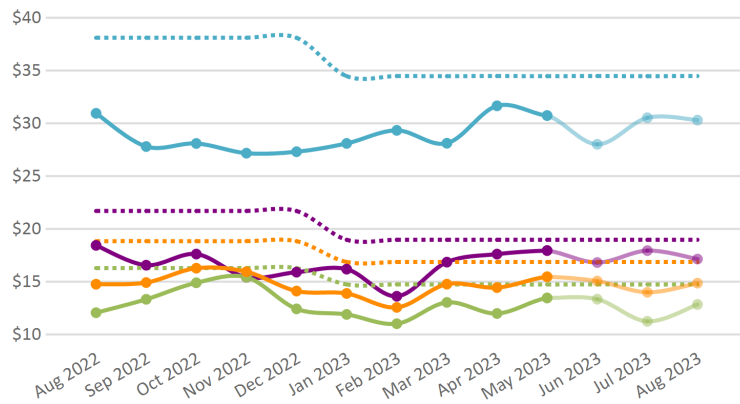
Claims Paid through: 9/30/2023



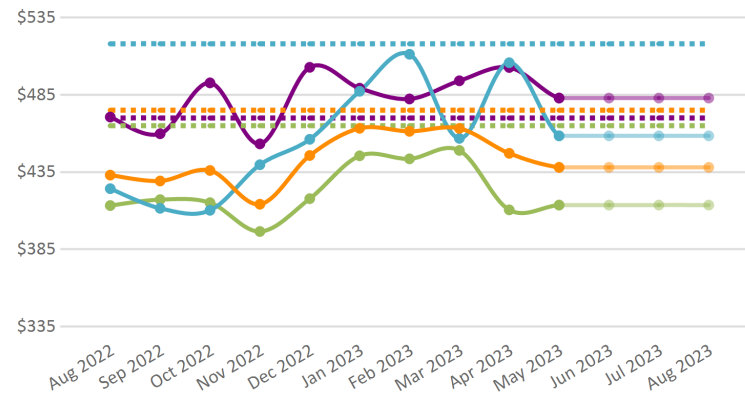
Emergency Room

- 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

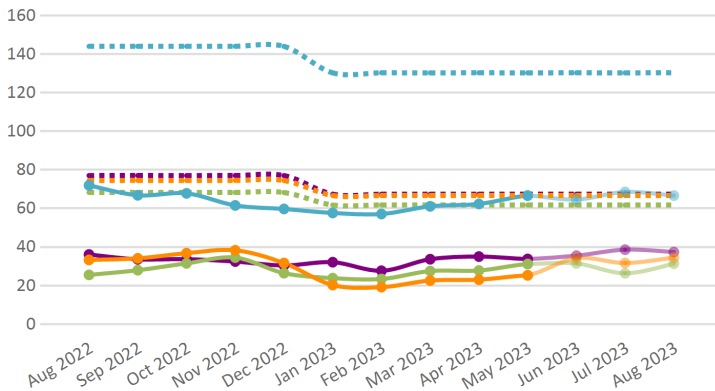
ER Services Incurred by Aid Group PMPM



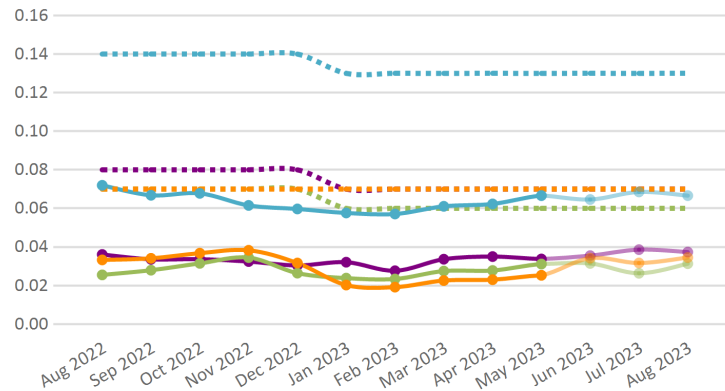
Cost Per ER Visit by Aid Group



ER Visits per 1,000 per Month by Aid Group



ER Visits per Member per Month by Aid Group

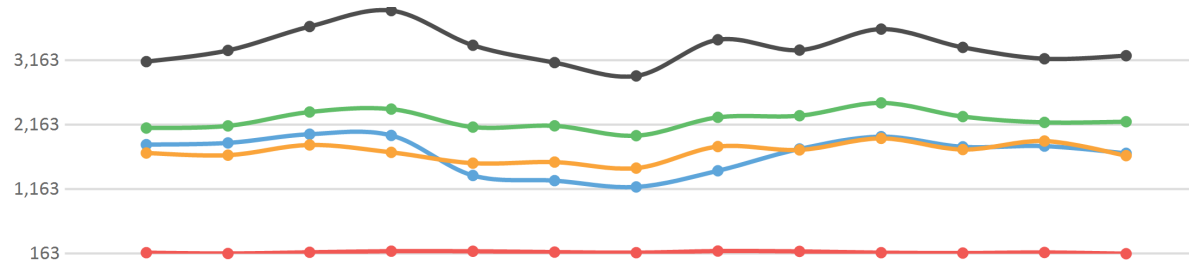


Services provided through: 8/31/2023

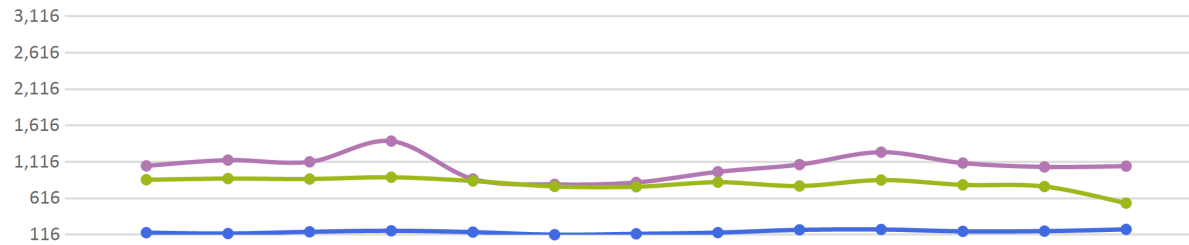
Claims Paid through: 9/30/2023



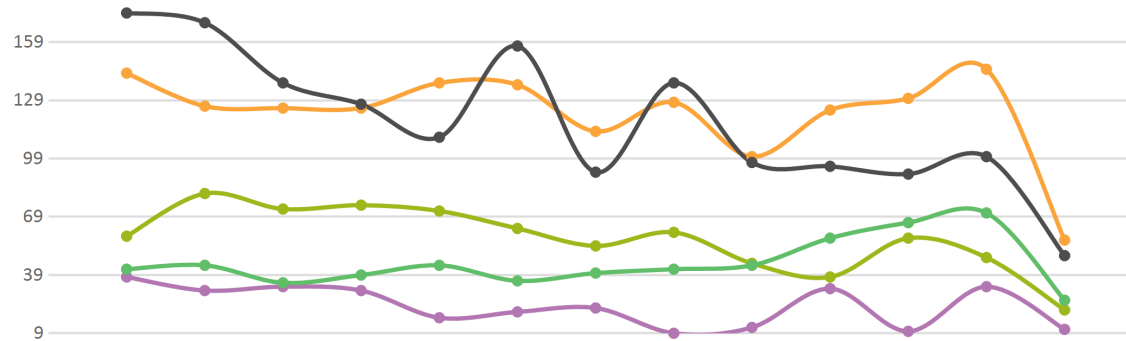
Emergency Visits by Hospital



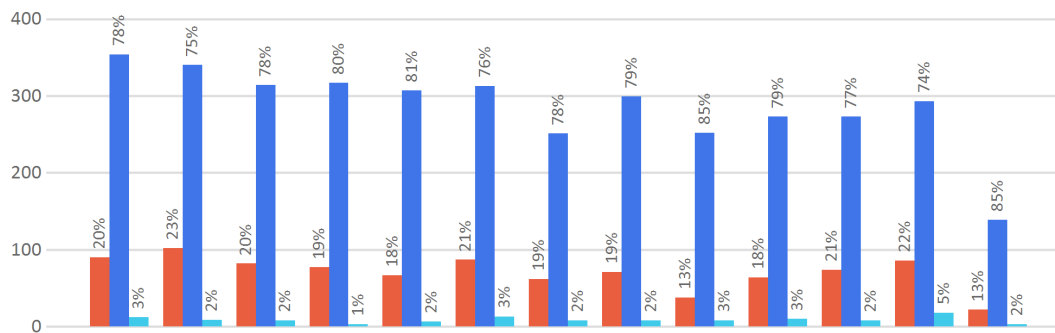
	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
BAKERSFIELD MEMORIAL	3,146	3,320	3,691	3,939	3,400	3,131	2,924	3,486	3,325	3,651	3,367	3,191	3,238
MERCY HOSPITAL	2,115	2,148	2,364	2,409	2,129	2,149	1,996	2,281	2,306	2,505	2,292	2,202	2,213
ADVENTIST HEALTH	1,857	1,884	2,019	2,000	1,378	1,298	1,200	1,451	1,790	1,981	1,823	1,834	1,722
KERN MEDICAL	1,727	1,693	1,852	1,737	1,569	1,586	1,492	1,827	1,775	1,954	1,781	1,913	1,686
BAKERSFIELD HEART HOSP	179	166	185	202	201	188	179	204	199	179	173	182	163



	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
DELANO REGIONAL HOSPITAL	1,062	1,141	1,117	1,402	881	807	834	980	1,079	1,250	1,100	1,047	1,058
OUT OF AREA	871	887	881	905	854	779	775	837	785	867	801	778	550
KERN VALLEY HEALTHCARE	144	132	156	170	152	116	128	145	183	188	162	165	189

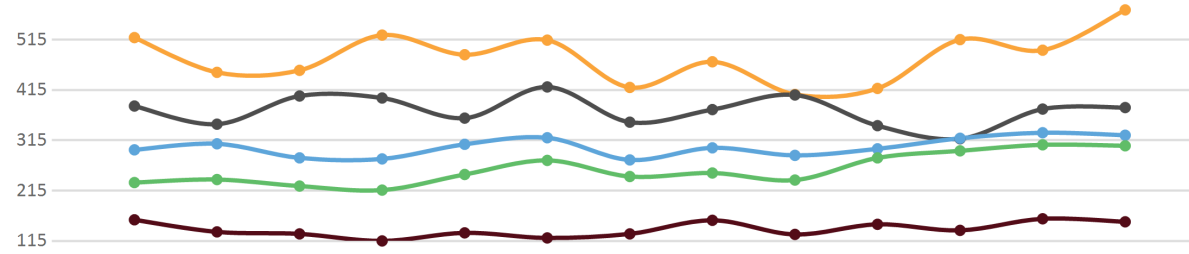
Obstetrics Metrics


	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
BAKERSFIELD MEMORIAL	174	169	138	127	110	157	92	138	97	95	91	100	49
KERN MEDICAL	143	126	125	125	138	137	113	128	100	124	130	145	57
MERCY HOSPITAL	42	44	35	39	44	36	40	42	44	58	66	71	26
OTHER	59	81	73	75	72	63	54	61	45	38	58	48	21
DELANO REGIONAL HOSPITAL	38	31	33	31	17	20	22	9	12	32	10	33	11

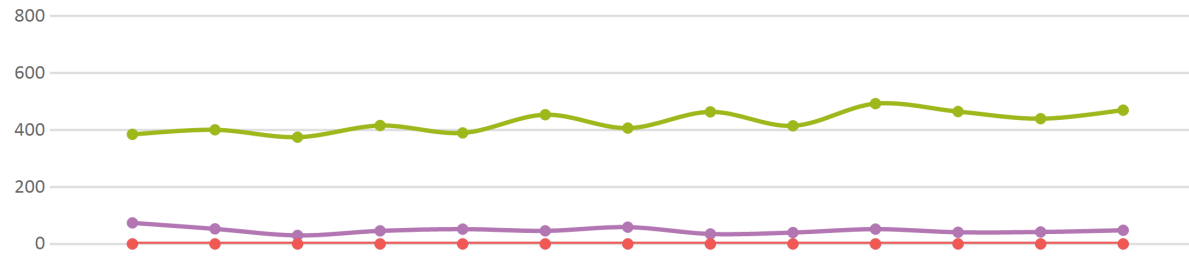


	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
VAGINAL DELIVERY	354	340	314	317	307	313	251	299	252	273	273	293	139
C-SECTION DELIVERY	90	102	82	77	67	87	62	71	38	64	74	86	22
PREVIOUS C-SECTION DELIVERY	12	9	8	3	7	13	8	8	8	10	8	18	3

Inpatient Admits by Hospital

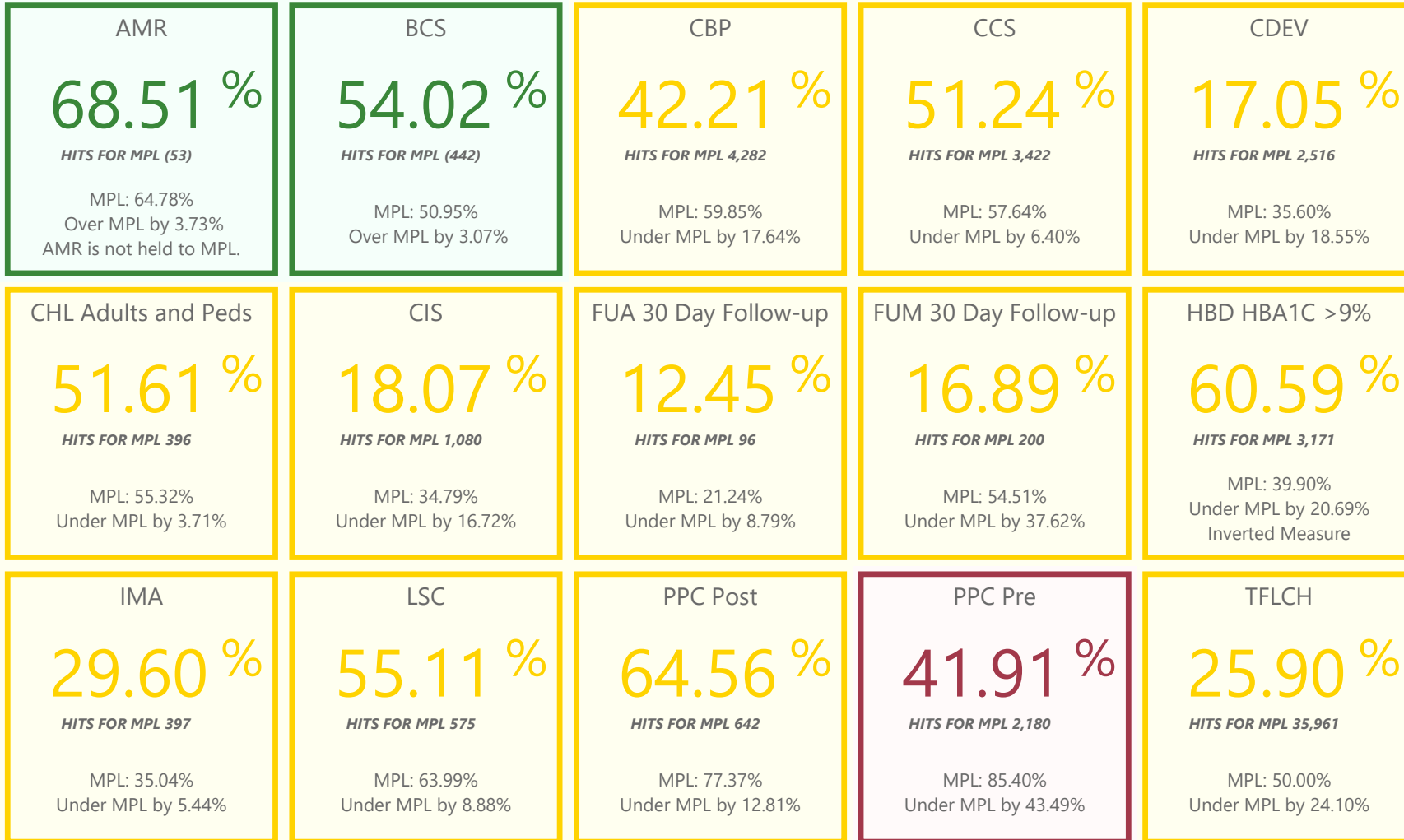


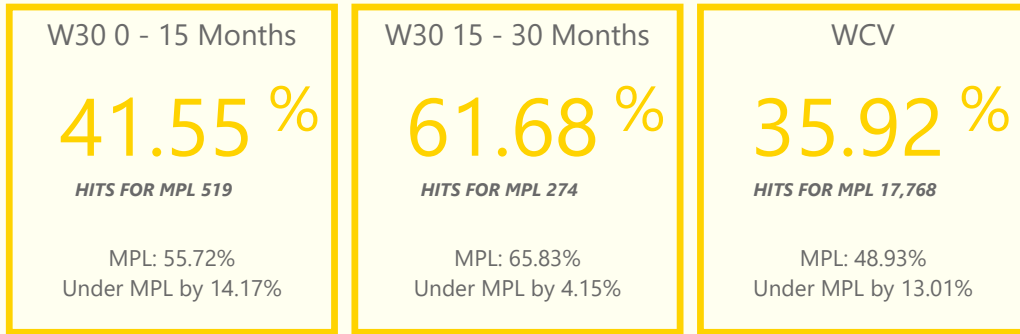
	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
KERN MEDICAL	519	450	454	524	485	514	420	471	406	418	515	494	574
BAKERSFIELD MEMORIAL	383	347	403	399	359	421	351	376	405	344	318	377	380
ADVENTIST HEALTH	296	308	280	278	307	320	276	300	285	298	319	330	325
MERCY HOSPITAL	231	237	224	216	247	275	243	250	236	280	294	306	304
GOOD SAMARITAN HOSPITAL	157	133	129	115	131	121	129	156	128	148	136	159	153



	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23
DELANO REGIONAL HOSPITAL	74	53	30	46	52	46	59	35	40	52	41	42	48
BAKERSFIELD HEART HOSP	44	31	34	34	37	33	47	45	44	53	42	38	74
OUT OF AREA	385	401	375	416	390	454	407	464	415	493	465	440	470

MCAS MY2023 Performance Trending Metrics through September 2023

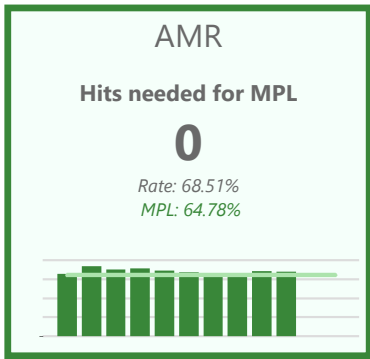




Measure rates are thru claims and standard supplemental data. No medical record reviews are included.

Asthma Medication Ratio

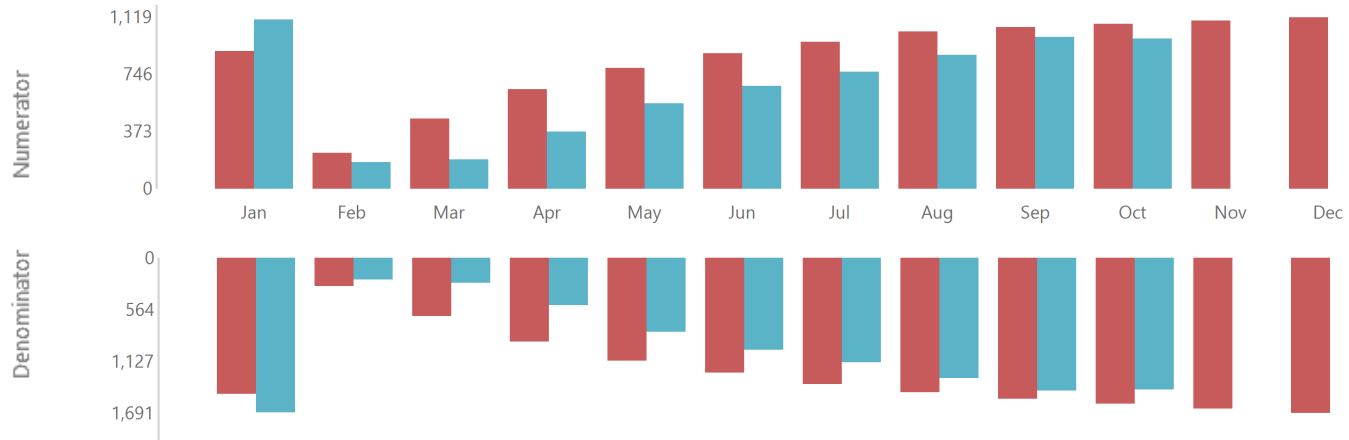
The percentage of members 5–64 years of age who were identified as having persistent asthma and had a ratio of controller medications to total asthma medications of 0.50 or greater during the measurement year.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	60.54%	75.08%	72.13%	70.90%	70.64%	70.55%	69.65%	70.06%	68.71%	67.61%	66.69%	66.17%
2023	65.58%	73.73%	70.48%	71.81%	69.12%	67.27%	67.08%	66.59%	68.51%	68.20%		
MPL	64.78%	64.78%	64.78%	64.78%	64.78%	64.78%	64.78%	64.78%	64.78%	64.78%	64.78%	64.78%

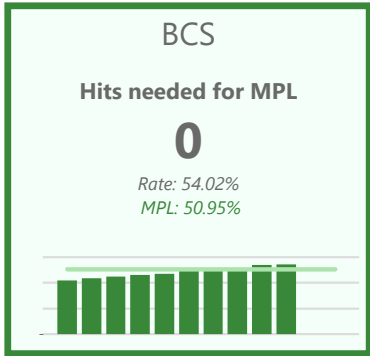
990

1,445



Breast Cancer Screening

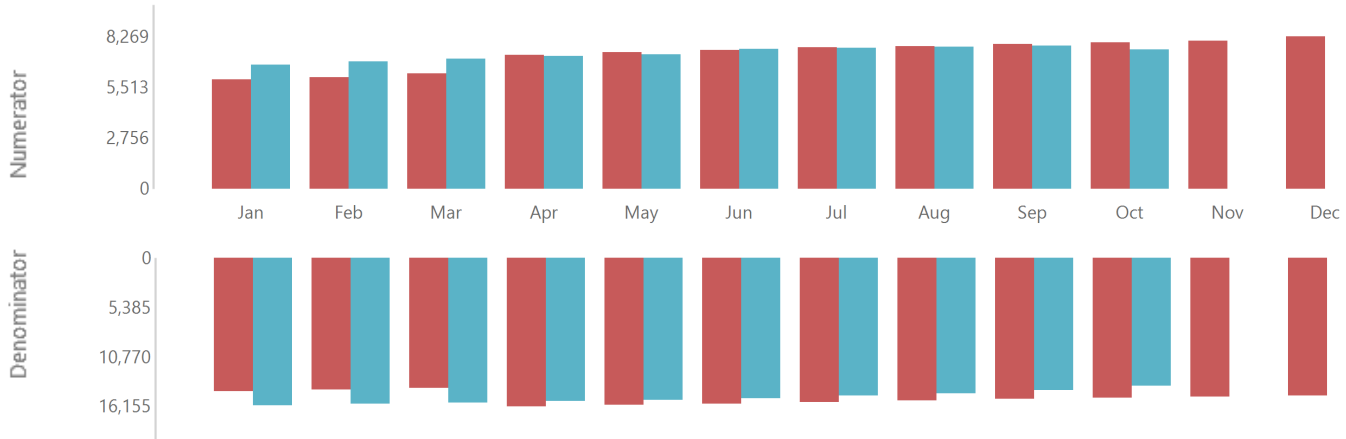
The percentage of women 50–74 years of age who had a mammogram to screen for breast cancer. Measurement period: January 1–December 31.



		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2022	41.02%	42.37%	44.21%	45.00%	46.26%	47.57%	48.94%	49.87%	51.13%	52.18%	53.26%	55.23%
	2023	41.95%	43.55%	44.97%	46.30%	47.22%	49.59%	51.15%	52.41%	54.02%	54.36%		
	MPL	50.95%	50.95%	50.95%	50.95%	50.95%	50.95%	50.95%	50.95%	50.95%	50.95%	50.95%	50.95%

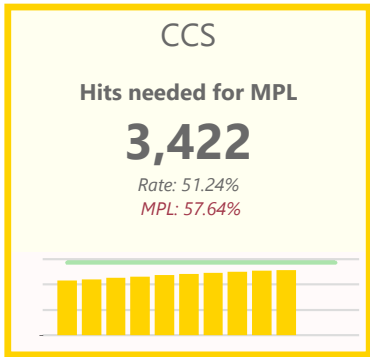
7,773

14,388



Cervical Cancer Screening

The percentage of women 21–64 years of age who were screened for cervical cancer using either of the following criteria: • Women 21–64 years of age who had cervical cytology performed within the last 3 years. • Women 30–64 years of age who had cervical high-risk human papillomavirus (hrHPV) testing performed within the last 5 years. • Women 30–64 years of age who had cervical cytology/high-risk human papillomavirus (hrHPV) cotesting within the last 5 years.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	39.22%	39.89%	41.06%	41.99%	43.02%	43.93%	45.00%	46.02%	47.04%	47.87%	48.87%	50.46%
2023	43.40%	44.19%	45.37%	46.35%	47.38%	48.37%	49.43%	50.22%	51.24%	51.62%		
MPL	57.64%	57.64%	57.64%	57.64%	57.64%	57.64%	57.64%	57.64%	57.64%	57.64%	57.64%	57.64%

$$\frac{27,401}{53,476}$$



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.

CIS

Hits needed for MPL

1,080

Rate: 18.07%
MPL: 34.79%

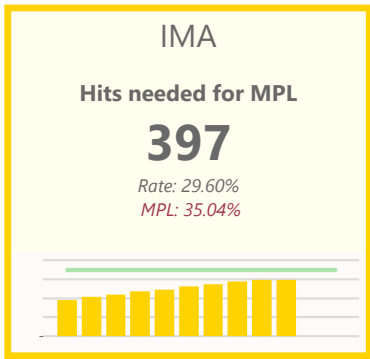
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2022	11.82%	13.21%	14.37%	15.35%	16.00%	17.27%	17.58%	17.76%	18.04%	18.43%	18.94%	19.15%
	2023	11.04%	12.93%	14.34%	16.13%	16.92%	17.47%	17.74%	17.89%	18.07%	18.14%		
	MPL	34.79%	34.79%	34.79%	34.79%	34.79%	34.79%	34.79%	34.79%	34.79%	34.79%	34.79%	34.79%

$$\frac{1,167}{6,460}$$



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.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	20.30%	21.45%	22.40%	24.07%	24.81%	26.36%	27.21%	28.75%	29.12%	29.51%	29.85%	30.38%
2023	18.94%	20.59%	21.93%	23.64%	24.51%	26.37%	27.52%	28.74%	29.60%	29.65%		
MPL	35.04%	35.04%	35.04%	35.04%	35.04%	35.04%	35.04%	35.04%	35.04%	35.04%	35.04%	35.04%

$$\frac{2,165}{7,314}$$



Chlamydia Screening in Women

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

CHL Adults and Peds

Hits needed for MPL

396

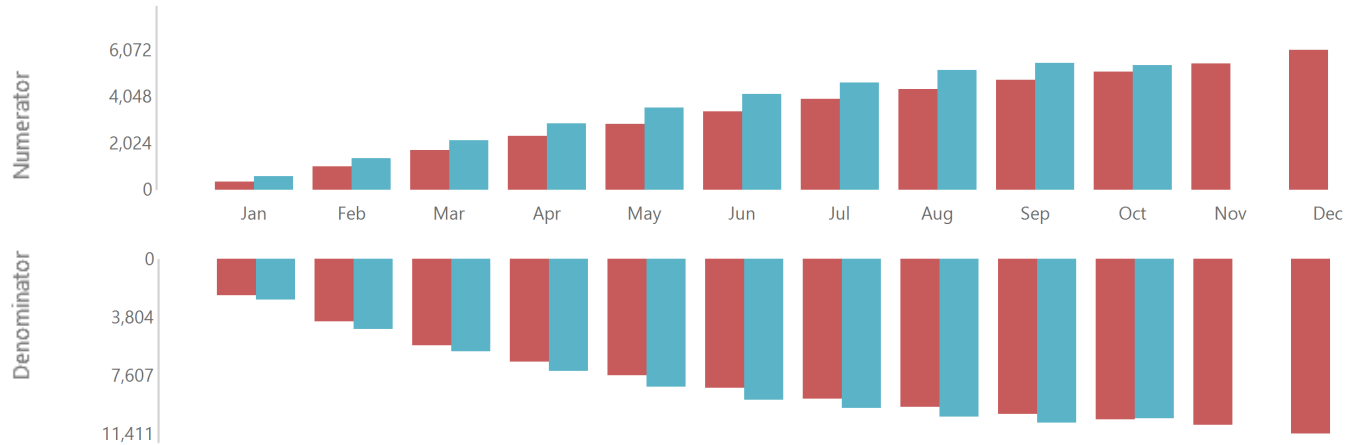
Rate: 51.61%

MPL: 55.32%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	14.79%	24.82%	30.55%	34.58%	37.41%	40.41%	43.40%	45.28%	47.18%	48.98%	50.76%	53.21%
2023	21.50%	29.69%	35.35%	39.38%	42.65%	45.26%	47.69%	50.29%	51.61%	52.06%		
MPL	55.32%	55.32%	55.32%	55.32%	55.32%	55.32%	55.32%	55.32%	55.32%	55.32%	55.32%	55.32%

5,518

10,692



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.

LSC

Hits needed for MPL

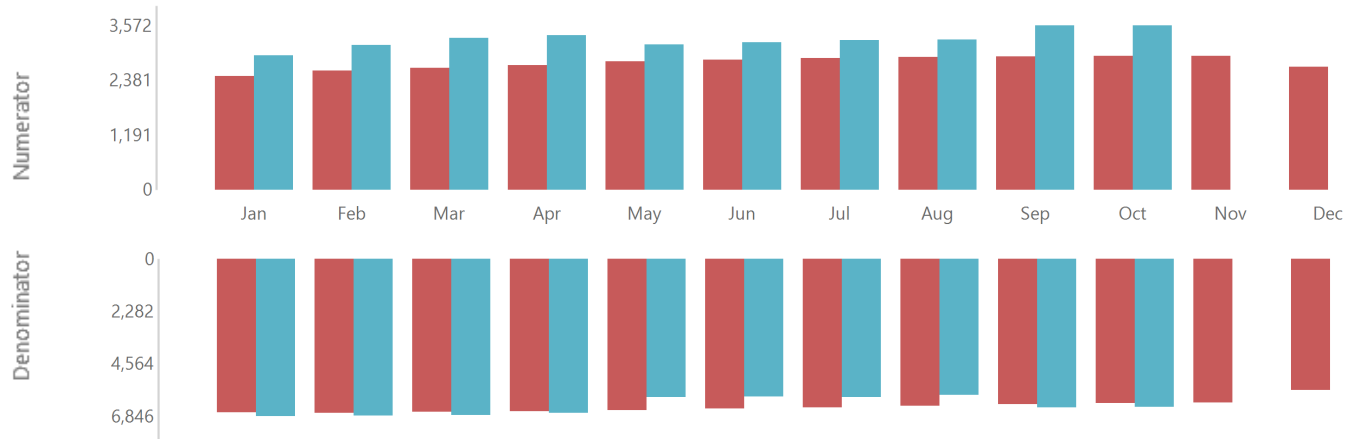
575

Rate: 55.11%

MPL: 63.99%

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2022	36.86%	38.64%	39.76%	40.86%	42.27%	43.30%	44.18%	45.11%	45.79%	46.32%	46.50%	46.89%
	2023	42.64%	46.09%	48.51%	50.07%	52.51%	53.47%	54.06%	54.96%	55.11%	55.27%		
	MPL	63.99%	63.99%	63.99%	63.99%	63.99%	63.99%	63.99%	63.99%	63.99%	63.99%	63.99%	63.99%

$$\frac{3,572}{6,481}$$



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.

WCV

Hits needed for MPL

17,768

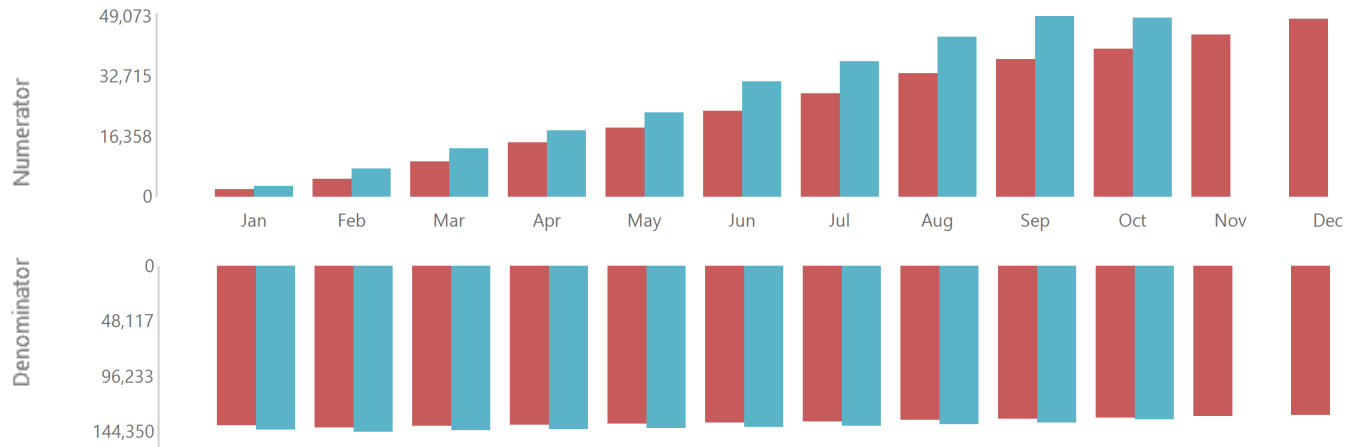
Rate: 35.92%

MPL: 48.93%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	1.40%	3.48%	6.86%	10.65%	13.63%	17.12%	20.70%	24.94%	28.04%	30.42%	33.70%	37.20%
2023	1.98%	5.24%	9.16%	12.62%	16.22%	22.30%	26.44%	31.54%	35.92%	36.37%		
MPL	48.93%	48.93%	48.93%	48.93%	48.93%	48.93%	48.93%	48.93%	48.93%	48.93%	48.93%	48.93%

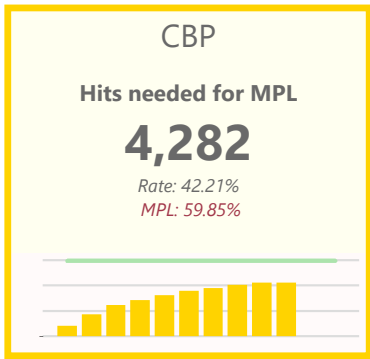
49,073

136,607



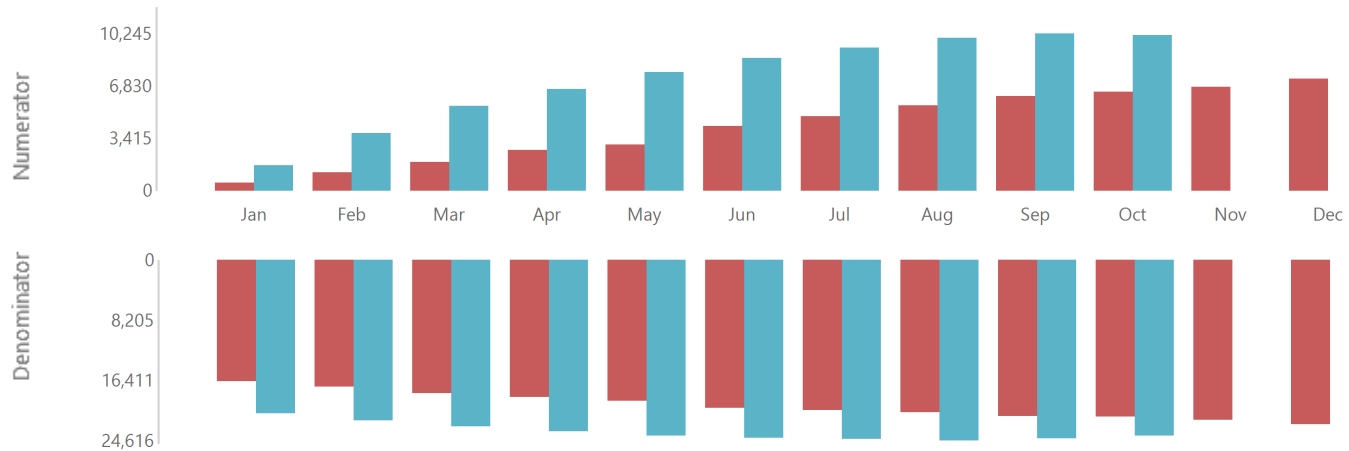
Controlling High Blood Pressure

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.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	3.15%	6.84%	10.37%	14.12%	15.74%	20.90%	23.71%	26.81%	29.00%	30.22%	31.16%	32.66%
2023	7.85%	17.19%	24.42%	28.47%	32.36%	35.72%	38.24%	40.51%	42.21%	42.49%		
MPL	59.85%	59.85%	59.85%	59.85%	59.85%	59.85%	59.85%	59.85%	59.85%	59.85%	59.85%	59.85%

$$\frac{10,245}{24,273}$$



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.

W30 0 - 15 Months

Hits needed for MPL

519

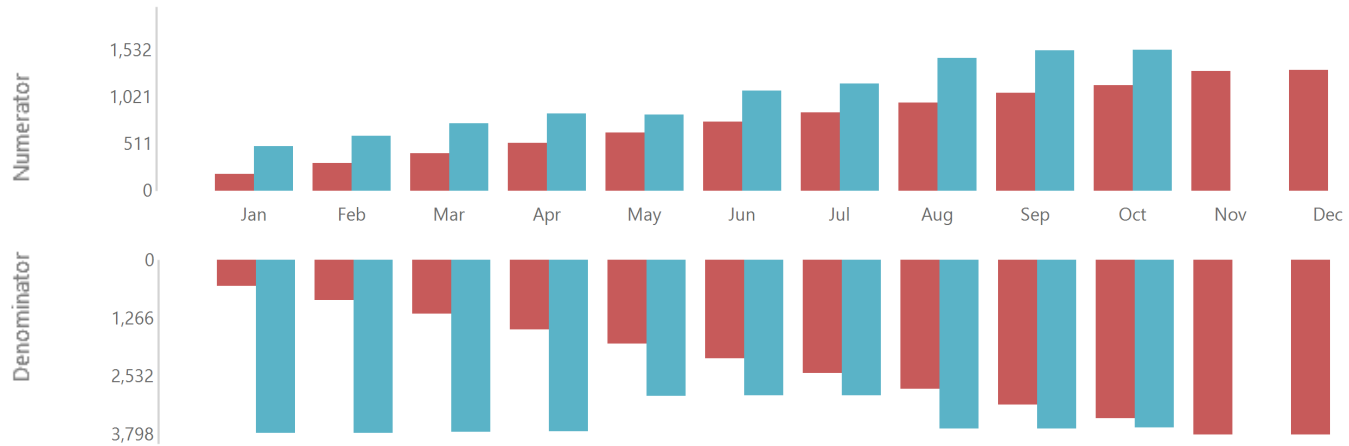
Rate: 41.55%

MPL: 55.72%

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2022	32.16%	33.90%	34.52%	34.32%	34.65%	35.01%	34.61%	34.04%	33.68%	33.24%	34.25%	34.54%
	2023	12.79%	15.81%	19.48%	22.46%	27.87%	36.89%	39.59%	39.21%	41.55%	41.93%		
	MPL	55.72%	55.72%	55.72%	55.72%	55.72%	55.72%	55.72%	55.72%	55.72%	55.72%	55.72%	55.72%

1,525

3,670



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.

W30 15 - 30 Months

Hits needed for MPL

274

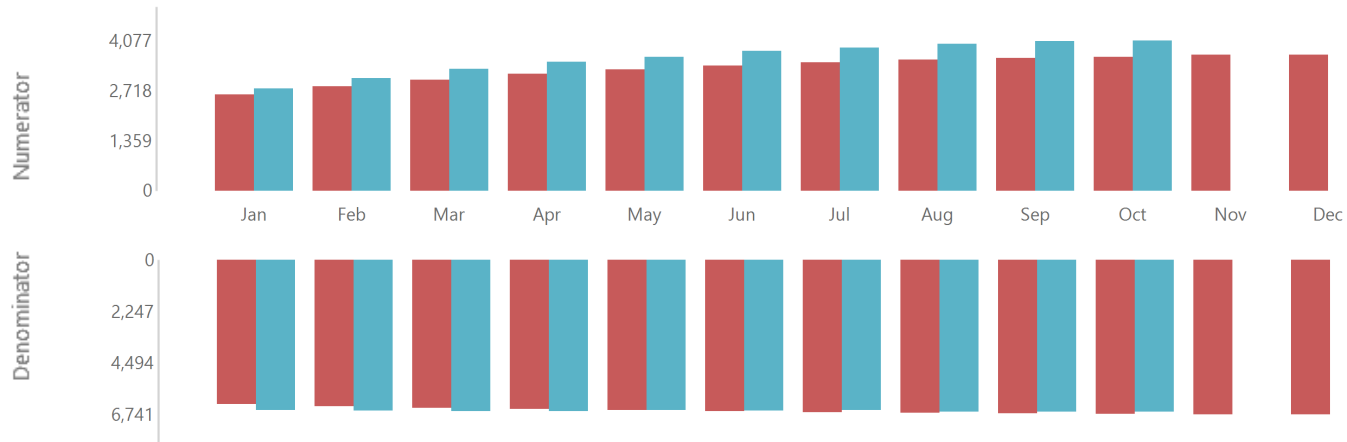
Rate: 61.68%

MPL: 65.83%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	41.60%	44.67%	46.61%	48.86%	50.34%	51.49%	52.65%	53.34%	53.95%	54.28%	54.84%	54.92%
2023	42.49%	46.54%	50.24%	53.15%	55.58%	57.89%	59.44%	60.40%	61.68%	61.69%		
MPL	65.83%	65.83%	65.83%	65.83%	65.83%	65.83%	65.83%	65.83%	65.83%	65.83%	65.83%	65.83%

4,072

6,602



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.

PPC Pre

Hits needed for MPL

2,180

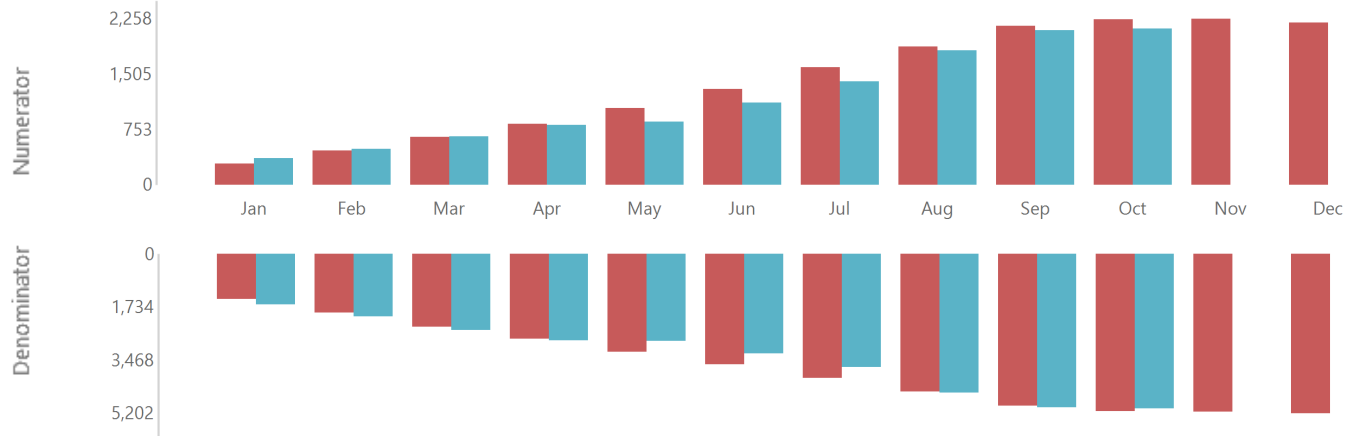
Rate: 41.91%

MPL: 85.40%

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022		19.31%	24.03%	27.18%	29.76%	32.61%	36.01%	39.28%	41.75%	43.53%	43.77%	43.84%	42.39%
2023		21.77%	23.83%	26.43%	28.58%	30.12%	34.28%	37.92%	40.41%	41.91%	42.01%		
MPL		85.40%	85.40%	85.40%	85.40%	85.40%	85.40%	85.40%	85.40%	85.40%	85.40%	85.40%	85.40%

2,102

5,015



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.

PPC Post

Hits needed for MPL

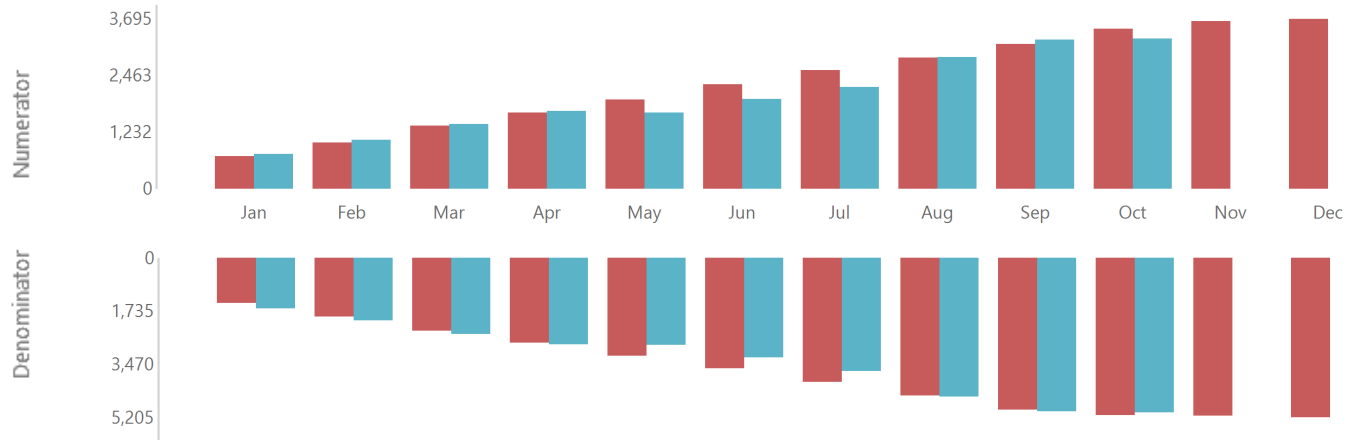
642

Rate: 64.56%

MPL: 77.37%

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2022	47.86%	52.61%	57.76%	59.93%	60.53%	62.79%	63.38%	63.36%	63.36%	67.57%	70.81%	70.99%
	2023	45.41%	52.00%	56.72%	59.55%	58.08%	59.88%	59.89%	63.24%	64.56%	64.68%		
	MPL	77.37%	77.37%	77.37%	77.37%	77.37%	77.37%	77.37%	77.37%	77.37%	77.37%	77.37%	77.37%

$$\frac{3,239}{5,017}$$



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.

FUM 30 Day Follow-up

Hits needed for MPL

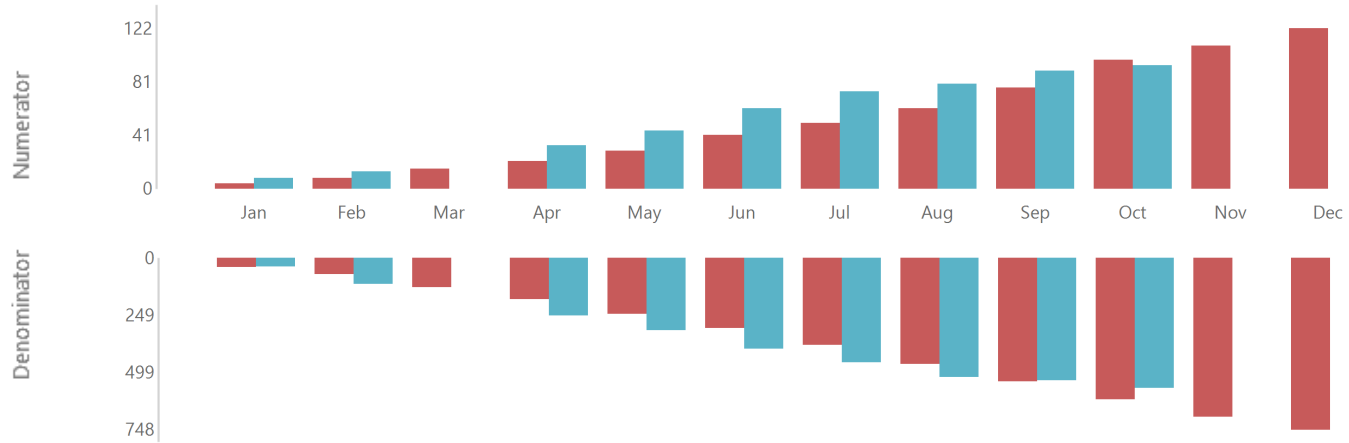
200

Rate: 16.89%
MPL: 54.51%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	9.76%	11.27%	11.72%	11.67%	11.93%	13.44%	13.16%	13.23%	14.34%	15.93%	15.77%	16.31%
2023	20.51%	11.50%		13.15%	13.97%	15.37%	16.23%	15.44%	16.89%	16.58%		
MPL	54.51%	54.51%	54.51%	54.51%	54.51%	54.51%	54.51%	54.51%	54.51%	54.51%	54.51%	54.51%

90

533



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.

FUA 30 Day Follow-up

Hits needed for MPL

96

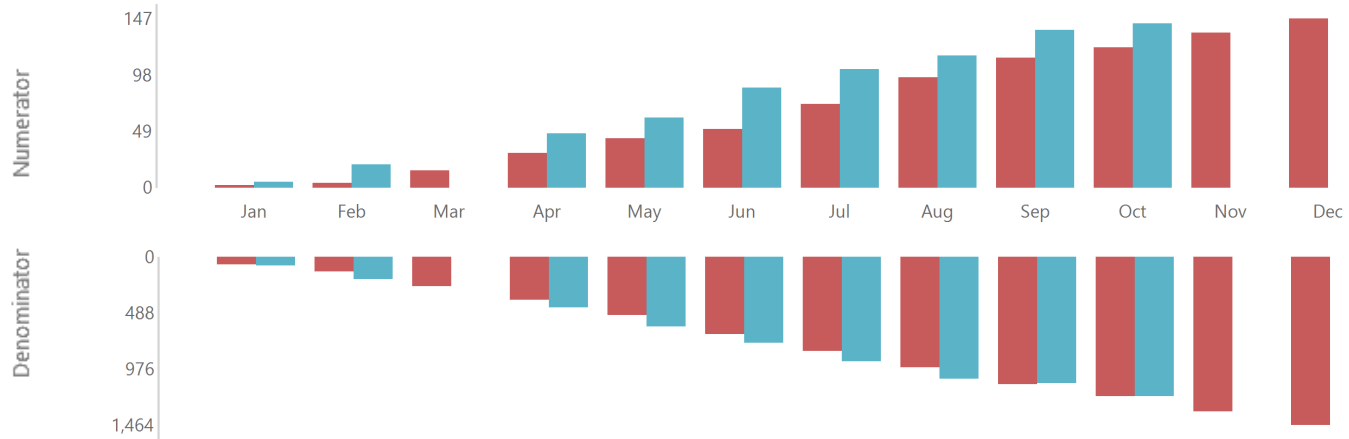
Rate: 12.45%

MPL: 21.24%

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	3.03%	3.13%	5.91%	8.00%	8.48%	7.60%	8.88%	10.00%	10.19%	10.04%	10.03%	10.04%
2023	6.41%	10.36%		10.71%	10.05%	11.58%	11.33%	10.81%	12.45%	11.80%		
MPL	21.24%	21.24%	21.24%	21.24%	21.24%	21.24%	21.24%	21.24%	21.24%	21.24%	21.24%	21.24%

137

1,100



Hemoglobin A1c Testing & Control for Patients With Diabetes

The percentage of members 18–75 years of age with diabetes (types 1 and 2) whose hemoglobin A1c (HbA1c) was at the following levels during the measurement year:

- HbA1c Control (<8.0%).
- HbA1c Poor Control (>9.0%).

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

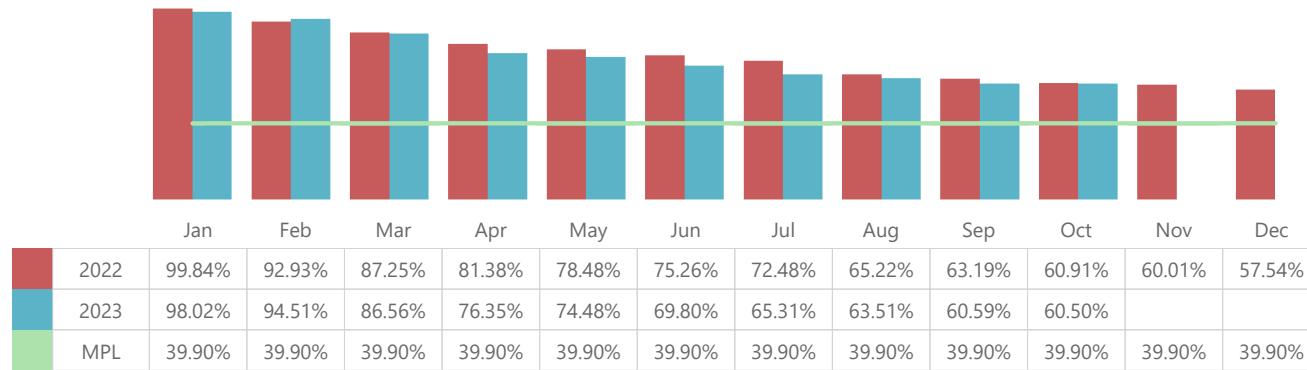
HBD HBA1C >9%

Hits needed for MPL

3,171

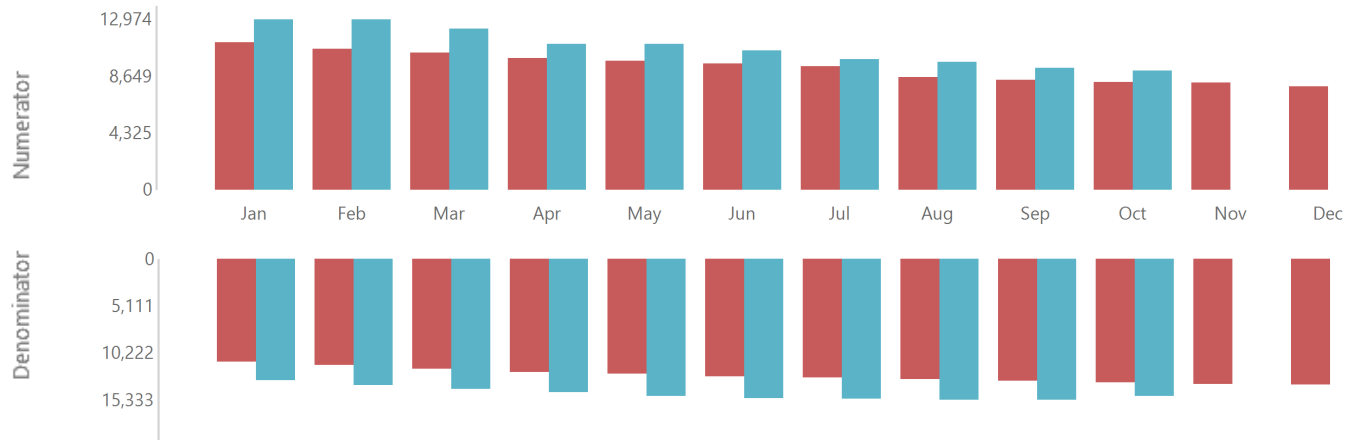
Rate: 60.59%

MPL: 39.90%



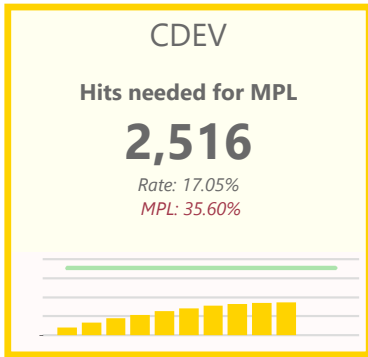
9,289

15,331



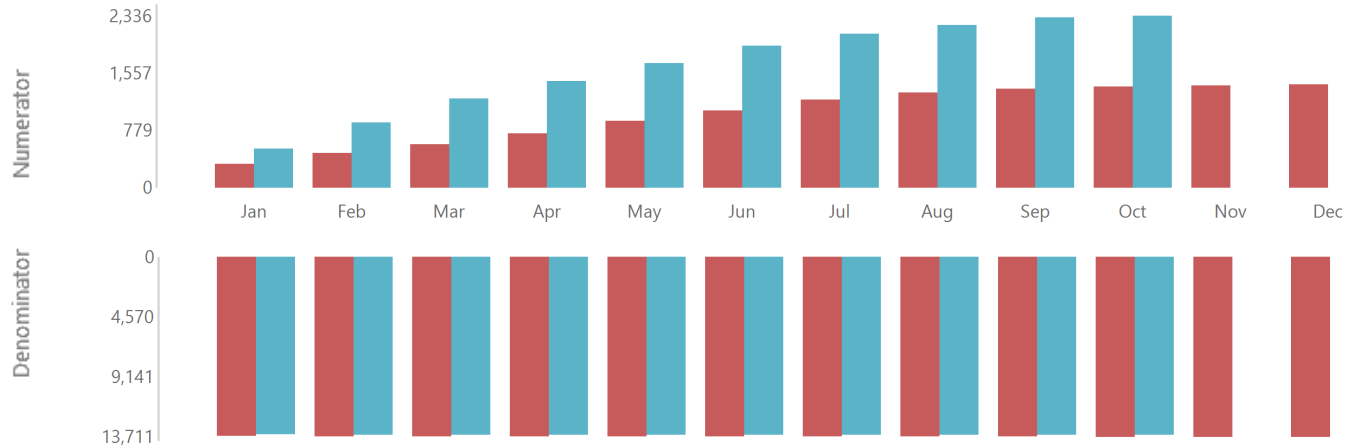
Developmental Screening in the First 3 Years of Life

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.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	2.34%	3.45%	4.32%	5.41%	6.62%	7.68%	8.73%	9.42%	9.83%	10.00%	10.15%	10.23%
2023	3.89%	6.53%	8.95%	10.68%	12.49%	14.20%	15.45%	16.27%	17.05%	17.22%		
MPL	35.60%	35.60%	35.60%	35.60%	35.60%	35.60%	35.60%	35.60%	35.60%	35.60%	35.60%	35.60%

$$\frac{2,314}{13,568}$$



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.

TFLCH

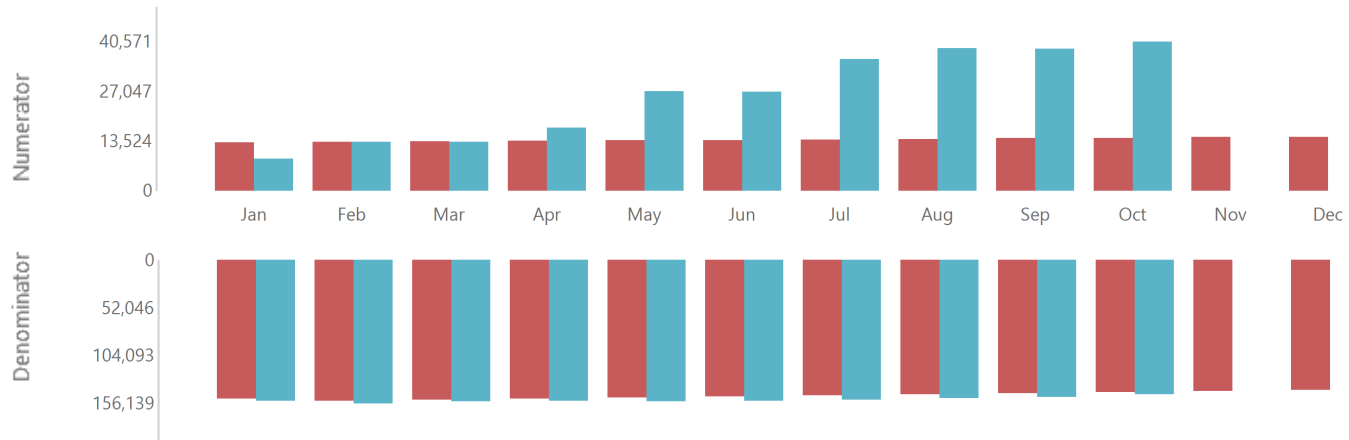
Hits needed for MPL

35,961

Rate: 25.90%
MPL: 50.00%

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2022	8.66%	8.68%	8.84%	9.00%	9.11%	9.25%	9.38%	9.58%	9.81%	9.97%	10.19%	10.30%
	2023	5.68%	8.54%	8.58%	11.21%	17.49%	17.55%	23.50%	25.69%	25.90%	27.77%		
	MPL	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%

$$\frac{38,638}{149,199}$$





KERN HEALTH SYSTEMS

Chief Executive Officer's Report

Board of Directors Meeting

Emily Duran

October 12, 2023

KHS STRATEGIC PLAN & CEO CORPORATE GOALS UPDATE

The KHS strategic plan identifies the key priority areas and serves as a roadmap for 2023 – 2025 for the organization. Included under **Attachment A: Strategic Plan Q3 Status Report** is a breakdown of the strategic plan and accomplishments after the close of the 3rd Quarter of 2023. Overall, KHS remains on track in accomplishing the strategic goals. There were minor date extensions needed for items relating to the KHS succession plan and recruitment plan. These are still on track to be completed this year. In addition to the Strategic Plan, CEO corporate goals are monitored on a quarterly basis and are aligned with the KHS strategic plan. Included under **Attachment B: 2023 Corporate Goals Tracking** is an overview of the goals as well as a 3rd Quarter of 2023 update.

STATE PROGRAM DEVELOPMENT

KHS is preparing for the implementation of several Department of Health Care Services (DHCS) programs coming later in 2023 and 2024:

Long Term Care (LTC), Phase 2: DHCS and internal staff continue to move forward with the 1/1/24 implementation of the next phase of the Long-Term Care carve-in for Intermediate Care and Subacute Facilities. An estimated 267 members in Kern County will be transitioned, but KHS will receive more detailed information on the transitioning members in November. DHCS shared the final All Plan Letter (APL) guidance with Plans in September. The APLs outlined the forthcoming requirements related to covered services, network readiness, continuity of care, and provider payments. In early November DHCS will be sending member notices explaining the transition. Ongoing work continues within the internal project team preparing for the implementation of these new services/populations. This includes data sharing preparations, contracting discussions with providers, and preparations for member continuity of services upon transition.

Medi-Cal Expansion to Adults regardless of immigration status: Progress continues to be made for the expansion of full-scope Medi-Cal to individuals who are 26 through 49 years of age regardless of immigration status. This population is scheduled to be effective in Managed Care on 1/1/24. In August DHCS approved KHS' policies and other deliverables related to this transition. Eligible members will receive a notice from DHCS in early November and will receive a Health Plan Choice Packet in December. The latest estimates from DHCS show 18,432 members eligible in Kern County. The State is still working to develop an All-Plan Letter which will provide additional requirements and guidance to KHS.

2024 Health Plan Transitions: Effective 1/1/24, the Commercial Health Plan option in Kern County will change from Health Net to Anthem Blue Cross. Kaiser will also initiate a direct contract with DHCS so members who receive care from Kaiser through a subcontract with KHS will transition directly to Kaiser. As part of the transition, all of Health Net's ~90,000 Medi-Cal members will receive a choice packet and be assigned to a new Plan. The transition requirements are outlined in a DHCS Policy Guide which includes instructions on sharing data with Health Net, continuing services for transitioning members, provider contracting, and general communication. An internal project team has formed to ensure the completion of these requirements and enable a smooth transition for these members.

LEGISLATIVE SUMMARY UPDATE

State Legislation: State Legislation – Mid-September was the deadline for bills to pass their final floor vote for this legislative session. The Governor has until mid-October to sign or veto any bills sent to him. There are 37 bills being tracked by staff which were sent to the Governor’s desk. A final report will be provided to the Board of Directors in December. The bill tracking document is included under **Attachment C: Bill Tracking**. Staff remain highly engaged with our Associations and their outreach to the Governor’s Administration regarding any final veto or signature advocacy.

Additionally, the team recently provided on-site tours of KHS’ operations for staff from both our State and Federal elected delegation. During these tours, participants meet with internal operational leadership to discuss their role within KHS. It’s a great opportunity to provide a general understanding of the services KHS provides to the community and answer any questions the legislative staff may have. So far, these tours have been very well received and the team intends to conduct more of them. All local, state, and federal elected officials and their staff are welcome to coordinate with the team in scheduling a tour.

MEDICARE DUAL ELIGIBLE SPECIAL NEEDS PLAN

Background: Dual Eligible Special Needs Plans (D-SNPs) are Medicare Advantage (MA) health plans which provide specialized care and wrap-around services for dual eligible beneficiaries (eligible for both Medicare and Medicaid). Under the California Advancing and Innovating Medi-Cal (CalAIM), KHS is required to implement a MA D-SNP by January 1, 2026. This requirement is an important component of the State’s overall health care strategy for Dual Eligible enrollees and is an opportunity to improve access to, and quality of care across Medicare and Medi-Cal for Dual Eligible enrollees, through better care coordination and benefit coordination.

KHS began work on preparing for this initiative in late 2022. An Executive Director was hired January 2023 and work began with various Subject Matter Experts (SME) in general operations, compliance, pharmacy, care management, utilization management, population health management, quality, STARS/HEDIS, technology, provider network and product management. 2023 has focused on current state gap analysis, system requirements, strategy, market assessment and staffing models required for successful implementation. In 2024 will continue to utilize SMEs across all departments to begin implementation that will encompass two components: Assessment and Analysis and Design. Assessment and Analysis consists of vendor contracts, state licensure submission, CMS application preparation, plan development and provider contracting. Design encompasses the business requirements development, technical and functional design, internal systems implementation, and vendor implementation.

KHS will require dedicated staffing resources with Medicare expertise. MA will be a “matrixed” line of business, relying heavily on existing functions currently dedicated to Medi-Cal. While the Medicare office will be accountable for overall execution and results, each involved department will be responsible

to ensure that Medicare obligations are met and are working to identify resources to support the new line of business.

Update: In 2022 Milliman completed a financial feasibility study analysis which modeled the base scenario of membership on the assumption that only current KHS Medi-Cal members who age into Medicare will enroll in the D-SNP (Default Enrollment). This modeling was based on the expectation that DHCS will allow KHS to auto-enroll and is a key element of success. On August 29, CMS and DHCS held a meeting in which MCPs were informed that Default Enrollment was not approved by CMS. This means that KHS will not automatically convert current Medi-Cal members turning 65 (Medicare Eligible) to D-SNP as originally expected. A pilot on “default enrollment” will occur in 2024 and will drive a state decision for 2026.

Next Steps: KHS is faced with several challenges in the overall implementation of a new line of business, which include: 1) hiring staff with recent, relevant MA/D-SNP experience during a healthcare workforce shortage; 2) with the uncertainty of Default enrollment, it will be increasingly difficult for KHS to competing with other Medicare plans that are already in the marketplace; and 3) the already over extended responsibilities of KHS due to our aggressive strategic plan and CalAIM initiatives. As a result of the challenges and significant change in enrollment assumptions, KHS will re-evaluate D-SNP operational feasibility and cost by considering models such as full delegation, partial delegation, or continue with internal implementation.

Student Behavioral Health Incentive Program (SBHIP)

\$9.4M Allocated Funds

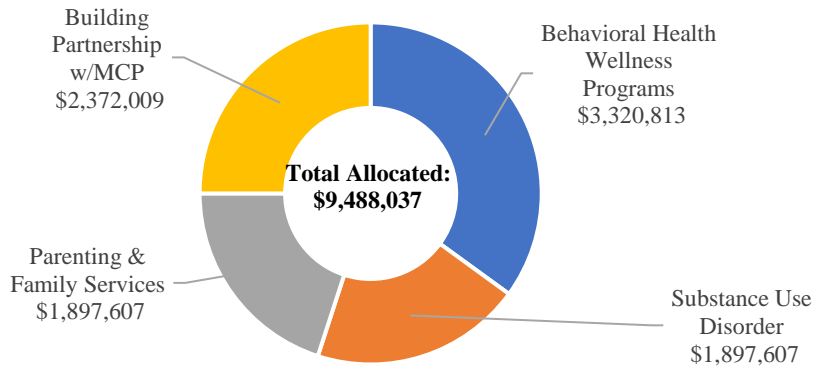
\$5.3M Awarded

Awardees include **8** Local Education Agencies (LEAs)

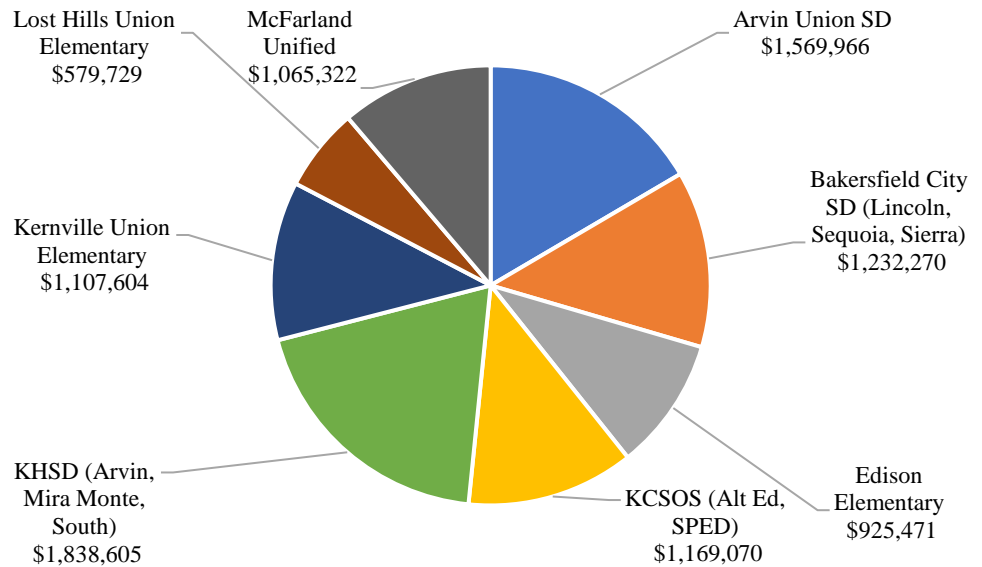
Project Period: January 1, 2023, to December 31, 2024

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. In collaboration, KHS and HealthNet convened several stakeholders in Kern County including local education and behavioral health agencies, to collectively identify specific school districts, student populations, and interventions to build infrastructure and support behavioral services on or near campuses.

Allocation by Initiative



Allocation by School District



Current Status | Next Steps

Kern County Superintendent of Schools (KCSOS) is the fiduciary intermediary for fund distribution to each of the identified school districts. Each participating school district submitted its first bi-quarterly reports in June 2023 for DHCS review and all milestones were approved on September 15, 2023 to receive an additional \$1,207,666.00 in total SBHIP funds to be released for distribution.

Examples of the districts targeted interventions include expansion of family resource centers, modular space for service offerings, and telehealth services, teacher trainings, social worker staff recruiting, creating referral tracking system, and hiring onsite behavioral health staff.

KCSOS is in the process on completing MOUs with each school district to allow for fund distribution across the district.

Incentive Payment Program Funding Awards: CSS & ECM

\$12.2 Awarded

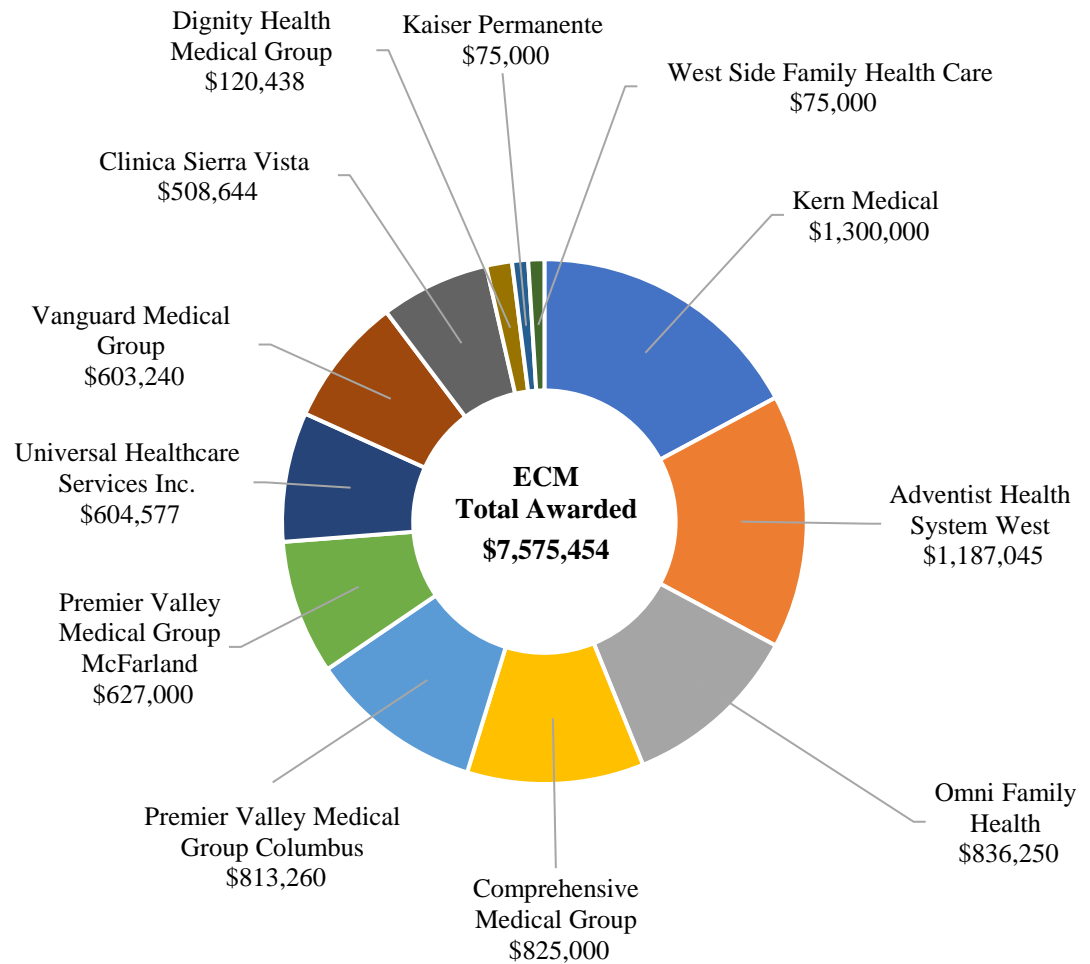
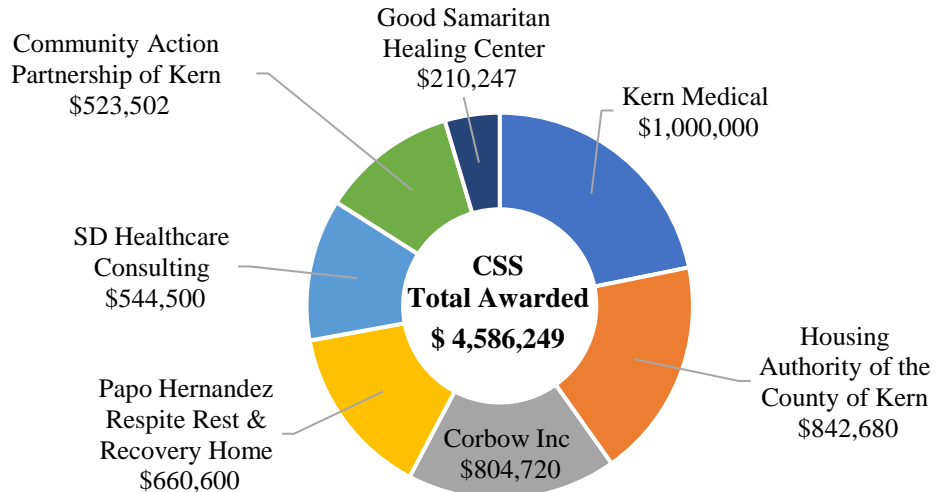
7 CSS Organizations Funded

12 ECM Organizations Funded

Project Period: January 1, 2022, to December 31, 2023

Background: The CalAIM Incentive Payment Program (IPP) is intended to support the implementation and expansion of Enhanced Care Management (ECM) and Community Supports (CSS) by incentivizing managed care plans (MCPs) to invest in provider capacity and delivery system infrastructure; bridge current silos across physical and behavioral health care service delivery; reduce health disparities and promote health equity; achieve improvements in quality performance; and encourage take-up of Community Supports.

KHS has awarded IPP Funding to the following providers to expand on ECM & CSS services. Final fund distribution is contingent on meeting all DHCS outcomes.



<p>Current Status</p>	<p>IPP Program Year 1:</p> <ul style="list-style-type: none"> • Comprehensive Medical Group successfully met milestone to provide ECM services to 75 members. • Adventist Health continues to successfully enrolled members to ECM program in East Kern. • KM has completed all systems upgrades and has drawn down all IPP funding for their ECM program. • Premier McFarland went live 9/1/2023, providing ECM services in McFarland, they have successfully enrolled 43 members since going live on 9/1/23. • Corbow Inc, Community Support Provider has successfully completed project outlined in IPP PY 1. <p>IPP Program Year 2:</p> <ul style="list-style-type: none"> • CSV, went live 9/1/2023, providing ECM services in Delano. • CSV, ECM provider for Delano is in the process of completing all data exchanged requirements. • Good Samaritan Hospital, offering Recuperative Care Services and Post Short Term Hospitalization in Delano effective September 1, 2023. These locations will offer a total of 13 beds. • SD Healthcare Consulting – Asthma provider completed Data Exchange for Delano facility.
<p>Next Steps</p>	<ul style="list-style-type: none"> • CSV, ECM provider in Delano complete hiring for their ECM program in Delano • Good Samaritan Hospital Recuperative Care and Post Short Term Hospitalization to start seeing members. • SD Healthcare Consulting- Respite Caregiver to hire remaining staff for Delano facility. • Flood Ministries to engage an additional 50 people experiencing homelessness.

Housing and Homelessness Incentive Program

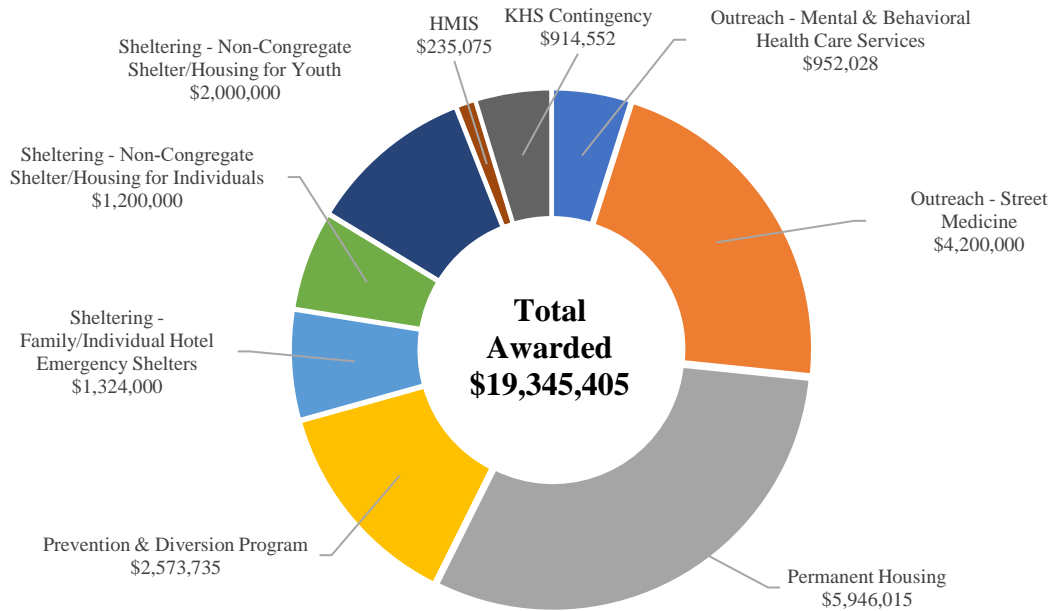
\$19.3M Awarded

19 Providers & Community Based Organizations Funded

Project Period:
January 1, 2022, to December 31, 2023

Background: As a part of the State's overarching home and community-based services (HCBS) spending plan, the California Department of Health Care Services (DHCS) launched the Housing and Homelessness Incentive Program (HHIP).

HHIP aims to prevent and reduce homelessness and housing instability & insecurity by addressing social determinants of health while improving health outcomes and accessibility to whole-person care for those who are a part of the Medi-Cal population and simultaneously experiencing or at risk of being homeless. Final fund distribution is contingent on meeting all DHCS outcomes.



Provider/CBO	Service	Amount Awarded
California Veterans Assistance Foundation	Permanent Housing	\$ 500,000
Casa Esperanza	Permanent Housing	\$ 540,015
Casa Esperanza	Prevention & Diversion Program	\$ 359,985
Chaparral Medical group	Outreach - Street Medicine	\$ 2,600,000
Chaparral Medical group	Permanent Housing	\$ 3,900,000
Clinica Sierra Vista	Outreach - Street Medicine	\$ 850,000
Corbow Inc	Prevention & Diversion Program	\$ 1,000,000
Flood Ministries	Outreach - Street Medicine	\$ 550,000
Golden Empire Affordable Housing, Inc	Permanent Housing	\$ 206,000
Habitat for Humanity Golden Empire	Prevention & Diversion Program	\$ 713,750
Housing Authority of the County of Kern	Permanent Housing	\$ 800,000
Housing Authority of the County of Kern	Sheltering - Non-Congregate Shelter/Housing for Youth	\$ 700,000
Housing Authority of the County of Kern	Sheltering - Non-Congregate Shelter/Housing for Youth	\$ 1,300,000
Kern Behavioral Health & Recovery Services	Outreach - Mental & Behavioral Health Care Services	\$ 576,000
Kern Behavioral Health & Recovery Services	Sheltering - Family/Individual Hotel Emergency Shelters	\$ 24,000
The Open Door Network	Outreach - Mental & Behavioral Health Care Services	\$ 96,484
The Open Door Network	Outreach - Mental & Behavioral Health Care Services	\$ 279,544
The Open Door Network	Sheltering - Family/Individual Hotel Emergency Shelters	\$ 1,300,000
The Open Door Network	Sheltering - Non-Congregate Shelter/Housing for Individuals	\$ 1,200,000
The Social Servant	Outreach - Street Medicine	\$ 200,000
United Way of Kern	Prevention & Diversion Program	\$ 500,000
HMIS		\$ 235,075
KHS Contingency		\$ 914,552
Total		\$ 19,345,405

<p>Current Status</p>	<ul style="list-style-type: none"> • Casa Esperanza, permits have been obtained and renovations in progress. • Chaparral Medical Group has hired 3 full time staff, one (1) Behavioral Health Specialist, one (1) Behavioral Health Triage staff, and one (1) Community Health Worker for their street medicine program. Chaparral group to have one (1) Vehicle for Crisis Response Team. • Clinica Sierra Vista expanded their Street Medicine team and providing street medicine in rural and urban areas of Kern and metro Bakersfield and provided 28 HIV point of care testing for HIV. • Kern Behavioral Health & Recovery Services provided 55 outreach services in the outlying areas. • Housing Authority has completed 50% of rehabilitation work for all three projects. • Corbow Inc, has housed an additional 8 new homeless individuals. • Social Servant has completed his project of outreaching to at least 175 individuals experiencing homelessness. • United Way of Kern County, Prevention and Diversion Program (rental assistance) has hired a full-time staff and has assisted 50 households during last two months. • Golden Empire Affordable Housing have housed 5 families experiencing homelessness.
<p>Next Steps</p>	<ul style="list-style-type: none"> • California Veterans Assistance Foundation will start construction on 12 individual units. • CSV to screen an additional 80 members. • Habitat Golden Empire will continue to conduct minor repairs for elderly. • Kern Behavioral Health and Recovery Services will continue to collaborate closely with landlords to housed people experiencing homelessness in outlying areas.

KHS OCTOBER 2023 ENROLLMENT

Member Demographics

Member Age	
0-5	13%
6-18	30%
19-44	35%
45-64	16%
65+	6%

Ethnicity	
Hispanic	63%
Caucasian	17%
No Valid Data	10%
African American	6%
Asian Indian	1%
Filipino	1%
Other	2%

Language	
English	70%
Spanish	29%
Other	1%

Percentage Increase/Decrease in Membership from previous month.

	Enrollment Type				
	Medi-Cal	Seniors & Persons with Disabilities (SPDs)	Expanded Eligible	Kaiser Permanente (KP)	Total KHS Medi-Cal Managed Care Enrollment
2023-09	235,285	18,000	97,517	15,839	366,641
2023-10	233,089	17,984	96,358	15,587	363,018
% +/-	-0.9%	-0.1%	-1.2%	-1.6%	-1.0%

Enrollment Update: The unwinding of Medi-Cal continuous enrollment provision began April 1, 2023 for Medi-Cal eligibles who were due to renew their Medi-Cal eligibility starting in June 2023. Thus, beginning in June 2023, the “automated discontinuance process” for Medi-Cal Redeterminations resumed when beneficiaries do not complete the Annual Eligibility Redetermination process.

KHS DHS MEDI-CAL RENEWAL PARTNERSHIP

Background: During the public health emergency (PHE), the Department of Health Care Services froze Medi-Cal redeterminations. Thus, the Kern County Department of Human Services suspended their “automated discontinuance process” for Medi-Cal Redeterminations when Medi-Cal beneficiaries did not complete the Annual Eligibility Redetermination process. The unwinding of Medi-Cal continuous enrollment provision began in April 2023 for Medi-Cal eligibles who are due to renew their Medi-Cal eligibility (beginning in June 2023). During the unwinding of Medi-Cal continuous enrollment, the State, County, KHS, and other stakeholders are working together to ensure continuity of coverage since the complete Medi-Cal redetermination process resumed. Given that more than half of Medi-Cal enrollees complete their annual renewal through the manual mailing process, it is important Kern DHS has updated contact information of Medi-Cal enrollees. In addition to sharing member demographic updates via a data exchange with Kern DHS, we are educating members about the importance of sharing updated contact information with the county.

As the unwinding of Medi-Cal continuous enrollment provision began, Kern DHS out stationed two full time Human Services Technicians (HST) staff and one part time Supervisor on-site at KHS. KHS funds these positions to assist Kern DHS process updates from KHS and complete the renewal process for

KHS members. In addition to the 2.5 DHS staff, KHS brought on board 25 additional staff (Member Navigators) who are fully trained to answer redetermination questions and can help members complete the renewal process. KHS also brought on board five (5) additional staff (Community Enrollment Navigators) to answer redetermination questions and help members complete the renewal process. The Community Navigators are located at provider/community partner sites in Bakersfield and the outlying areas of Delano, McFarland, Taft, and Arvin. In April 2023, Kern DHS began sharing eligibility data with KHS that includes which members must complete the manual mailing renewal process along with timelines and due dates. KHS is communicating the importance of completing this process to members using text messages, mail, robocalls, phone calls, and the KFHC Member Portal. KHS is also sharing renewal information with staff and contracted providers so they can inform members of their upcoming renewal date and connect them with help completing the process. We also began conducting direct outreach to the disenrolled members in a hold status who have 90 days (from disenrollment date) to complete their renewal to be retroactively enrolled to their disenrollment date. The KFHC Advertising Campaign was also revised to focus on redetermination awareness and encouraging members to take action.

Update: Kern DHS granted designated KHS staff access to the CalSAWS system (California Statewide Automated Welfare System - the State Medi-Cal eligibility system) to assist in determining mutual beneficiaries Medi-Cal renewal status and resolution needed to ensure successful Medi-Cal renewals. This is the first time KHS staff have had access to CalSAWS and this data is proving to be very beneficial when assisting our members with eligibility issues. KHS also contracted with the Motor Vehicle Network to run KFHC advertisements in all Department of Motor Vehicle offices in Kern County. Since the start of Medi-Cal Renewals, we have experienced a membership decrease of 11,060 members and 91.2% of our members due for renewal are still enrolled in the plan. This redetermination process will continue monthly until all KHS members have gone thru the process by June of 2024.

Next Steps: KHS will continue the direct member outreach activities along with working with providers, local Medi-Cal enrollment entities, and community-based organizations to support the correct completion of the renewal applications which Kern DHS will review and use to determine eligibility. We will also continue direct outreach to the disenrolled members in a hold status.

COMMUNITY EVENTS

KHS will share sponsorship in the following events in October and November:

Organization Name	Event Name	Purpose	Donated Amount
Lamont - Weedpatch Family Resource Center	Fall Harvest Festival	This annual community event organized by schools, businesses, and community partners provides a safe family friendly event in the Lamont/Arvin area.	\$2,500
League of Dreams	Wine Women & Shoes	The League of Dreams is an adaptive sports league giving every child a chance to play by providing sports training, team camaraderie, and competitive sporting opportunities for athletes ages 5 to 22 with physical, developmental, and cognitive disabilities.	\$5,000
Society for Human Resource Management	26th Annual Symposium & Exposition	The conference will provide a wide range of tools to equip business professionals with information to navigate through California's new and continued changes in the laws.	\$1,800
H.E.A.R.T.S. Connection	Hero's 4 HEARTS Walk	Mission is to enhance the quality of life for people with special needs through a family resource center that symbolizes professionalism, dignity, compassion, and respect.	\$1,000
Global Family	6th Annual Global Family Invitational	Global Family and the Daughter Project works to protect and restore young victims of human trafficking and exploitation here in our community and around the world.	\$1,250
Noel Alexandria Foundation	6th Annual Running with the Angels 5K Run/Walk	The Noel Alexandria Foundation was founded by a mother who experienced a stillbirth pregnancy and learned to find the light at the end of the tunnel.	\$750
Links for Life	Hot Pink Celebration	Proceeds benefit our local community with vital breast cancer services.	\$2,500
Centro de Unidad Popular Benito	Guelaguetza	Guelaguetza event is where natives from the eight Oaxacan regions come together and expose what Oaxaca has to offer to the world regarding their culture, tradition, and ways of living. This is a great opportunity to provide this community with health resources.	\$2,500
Bakersfield City School District	2023 Community Partners in Education Event	Event brings school and community together to build partnerships that continue throughout the academic year.	\$1,000
CAPK	Friendship House Mixer & More	Proceeds benefit the Friendship House educational programs.	\$1,000
Bakersfield ARC	Annual Golf Tournament	Proceeds benefit the well-being and care of individuals with intellectual and development disabilities.	\$2,000
CASA	CASA Super Hero Run	Proceeds benefits youth in Kern County Foster Care.	\$1,520

St. Vincent De Paul Bakersfield	St. Vincent De Paul Fall BBQ	The SVDP BBQ is the major fundraiser of the center. This donation provides funding for 2 weeks - 300 showers, hygiene kits and meals.	\$5,000
No Sister Left Behind	Total Well-Being Women's Conference 2023	Support our efforts to create an environment for women to learn about the importance of caring about their personal well-being.	\$2,500
PMI California Central Valley Chapter	Project Management - Leveling the Playing Field	The conference targets firms in the Central Valley from Bakersfield to Madera with roles including: Project/program managers, Business and IT analysts, corporate executives, college students, and professional individuals who are seeking more knowledge in project management.	\$1,500
California State University Bakersfield Alumni Foundation	Party in the Park	The proceeds enhance alumni scholarships and mentoring programs which continue to grow in reach.	\$2,500
Good Samaritan Hospital Foundation	Trunk or Treat in Oildale	Successful annual Halloween event in Oildale organized by District 3 Supervisor, Supervisor Jeff Flores. KHS collaborates with Good Samaritan Hospital to be major sponsors - providing bags, glow sticks, coloring books/crayons, etc. to children who attend.	\$5,000
Dignity Health, Adventist Health, Kaiser Permanente, and Kern Medical	Healthful Harvest/La Cosecha Saludable	Goal is to bring awareness, education, health screening services, and connect community members with health and local community resources at this free community event in Arvin.	\$2,500
The Social Servant	Homeless Mobile Clinic	Provide socks and flip flops for our homeless community in need. The Social Servant will have these items available in their mobile clinic.	\$1,000
Alzheimer's Association	Walk to End Alzheimer's	As the leading voluntary health organization in Alzheimer's care, support, and research, the Alzheimer's Association® addresses this global crisis by providing education and support to the millions who face dementia every day, while advancing critical research toward methods of treatment, prevention, and ultimately, a cure.	\$1,500
Binational Health Week	BHW Community Health Fair	Binational Health Week was created in 2001 to raise awareness of and respond to the unique health care challenges of Latinos in the United States. Government agencies, community-based organizations, and thousands of volunteers come together to conduct a series of health promotion and health education activities.	\$3,000
Hoffmann Hospice	Run To Remember	The 6th annual event remembers loved ones while raising funds for Hoffmann Hospice & Palliative Care Services.	\$1,000

Alzheimer's Disease Association of Kern County	Heart Never Forgets Gala	Improve the life of someone with Alzheimer's while giving their caregivers some much-needed relief.	\$1,500
Safe Haven Kid's League of California City	A Giving Resource Speculator	SHKLCC is an organization dedicated to help families and especially the youth in California City. Funding supports food boxes and supplies/costs to organize this community event.	\$2,000
Children First	Literacy Gala 2023	Proceeds benefit their reading program that enhances reading and comprehension skills for students that reside in the East Bakersfield area.	\$3,250
Honor Flight Kern County	Honor Flight	HFKC is an all-volunteer non-profit created to honor veterans of Kern County and surrounding areas. HFKC's mission is to honor and send America's veterans to Washington D.C. to see the memorials built in their honor for their service to our country – at no cost to the veteran.	\$3,000

KHS will also participate in the following events in October & November

Organization Name	Event Name	Location	Date	Time
Delano Chamber of Commerce	2023 Fall Street Fair	Main St. - 12th Ave., Delano	10/5/2023	6:00pm-5:00pm
Children First	Children First Resource Fair	David Nelson Pocket Park 1511 Niles St.	10/6/2023	4:00pm-7:00pm
Apple Core Project	Community Health Fair	612 Grace St.	10/7/2023	9:00am-12:00pm
Nueva High School	Fall Health Fair	8600 Palm Ave.	10/12/2023	12:00pm-1:30pm
Laborers of the Harvest (LOTH's)	LOTH's Open Harvest Grand Opening	141 A St., Arvin	10/14/2023	1:00pm-4:00pm
Greenfield Family Resource Center	Community Resource Fair Open House	5400 Monitor St.	10/19/2023	3:30pm-6:30pm
Del Oro High School	Sun Buddy Special Health and Resource Fair	1750 Panama Ln.	10/20/2023	4:30pm-6:30pm
The Rock Church	Community Outreach Event	1400 Norris Rd.	10/21/2023	10:00am-12:00pm
Bakersfield Recreation and Parks - Dr. Martin Luther King Community Center	Halloweentown Trick or Treat	14688 Lost Hills Rd.	10/25/2023	2:00pm-4:30pm
Wonderful College Prep Academy	2023 Lost Hills Harvest Festival	1000 S. Owens Street	10/27/2023	5:00pm-8:00pm
Historic Union Cemetery Foundation	Dia De Los Muertos	730 Potomac Ave.	11/2/2023	2:00pm-9:00pm

Native American Heritage	3rd Annual Native American Heritage Month Luncheon-Rock your Mocs!	Marriot Convention Center -801 Truxtun Ave.	11/4/2023	8:00am-12:00pm
California Farmworker Foundation	Dia De La Familia	1730 Madison St., Delano	11/5/2023	12:00pm-4:00pm

Employee Video Newsletter

KHS' Video Employee Newsletter can be seen by clicking the following link:

<https://vimeo.com/871544659?share=copy>

KHS Media Clips

We compiled local media coverage that KHS received in August and September. Please see **Attachment D: Public Relations/Publicity Media Clips.**

KHS ORGANIZATIONAL HIGHLIGHTS

KHS Employee Picnic 2023

KHS proudly organized its annual company picnic on September 30, and it was a successful event. A total of 422 employees were in attendance along with their families and brought the total number of attendees to 1,538. Generous contributions from several of our valued vendors in the form of raffle prizes had our employees engaged throughout the event. The festivities at the picnic included various family-friendly activities such as face painting and an assortment of games tailored for children. During this event, we also took the opportunity to recognize and honor our dedicated employees who have reached significant milestones with KHS, presenting service award for 5, 10, 15, and 20 years of outstanding commitment. Eric Geiger was announced as Employee of the Year Award, a member of the Human Resources team. Eric's exceptional contributions and dedication to our company exemplify the qualities we value in our employees, making him a deserving recipient of this award.



KHS Employee Benefits Fair

KHS was thrilled to host its annual Benefits Fair on September 20, 2023. This event serves as a cornerstone in our commitment to supporting our employees and enhancing their overall well-being. The Benefits Fair is designed to provide our employees with a comprehensive overview of the various benefits and resources available to them. It serves as an opportunity to educate, engage, and empower our workforce by offering information on healthcare, retirement planning, wellness program, and other employee benefits. A few of the vendors included: Kaiser, Delta Dental, VSP, Prudential, Teladoc, PayPro, Iron Wood, Insurica, Happy Whole You, Blue Zones, and much more.



KHS MEMBERSHIP | COMMUNITY HIGHLIGHTS

Health Education Classes

KHS hosts monthly health education classes for members on asthma, diabetes prevention, tobacco cessation, physical activity and healthy eating. All classes are offered in English and Spanish and provided in-person at the KHS building or in a virtual learning environment through Zoom. The virtual learning environment allowed KHS to engage with members residing in many rural areas, including Arvin, Boron, California City, Delano, Lamont, Maricopa, McFarland, Mojave, Ridgecrest, Shafter, Taft, Tehachapi, Wasco and Weldon. KHS encourages members to bring their children and family members to the health education classes. This helps to foster systems of support and establish healthier family habits. Since January, KHS has hosted 300 classes and provided education to over 2,000 members and their families. The impact of these health education classes on members has resulted in an average 5%-10% weight loss, improved asthma control, reduction in tobacco and nicotine use and high member satisfaction with the information received and the facilitators of the classes.



Member Engagement

Kern Health Systems' (KHS) new Member Engagement Team is committed to keeping our members informed about everything Kern Family Health Care has to offer, and they are already excelling in that area. Through their efforts, they are bridging any gaps in communication with our current and potential members effectively and have made an impact in such a short amount of time.

“The rural areas of Kern County are stretched far and wide, so in order to bridge the gap between the physical presence of KHS in Bakersfield to those outlying areas, it was determined that we would hire member engagement representatives that would learn all about our health plan, and how to serve the members that they would be responsible for,” shared Lela Criswell, Member Engagement Manager.

Lupe Rodriguez, Member Engagement Representative Bilingual, is one of the three new member engagement reps connecting with residents in rural areas. She serves the community of Delano and surrounding areas and has been connecting with farmworkers in the fields to inform them of what we have to offer and answer any questions regarding their health plan that they may have.

Recently, on one of her visits to a field, she connected with one of our members, a farmworker in his 60s, who is diabetic and is in need of care. “He shared with us that he has trouble getting to the doctor. He gets a ride to work every day, but even if he takes a day off of work and needs a ride to the doctor, he struggles with that,” Lupe explained.

“We informed him that the insurance he has offers transportation. He just needs to call and let us know [about his appointment] so we can set him up for that.” He said, “I didn't know that I could get a ride to the doctor for my medical appointments!” To me, it was rewarding because he didn't know at all, but now that he knows, he's going to use our services, shared Lupe. That's why we are out there sharing this information.

“We have something that a commercial plan does not have,” said Lela. “We have a local advantage, and it really does speak to being able to connect with people and being able to get that health equity overview and accomplishment done.”

“You can't have equity if you don't know what your population is about,” Lela emphasized. “How do you know what's missing or what the gaps are, if you do not know about the population you are serving? You can look at data all day long, but that's not going to tell you the more formidable, subjective, and tangible things that could help members become healthier, to ultimately accomplish our mission at KHS, [which is] improving our members health status.”



Strategic Plan Status Report: Q3 2023

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"> • Currently outperforming 2022 scoring in 15 of 18 measures. • Outreach team has conducted over 60,000 calls with over 30% success rate. • Quality Grant approved by the KHS Board of Directors and applications are in progress. • Conducted internal employee and external provider education campaigns related to MCAS. • Updated member and provider incentive programs to include additional priority measures. • Initiating end-of-year outreach campaign for various measures. • Continued expansion of access to Admission, Discharge, Transfer (ADT) and Electronic Medical Record (EMR) data. • Creation of Community Conversations listening sessions in different regions of the community with the Health Equity Office.
Strategy 2	Meet National Committee for Quality Assurance (NCQA) standards and work toward accreditation.
Accomplishments	<ul style="list-style-type: none"> • Hired dedicated NCQA Manager tasked with overseeing implementation and operational excellence. • Completing gap-closure work based on areas identified in the readiness review. • Preparing 2024 budget and project needs estimates.
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"> • Identified and hired staff to manage health equity programs and conduct thorough analysis. • Executive Quality Improvement Health Equity Committee (EQIHEC) & Health Disparities Reduction Policies approved by DHCS. • Conducted 6 focus group conversations regarding Health Equity to identify barriers including launching the first Kern Health Equity Partnership Strategic (KHEP) Planning Session. • Working with experts to develop Health Equity training program.

Strategic Plan Status Report: Q3 2023

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"> • Provider Network needs and gaps have been identified for 2023. Efforts for this year are shifting toward actual recruitment and network development. • Provider Recruitment and Retention grant program will be utilized to focus on key areas including rural areas.
Strategy 2	Strengthen and expand the KHS provider network through innovative and effective recruitment and retention programs.
Accomplishments	<ul style="list-style-type: none"> • Board of Directors approved the KHS Recruitment and Retention Grant Program and the Healthcare Workforce Expansion Initiative, applications are forthcoming. • Provider Contracting team is pursuing 13 Mental Health services providers for possible contract opportunities. • Contacts are being made with Long-Term Care facilities to support Phase II of DHCS' carve-in for Intermediate Care and Subacute Facilities. • Provider recruitment efforts in the Lancaster and Palmdale area identified over 200 potential contracting opportunities. Outreach to identified providers is underway.
Strategy 3	Identify business needs and gaps in current workforce to inform target areas and approaches.
Accomplishments	<ul style="list-style-type: none"> • HR is working with internal management to discuss 2024 strategic and staffing goals. • Continued collaboration with other Local Health Plan leaders in the areas of Learning and Development, as well as Recruitment and Retention. • Review of industry benchmark reporting to identify trends in turnover and diversity metrics.
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"> • Summer externship program concluded in August. The program received over 180 applicants which resulted in 40 externship offers. The program was a great success, demonstrated by numerous encouraging testimonials from externs at the conclusion of the program. • Final draft of key positions for inclusion in the KHS Succession Plan document were completed. Working on development plans and final reporting. • Alignment of KHS' recruitment and retention policies with NCQA standards including Health Equity and Diversity, Equity, and Inclusion requirements.

Strategic Plan Status Report: Q3 2023

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"> • Expansion of ECM providers to an additional 5 locations which launched on or before 10/1. This includes sites in outlying areas such as McFarland, Delano, and Arvin. • Working to contract with additional new ECM providers who currently contract with Health Net, in anticipation of transitioning members on 1/1/24. • Addition of new Community Supports providers for Nursing Facility Transitions, Community Transition Services, and Personal Care Services. • In contract negotiations with additional Community Supports providers to expand access to Housing Services, Asthma Remediation, Medically Tailored Meals, and Day Habilitation Services. • KHS has contracted with a team of “SNFist” physicians and clinicians to provide comprehensive medical care to KHS members residing in the long-term care facilities. The SNFists are also available 24/7 on call services to all KHS members for quick response, assessments, and interventions whenever member’s condition change. Because dedicated SNFists are assigned to KHS members, they are more apt to catch illnesses and unforeseen problems earlier in their development before members require emergency treatment.
Strategy 2	Strengthen Existing and Establish New Community Partnerships to Support CalAIM.
Accomplishments	<ul style="list-style-type: none"> • KHS Board of Directors approved the Community Based Initiative Program. Applications are forthcoming. • Continued administration of CalAIM Incentive Payment Program. Working closely with providers to ensure project milestones are being met and reporting is completed. • Active monthly participation in collaborative meetings providing support and technical assistance to Community Based Organizations. • Engaging in community discussions about upcoming CalAIM opportunities in ECM and CSS. Included the areas of parole, street navigators, homeless collaborative, aging and adult services, and other traditional providers.
Strategy 3	Ongoing collaboration between KHS staff and the Department of Health Care Services (DHCS) on the development and implementation of future CalAIM initiatives.

Strategic Plan Status Report: Q3 2023

Accomplishments

- Ongoing internal project work related to Phase II of the Long-Term Care transition effective 1/1/24. Final All Plan Letter guidance received from DHCS. Provider contracting efforts are underway.
- Continued refinement and operationalization of the Enhanced Care Management Population of Focus for Children and Youth. Conducted education for both providers and the broader community related to this new ECM population.
- Preparing for new January ECM Populations of Focus related to Birth Equity and Justice Involved individuals. This includes discussions with Kern County Public Health, California Department of Corrections, Kern County Sherriff's Office, County Probation, and Kern County Behavioral Health and Recovery Services.

Strategic Plan Status Report: Q3 2023

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"> • Finalized development of Medicare business strategy and timeline delivery plan. • Developed the Health Services strategy and Population Health risk analysis. • Conducted analysis and created recommendations for funding and infrastructure needs for 2024. • Completed review of Corporate Project needs and recommendations for 2024.
Strategy 2	Analysis of the appropriate market factors to maximize the competitiveness of the product.
Accomplishments	<ul style="list-style-type: none"> • Market, Product, and Competitor analysis has been completed for 2023 and will be conducted annually moving forward.
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"> • Delivered the final gap analysis and requirements for impacted functional areas. • Completed onsite training in the areas of Model of Care and STARS. • Developed Request for Quotes outlining the necessary external support needed to continue implementation work in 2024. • Finalized HEDIS/STARS software solution RFP language for release to vendors. • Drafting language for a Pharmacy Benefit Manager RFP, for release in 2024.

Strategic Plan Status Report: Q3 2023

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"> Completed all policies and procedures to meet upcoming 2024 DHCS contract and current All Plan Letter requirements. Finalized 2024 Behavioral Health strategy, goals, and recommended Corporate Projects. Analysis of 2024 department structure and assignments recommendations completed. Worked with 2 additional Behavioral Health Providers on contract amendment language and data sharing expectations.
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"> Met with key Safety Net providers to discuss access issues and provide support to resolve delays in care. Conducted analysis on providers enrolled in Medi-Cal Fee For Service, but not contracted with KHS. Contracting team is outreaching to those identified. Operational work ongoing to track timely access to appointments and maintain coordination of care between KHS and Kern Behavioral Health and Recovery Services.
Strategy 3	Communication and coordination with County Behavioral Health regarding DHCS requirements.
Accomplishments	<ul style="list-style-type: none"> Ongoing regular collaborative meetings with County Behavioral Health to discuss quality and clinical oversight, substance use issues, and Memorandum of Understanding requirements. Referral Outcome Tracking reports are being monitored and updated to meet operational needs. Work is ongoing to further automate these reports. Actively working with Kern Behavioral Health and Recovery Services on data exchange implementation. KHS received vital information related to members accessing Specialty Mental Health Services for the past 12 months.
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"> The first phase of this effort has been completed related to analyzing provider data to determine usage of MAT medications. The next phase of work is expected to resume in Q4 2023.

Strategic Plan Status Report: Q3 2023

Goal 6	
Goal Name Description	<p><u>Member Engagement</u></p> <p>Increase member engagement in their health care</p>
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"> • Finalized the hiring and deployment of all new Community and Member Engagement staff. • Further expansion of Member Engagement Coordinators deployed in the community. Locations include Ridgecrest, Mojave, Taft, Lake Isabella, and Delano. • Member Outreach Specialists are contacting members in need of services and addressing barriers in receiving necessary care. • Developed 2024 Member Engagement approach including necessary Corporate Project proposals for next year.
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"> • Updated the contract between KHS and the County Department of Human Services to allow read-only access to County enrollment system information. This facilitates improved visibility into member redetermination status and allows for improved customer service when assisting members. • Collaborated with new community organizations to promote the Medi-Cal renewal campaign. • Updated the KHS advertising campaign to include information on Medi-Cal renewals. • Enhanced and expanded the reach of the comprehensive multi-channel outreach efforts to members due for Medi-Cal redetermination.
Strategy 3:	Leverage convenient technology to enhance the effectiveness of engagement and suit members’ needs.
Accomplishments	<ul style="list-style-type: none"> • Continued progress on Member Rewards software system Request for Proposal (RFP). Engaging with system experts on member rewards options and conducting demos with software vendors. • Implementing the Health Wise Screening tools on the KHS website. This allows for KHS case managers to assign health and wellness material to members, print and mail, and track these efforts. • Added the HealthWise Self-Management platform to the website in line with the NCQA and 2024 Contract requirements. • Working on additional HealthWise capabilities to allow case management to provide health education materials to members. • Evaluating the success of various outreach modalities (text, robocall, and live call) to create strategies for improving member engagement efforts.

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Goal 7	
Goal Name Description	<p><u>KHS Foundation</u></p> <p>Explore the opportunity for KHS to create a non-profit foundation to further its mission in the community</p>
Strategy 1	Conduct exploratory analysis of the necessary major components needed for the creation of a KHS non-profit foundation.
Accomplishments	<ul style="list-style-type: none"> • Finalized preliminary research on a potential KHS foundation, e.g., financials, goals, timelines. • Initiated conversations with legal experts to advise on the filing requirements. • Developed board presentation to review next steps. Scheduled to present to the Board of Directors in October.



Corporate Goals Status: Q3 2023

Corporate Goal 1				
Name	Behavioral Health Program			
Description	Over the last several years, managed care plans have experienced a number of behavioral health focused services that transitioned under their scope of services. In 2018, the managed care plans assumed responsibility of Autistic Behavioral Therapy (ABA) and non-specialty mental health service delivery. Most recently, the plans are to collaborate with the specialty mental health provider to incorporate a “No Wrong Door” structure which requires close engagement between providers in coordinating behavioral and mental health care for the member, regardless of initial screening or service entry point. KHS currently lacks the personnel to oversee the services specific to behavioral health, and with an increased focus in care integrations, the need to develop a department is essential.			
Deliverables	Start Date	Due Date	% Complete	Q3 Status
Develop and incorporate a Behavioral Health department into the KHS organizational structure. Create/update policies, procedures and operationalize the department in the 1st – 2nd Quarter, 2023.	1/1/2023	6/30/2023	100%	Initial Behavioral Health framework and policies completed. Ongoing development of additional policies and procedures. Finalized hiring 2023 budgeted Behavioral Health staff. Ongoing execution of the Behavioral Health Corporate Project, under the direction of the Behavioral Health Director.
Evaluate and ensure the mental health provider network is adequate to provide all outlined non specialty mental health services (NSMHS) and communicate with MHPs regarding DHCS requirements. Create a formal collaborative structure with Kern Behavioral Health and Recovery Services and other entities that provide behavioral and mental health services during the 2nd Quarter, 2023.	1/1/2023	6/30/2023	100%	Internal structures established, and communications lines with Kern Behavioral Health and Recovery Services (KBHRS) are in place. Ongoing internal analytics and surveys on provider capacity and appointment wait times to identify gaps in the network. Ongoing collaboration with KBHRS to share referrals/screenings for BH Services.
Further evaluate and develop the implementation of Primary Care Provider Roles with Substance Use Disorder services / Medication Assisted Treatment services. Coordinate with participating Primary Care Providers, Inpatient Hospitals, Emergency Rooms, or other contracted medical settings for Medications for Addiction Treatment (MAT – aka Medication Assisted Treatment) starting in the 3rd Quarter, 2023.	7/1/2023	12/31/2023	20%	BH Director worked with pharmacy on reports to identify MAT medications being prescribed (member and provider level). Initiated discussion with Claims to inquiry on CPT codes for MAT to help identify members and providers. Ongoing discussions on whether contracts need to be amended for PCPs.
Evaluate the availability of emergency stabilization services. Coordinate with participating Primary Care Providers and Kern Behavioral Health and Recovery Services regarding access to care for substance use disorder (SUD) services in the 4th Quarter, 2023.	10/1/2023	12/31/2023	0%	N/A

Corporate Goals Status: Q3 2023

Corporate Goal 2					
Name	Quality and Health Equity Program				
Description	DHCS has published the 2022 Comprehensive Quality Strategy (CQS) that focuses on guiding principles of eliminating health disparities from inherent delivery system bias, using community-based partnerships; data driven improvements that address the whole person; and transparency, accountability and member involvement. These principles and strategies are meant to improve the clinical outcomes of our membership. There are also three specific focus areas that include children’s preventative care, maternity care and birth equity, and behavioral health integration.				
Deliverables	Start Date	Due Date	% Complete	Q3 Status	
Identify organizational structure for the role of a Health Equity Officer, as required in the DHCS CQS. This position will be responsible for carrying out the CQS strategies in collaboration with the Quality Improvement and Population Health Management departments. Project to launch 1st Quarter, 2023.	1/1/2023	3/31/2023	100%	<p>Chief Health Equity Officer hired, and KHS Health Equity Office launched. Policies and procedures are being rolled out continuously.</p> <p>Health Equity Office structure completed and approved. Health Equity staff onboarded.</p> <p>Initial set of Quality Improvement and Health Equity Transformation Program (QIHETP) policies and procedures documented and approved. Additional strategic direction in development.</p>	
Identify and assess members risks guiding the development of care management programs and focused strategies in the 2nd Quarter, 2023.	1/1/2023	6/30/2023	100%	<p>Internal updates to Risk Stratification and Segmentation processes have been completed. Additional updates will occur as needed.</p> <p>Re-structured Care Management (CM) Team to ensure all members received appropriate CM services. Hired LVNs and Community Health Workers to provide Care Management to moderate and low-level risk members.</p>	
Create strategies to engage members as “owners of their own care”. Member Engagement Program - Develop a robust member and community engagement program in the 2nd and 3rd Quarter, 2023	4/1/2023	9/30/2023	100%	<p>Developed job descriptions, conducted interviews, and hired Community Engagement Coordinator position and Member Navigators. Coordinated with community partners in designated areas to station staff.</p> <p>Continued to support and expand street medicine initiatives designed to meet members where they are.</p> <p>Conducted proactive outreach to members in need of services and addressed barriers in receiving necessary care.</p>	

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				Ongoing execution of comprehensive multi-channel outreach efforts to members due for Medi-Cal redetermination.
Develop communication strategies that will focus on keeping families and communities healthy via prevention during the 3rd Quarter, 2023.	7/1/2023	9/30/2023	100%	Developed comprehensive Medi-Cal renewal communications campaign. Member Outreach Specialists contacting members in need of services and addressing barriers in receiving necessary care.
Create early interventions for rising risk and patient centered chronic disease management by the end of the 3rd Quarter, 2023.	4/1/2023	9/30/2023	100%	Conducted analysis on members diagnosed with obesity and diabetes. Developed special program description and scope of work to address this population.
Expand on programs that focus on whole person care for high-risk populations, addressing drivers of health by the end of the 4th Quarter, 2023.	4/1/2023	12/31/2023	75%	Developed and implemented Population Health Management Programs for Maternal Mental Health, Sickle Cell Anemia and eating disorders, and for members enrolled in Community-Based Adult Services and receiving Private Duty Nursing. Additional program being developed for high-risk pregnancy, including screening for high-risk pregnancy and hiring a high-risk pregnancy nurse internally. Population Health Management team is now also implementing the KHS baby-steps initiative.

Corporate Goals Status: Q3 2023

Corporate Goal 3				
Name	Health Information Data Exchange & Security			
Description	Kern Health Systems is accountable to the Health Insurance Portability and Accountability Act of 1995 (HIPAA) Security Rule which leverages the National Institute Standards and Technology (NIST) for Information Security (InfoSec) practices. Additionally, the plan is obligated through contracts with the State of California to ensure that the health plan maintains data and systems following these standards. As KHS continues to expand on the health information data exchanges with numerous provider groups that potentially do not have technology safeguards in place, it also raises KHS security concerns. As a result, KHS continuously scrutinizes and updates its information and cyber security protocols and practices to ensure that the best strategies and tools are being used based to provide a secure and protected environment. Over the next year, KHS will establish 24-hour monitoring of its Information Security systems to ensure that there is immediate action to avoid potential threats. After the installation of this new system, KHS will perform its annual 3rd party audit of the Information Security procedures and controls and provide an Executive presentation to key stakeholders.			
Deliverables	Start Date	Due Date	% Complete	Q3 Status
Procure, install, and configure new logging and monitoring system in the 1st Quarter, 2023.	1/1/2023	3/31/2023	100%	Logging and monitoring system has been procured and installed. Currently monitoring 3rd party events
Perform annual 3rd party audit following the NIST security framework to independently evaluate Kern Health Systems starting the 2nd Quarter, 2023.	4/1/2023	10/30/2023	75%	Developed and published RFQ to solicit vendors to perform security audit. Vendor selection is complete. 3 rd party audit is underway and on track. Analysis and report-out will follow the completion of the audit.
Analyze audit and perform risk management and remediation on any findings to close gaps by end of 3rd Quarter, 2023.	10/1/2023	12/31/2023	0%	N/A
Provide an Executive presentation to key stakeholders on the status of the Corporate Information Security strategies and audit by end of 4th Quarter, 2023.	11/1/2023	12/31/2023	0%	N/A

Corporate Goals Status: Q3 2023

Corporate Goal 4				
Name	Dual Eligible Special Needs Population (DSNP) and Medicare			
Description	Promoting integrated care by incorporating mandatory Medi-Cal Managed care enrollment for individuals who are dual eligible for (Medi-Cal and Medicare) is part of the CalAIM initiative to improve health. Although this is optional for managed care plans, it is strongly recommended by DHCS. The goal is to promote integration and align enrollment of the DSNP population, increase coordination of care, and better health outcomes. KHS would be eligible to offer a Medicare Advantage product in 2025-2026 contingent on preparation, fiscal and operational feasibility, and both DHCS and CMS approvals. In order to evaluate our role and readiness for this new line of business, the process and preparation is being initiated.			
Goal 4a: National Committee for Quality Assurance (NCQA) Health Plan and Health Equity Accreditation				
One component of DHCS' CalAIM initiative will require Health Plans to receive accreditation from the National Committee for Quality Assurance (NCQA) by 2026. This accreditation consists of a rigorous framework of policies and procedures designed to improve quality and quality measurement. Plans are evaluated across a number of departments and functions including Quality Improvement, Population Health Management, Provider Network Management, Utilization Management, and Member Services. Becoming NCQA accredited will require a multi-year approach to preparation. In 2023 KHS will assess current policy and procedure against the NCQA requirements to build out a remediation plan.				
Deliverables	Start Date	Due Date	% Complete	Q3 Status
KHS will embark in a detailed Medicare Advantage Fiscal and Operational Feasibility study and gap analysis. This will require the procurement of consulting services that have the expertise in Medicare implementation for Medi-Cal focused plans. This process will start in the 1st Quarter of 2023 with final reporting by 4th Quarter, 2023.	1/1/2023	12/31/2023	75%	Initial Milliman Gap Analysis completed by end of 2022. Internal Medicare leadership onboarded, and Corporate Project is executing. Finalized development of a 3-year product roadmap and timeline. Market and Competitor analysis completed for 2023. Conducted gap analysis and requirements gathering across functional areas. Developed 2023 and 2024 staffing model and resource plan, and identified projects needed for 2024. Finalized Medicare business strategy and timeline delivery plan. Developed Health Services strategy and Population Health risk analysis.
NCQA Gap Analysis will be initiated and will encompass all KHS departments. Education and training will be provided to all stakeholders on NCQA standards and accreditation processes. The Gap Analysis will assess the current plan position against NCQA standards starting in the 1st Quarter, 2023.	12/1/2022	2/28/2023	100%	Procurement completed for NCQA consulting services related to gap analysis and readiness. NCQA gap analysis and readiness assessment has been initiated. NCQA training conducted on health plan and health equity accreditation. Additional training will occur as needed through the course of the accreditation process.

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<p>Conduct NCQA readiness and gap assessment across all Health Plan functions and relevant NCQA standards starting in the 3rd – 4th Quarter, 2023.</p>	<p>1/1/2023</p>	<p>7/31/2023</p>	<p>100%</p>	<p>Comprehensive NCQA gap analysis and readiness assessment has been completed.</p>
<p>Develop a deliverable document with gaps and recommendations for remediation with reference to NCQA standard requirements. Develop timeline for readiness and application process will start in the 3rd – 4th Quarter, 2023.</p>	<p>6/1/2023</p>	<p>12/31/2023</p>	<p>100%</p>	<p>Implementation timeline, strategy, and workplan developed. Completing gap-closure work based on areas identified in the readiness review.</p> <p>Developed roadmap and project needs for 2024 NCQA work.</p> <p>Hired dedicated NCQA Manager tasked with overseeing implementation and operational excellence.</p>

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Corporate Goal 5				
Name	DHCS Incentive Programs			
Description	Starting in 2021, DHCS introduced Incentive Programs to promote health plan, provider, and community service organizations collaborative participation to carry out the development of several areas of the CalAIM initiatives. These incentive programs are not a requirement and participation is voluntary, however these funds are available to assist in building program and service delivery models, including infrastructure.			
Goal 5a: Incentive Payment Program (IPP)				
Deliverables	Start Date	Due Date	% Complete	Q3 Status
KHS will host CalAIM Roundtables in partnership with key stakeholders, and/or continue promoting local engagement efforts with regional partners through diverse forums starting in 1st Quarter, 2023.	1/1/2023	12/31/2023	70%	<p>CalAIM Kern Collaborative meetings held monthly in collaboration with HC2 Strategies and Health Net leadership promoting local engagement efforts with regional partners through this forum.</p> <p>Kern CalAIM Collaborative Steering Committee meeting also meeting monthly to offset planning and priority initiatives introduced at larger CalAIM Kern Collaborative meeting.</p>
Establish quarterly performance monitoring capabilities ensuring milestones are met by KHS Provider Network and CBOs in order to award Provider proposals with earned dollars for Program Year 2023.	1/1/2023	12/31/2023	70%	<p>Providers are submitting monthly progress reports with updates on milestones.</p> <p>Monthly meetings with providers to offer support to ensure milestones are met and address any challenges.</p> <p>DHCS reporting completed on time as required.</p>
Track high-priority budgeted solutions implemented, respective to each Priority Area strategy, as they are outlined in the Program Year 2 Incentive Payment Measure Set prior to an initial submission scheduled by DHCS by end of 3rd Quarter, 2023.	1/1/2023	9/30/2023	100%	<p>KHS Grant team met with new Providers and CBOs who were awarded funds for IPP PY 2. Funds used for the implementation of new ECM programs and CSS services. Milestones and budgets were submitted, reviewed, and agreements were drafted.</p> <p>KHS Grant team collected data and monitored milestone completion. DHCS reporting was completed and submitted timely. KHS is on track to earn full payment.</p>
Goal 5b: Housing and Homeless Incentive Program (IPP)				
Deliverables	Start Date	Due Date	% Complete	Q3 Status
Implement the “Local Homelessness Plan (LHP)” determining what is necessary to meet structural and capacity requirements to fulfill HHIP objectives by 1st Quarter, 2023.	1/1/2023	3/31/2023	100%	Contracts for HHIP were finalized and executed in December 2022. Progression towards fulfilling HHIP objectives is discussed via meetings, committees, and

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				working groups. HHIP projects are implemented and on track to meet milestones outlined in respective contracts addressing the needs in the County as outlined in the LHP.
Complete and submit to DHCS the “MCP Submission 1” outlining implementation approach to address gaps and needs by February 2023.	1/1/2023	3/10/2023	100%	Staff collected the necessary information for reporting and submitted by DHCS' updated due date of 3/10.
Create performance monitoring capability to measure the Local Homelessness Plan (LHP) success as defined as demonstrated performance against measure targets linked to achievement of HHIP milestones by 2nd Quarter, 2023.	3/1/2023	6/30/2023	100%	Progress reports collected monthly from HHIP contracted providers. Staff are providing support as needed to HHIP providers as new projects continue to make progress towards completion dates.
Complete and submit to DHCS the “MCP Submission 2” outlining implementation approach to address gaps and needs by December 2023.	10/1/2023	12/31/2023	0%	N/A
Goal 5c - Student Behavioral Health Improvement Program (SBHIP)				
Deliverables	Start Date	Due Date	% Complete	Q3 Status
Implement the “Project Plan (Milestone One)” determining what is necessary to fulfill SBHIP initiatives including each targeted intervention & the County Needs Assessment for Program Year 2, starting the 1st Quarter, 2023.	1/1/2023	12/31/2023	70%	Funding received from DHCS. Proposed project budgets have been received. Contract between the school districts and KHS has been signed and executed. Subgroup meetings with districts continue to be led by KHS. School districts are tracking and collecting data for the next submission to DHCS. DHCS Approved the first report received, granting an additional \$1.2 million to KHS.
Complete and submit to DHCS an initial Bi-Quarterly Report by end of 2nd Quarter, 2023.	5/15/2023	6/30/2023	100%	All bi-quarterly reports were submitted by each district. KHS completed internal review and approval of the final bi-quarterly reports for each intervention. Documents submitted to DHCS on 6/28.
Complete and submit to DHCS a second Bi-Quarterly Report by end of 4th Quarter, 2023.	11/15/2023	12/31/2023	0%	N/A

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Corporate Goal 6				
Name	Institutionalizing Telehealth Coverage Revisions as New (Permanent) Medi-Cal Benefit*			
Description	Telehealth Services has shown to be an effective method for maintaining the physician/patient relationship during the pandemic. DHCS modified its benefits to expand telehealth as an alternative to office visits during the stay-at-home order. DHCS intends to make permanent and expand several telehealth provisions that were allowed during the Public Health Emergency, effective in 2023.			
Deliverables	Start Date	Due Date	% Complete	Q3 Status
Determine the impact to the participating provider network by 1st Quarter, 2023. Determine the impact to KHS, its policy, procedures, protocols, tracking and reporting by 1st Quarter, 2023.	1/1/2023	5/31/2023	100%	DHCS released the final Telehealth APL in mid-April. Internal review and analysis, operational planning, policy development, system configuration discussions completed.
Inform participating providers telehealth will become a permanent benefit effective 2023 under Medi-Cal by 4th Quarter, 2022.	5/1/2023	6/30/2023	100%	PNM developed a Provider Bulletin in collaboration with multiple business areas. Compliance notified Kaiser of the APL and their responsibilities.
Convey logistical information about the benefit and procedures providers will need to follow when using telehealth services and receiving payment for telehealth services by 1st Quarter, 2023.	5/1/2023	6/30/2023	100%	PNM developed a Provider Bulletin in collaboration with multiple business areas. Compliance notified Kaiser of the APL and their responsibilities.
Inform members that telehealth will be added to their Medi-Cal benefits explaining what it is, why it is beneficial and how this service will be provided and used for the member’s benefit by 1st Quarter, 2023	5/1/2023	6/30/2023	100%	Member Handbook was previously updated. Notices were sent during COVID, and benefit didn't materially change.
Post implementation, audit each activity to ensure installation and performance meets KHS and government agencies expectations (ongoing over 2023).	5/1/2023	12/31/2023	100%	Team developed internal Telehealth Policy. DHCS policy and procedure requirements were submitted timely by 7/10. Ongoing discussion to develop internal quality monitoring process.

*Subject to DHCS finalization of policy and release of guidance (APL)



ATTACHMENT C: BILL TRACKER

Title	Description	Status
<p>AB 33 (Bains)</p>	<p>This bill would, subject to an appropriation, establish the Fentanyl misuse and Overdose Prevention Task Force to undertake various duties relating to fentanyl misuse, including, among others, collecting and organizing data on the nature and extent of fentanyl misuse in California and evaluating approaches to increase public awareness of fentanyl abuse. The bill would require the task force to be cochaired by the Attorney General, State Public Health Officer, or their designees, and would specify the membership of the task force. The bill would require the first meeting of the task force to take place no later than June 1, 2024, and would require the task force to meet at least once every 2 months.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB33</p>	<p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>
<p>AB 85 (Weber)</p>	<p>The bill would make social determinants of health screenings a covered benefit for Medi-Cal beneficiaries and would require the State Department of Health Care Services or a Medi-Cal managed care plan to provide reimbursement for those screenings, as specified.</p> <p>The bill would require a health care service plan or health insurer to provide physicians who provide primary care services with adequate access to community health workers, peer support specialists, lay health workers, community health representatives, or social workers in counties where the health care service plan or health insurer has enrollees or insureds, as specified.</p> <p>This bill would require the department to convene a working group, with specified membership, to determine standardized methods of data documentation to be used in recording social determinants of health screening responses, to create a standardized model and procedures for connecting patients with community resources, to assess the need for a centralized list of accredited community providers, and to determine gaps in research and data to inform policies on system changes to address social determinants of health.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB85</p>	<p>CAHP Opposed</p> <p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>

<p>AB 254 (Bauer-Kahan)</p>	<p>The Confidentiality of Medical Information Act (CMIA) prohibits a provider of health care, a health care service plan, a contractor, or a corporation and its subsidiaries and affiliates from intentionally sharing, selling, using for marketing, or otherwise using any medical information, as defined, for any purpose not necessary to provide health care services to a patient, except as provided. The CMIA makes a business that offers software or hardware to consumers, including a mobile application or other related device that is designed to maintain medical information in order to make the information available to an individual or a provider of health care at the request of the individual or a provider of health care for purposes of allowing the individual to manage the individual’s information or for the diagnosis, treatment, or management of a medical condition of the individual, a provider of health care subject to the requirements of the CMIA.</p> <p>This bill would revise the definition of “medical information” to include reproductive or sexual health application information, which the bill would define to mean information about a consumer’s reproductive or sexual health collected by a reproductive or sexual health digital service. The bill would make a business that offers a reproductive or sexual health digital service to a consumer for the purpose of allowing the individual to manage the individual’s information, or for the diagnosis, treatment, or management of a medical condition of the individual, a provider of health care subject to the requirements of the CMIA.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB254</p>	<p>09/13/23 - Enrolled and presented to the Governor at 3 p.m.</p>
<p>AB 317 (Weber)</p>	<p>This bill would require a health care service plan that offers coverage for a service that is within the scope of practice of a duly licensed pharmacist to pay or reimburse the cost of services performed by a pharmacist at an in-network pharmacy or by a pharmacist at an out-of-network pharmacy if the health care service plan or insurer has an out-of-network pharmacy benefit.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB317</p>	<p>09/20/23 - Enrolled and presented to the Governor at 4 p.m.</p>

<p>AB 352 (Bauer-Kahan)</p>	<p>This bill would require specified businesses that electronically store or maintain medical information on the provision of sensitive services on behalf of a provider of health care, health care service plan, pharmaceutical company, contractor, or employer to develop capabilities, policies, and procedures, on or before July 1, 2024, to enable certain security features, including limiting user access privileges and segregating medical information related to gender affirming care, abortion and abortion-related services, and contraception, as specified.</p> <p>The bill would additionally prohibit a provider of health care, health care service plan, contractor, or employer from cooperating with any inquiry or investigation by, or from 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 or that is related to an individual seeking or obtaining an abortion or abortion-related services that are lawful under the laws of this state, unless the request for medical information is authorized in accordance with specified existing provisions of law.</p> <p>The bill would exempt a provider of health care from liability for damages or from civil or enforcement actions relating to cooperating with, or providing medical information to, another state or a federal law enforcement agency before January 31, 2026, if the provider of health care is working diligently and in good faith to comply with the prohibition.</p> <p>The bill would exclude the exchange of health information related to abortion and abortion-related services from automatically being shared on the California Health and Human Services Data Exchange Framework.</p> <p>The bill would define “sensitive services” for these purposes to mean all health care services related to mental or behavioral health, sexual and reproductive health, sexually transmitted infections, substance use disorder, gender affirming care, and intimate partner violence.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB352</p>	<p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>
<p>AB 425 (Alvarez)</p>	<p>This bill would, commencing on July 1, 2024, add pharmacogenomic testing as a covered benefit under Medi-Cal, as specified. The bill would define pharmacogenomic testing as laboratory genetic testing that includes, but is not limited to, a panel test, to identify how a person’s genetics may impact the efficacy, toxicity, and safety of medications.</p> <p>The bill would condition implementation of this benefit coverage on receipt of any necessary federal approvals and the availability of federal financial participation. The bill would authorize the department to implement these provisions through all-county letters or similar instructions.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB425</p>	<p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>

<p>AB 557 (Hart)</p>	<p>This bill would revise the authority of a legislative body to hold a teleconference meeting under those abbreviated teleconferencing procedures when a declared state of emergency is in effect. Specifically, the bill would extend indefinitely that authority in the circumstances under which the legislative body either (1) meets for the purpose of determining whether, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees, or (2) has previously made that determination. The bill would also extend the period for a legislative body to make the above-described findings related to a continuing state of emergency and social distancing to not later than 45 days after the first teleconferenced meeting, and every 45 days thereafter, in order to continue to meet under the abbreviated teleconferencing procedures.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB557</p>	<p>09/15/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>AB 576 (Weber)</p>	<p>This bill would require the department, by March 1, 2024, to review and update Medi-Cal coverage policies for medication abortion to align with current evidence-based clinical guidelines. After the initial review, the bill would require the department to update its Medi-Cal coverage policies for medication abortion as needed to align with evidence-based clinical guidelines.</p> <p>The bill would require the department to allow flexibility for providers to exercise their clinical judgment when services are performed in a manner that aligns with one or more evidence-based clinical guidelines.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB576</p>	<p>09/15/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>AB 608 (Schiavo)</p>	<p>This bill, during the one-year post pregnancy eligibility period, and as part of comprehensive perinatal services under Medi-Cal, would require the department to cover additional comprehensive perinatal assessments and individualized care plans and to provide additional visits and units of services in an amount, duration, and scope that are at least proportional to those available on July 27, 2021, during pregnancy and the initial 60-day post pregnancy period in effect on that date. The bill would require the department, in coordination with the State Department of Public Health, to consider input from certain stakeholders, as specified, in determining the specific number of additional comprehensive perinatal assessments, individualized care plans, visits, and units of services to be covered.</p> <p>The bill would require the department to cover comprehensive perinatal services that are rendered by a nonlicensed perinatal health worker in a beneficiary’s home or other community setting away from a medical site, as specified. The bill would also require the department to allow a nonlicensed perinatal health worker rendering those services to be supervised by a community-based organization (CBO) or a local health jurisdiction (LHJ). For these purposes, the bill would require a CBO or LHJ supervising a nonlicensed perinatal health worker to provide those services under contract with a Comprehensive Perinatal Services Program</p>	<p>09/13/23 - Enrolled and presented to the Governor at 3 p.m.</p>

	<p>provider.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB608</p>	
AB 614 (Wood)	<p>This bill would specify that the director would be required to enter into contracts with managed care plans licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975, except as otherwise authorized under the Medi-Cal program. The bill would require the director, prior to issuing a new request for proposal or entering into new contracts, to provide an opportunity for interested stakeholders to provide input to inform the development of contract provisions.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB614</p>	<p>09/20/23 - Enrolled and presented to the Governor at 4 p.m.</p>
AB 620 (Connolly)	<p>Existing law requires a health care service plan that provides coverage for hospital, medical, or surgical expenses to provide coverage for the testing and treatment of phenylketonuria, including coverage for the formulas and special food products that are part of a prescribed diet, as specified.</p> <p>This bill would require a health care service plan contract that provides coverage for hospital, medical, or surgical expenses and is issued, amended, delivered, or renewed on and after July 1, 2024, to provide coverage for formulas, as defined, for the treatment of other chronic digestive diseases and inherited metabolic disorders, as specified. The bill would specify that these provisions do not apply to Medi-Cal managed care plans to the extent that the services are excluded from coverage under the contract between the Medi-Cal managed care plan and the State Department of Health Care Services.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB620</p>	<p>CAHP Opposed</p> <p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>
AB 665 (Carrillo)	<p>This bill would remove the requirement that, in order to consent to mental health treatment or counseling on an outpatient basis, or to residential shelter services, the minor must present a danger of serious physical or mental harm to themselves or to others, or be the alleged victim of incest or child abuse.</p> <p>This bill would add a registered psychologist, a registered psychological assistant, a psychological trainee, an associate clinical social worker, a social work intern, a clinical counselor trainee working under the supervision of a licensed professional, and a board-certified psychiatrist to the definition of professional person for these purposes.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB665</p>	<p>09/13/23 - Enrolled and presented to the Governor at 3 p.m.</p>

<p>AB 719 (Boerner-Horvath)</p>	<p>This bill would require the department to require Medi-Cal managed care plans that are contracted to provide nonmedical transportation or nonemergency medical transportation to contract with public paratransit service operators who are enrolled Medi-Cal providers for the purpose of establishing reimbursement rates for nonmedical and nonemergency medical transportation trips provided by a public paratransit service operator. The bill would require the rates reimbursed by the managed care plan to the public paratransit service operator to be based on the department's fee-for-service rates for nonmedical and nonemergency medical transportation service. The bill would condition implementation of these provisions on receipt of any necessary federal approvals and the availability of federal participation.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB719</p>	<p>CAHP/LHPC Opposed</p> <p>09/19/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>AB 847 (Rivas)</p>	<p>This bill, Sophia's Act, would authorize extended eligibility for pediatric hospice services and palliative care services for those individuals who have been determined eligible for those services prior to 21 years of age to after 21 years, as specified. The bill would extend eligibility for hospice services after 21 years of age.</p> <p>The bill would require the department to seek any federal approvals it deems necessary to implement these provisions. The bill would implement these provisions only to the extent that necessary federal approvals are obtained and federal financial participation is available and not otherwise jeopardized.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB847</p>	<p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>
<p>AB 904 (Calderon)</p>	<p>This bill would require a health care service plan or health insurer, on or before January 1, 2025, to develop a maternal and infant health equity program that addresses racial health disparities in maternal and infant health outcomes through the use of doulas. Under the bill, a Medi-Cal managed care plan would satisfy that requirement by providing coverage of doula services so long as doula services are a Medi-Cal covered benefit. The bill would require the Department of Managed Health Care, in consultation with the Department of Insurance, to collect data and submit a report describing the doula coverage and the above-described programs to the Legislature by January 1, 2027.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB904</p>	<p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>

<p>AB 907 (Lowenthal)</p>	<p>Would require a health care service plan on or after January 1, 2024, to provide coverage for the prophylaxis, diagnosis, and treatment of Pediatric Autoimmune Neuropsychiatric Disorder Associated with Streptococcal Infections (PANDAS) and Pediatric Acute-onset Neuropsychiatric Syndrome (PANS) that is prescribed or ordered by the treating physician and surgeon. The bill would prohibit a plan or insurer from denying or delaying coverage for PANDAS or PANS therapies because the enrollee or insured previously received treatment for PANDAS or PANS or was diagnosed with or received treatment for the condition under a different diagnostic name.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB907</p>	<p>CAHP Opposed</p> <p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>
<p>AB 931 (Irwin)</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, 2025, that provides coverage for physical therapy from imposing prior authorization for the initial 12 treatment visits for a new episode of care for physical therapy.</p> <p>The bill would require a physical therapy provider to verify an enrollee's or an insured's coverage and disclose their share of the cost of care, as specified. The bill would require a physical therapy provider obtain separate written consent for costs that may not be covered by the enrollee's or insured's plan contract or policy, that includes a written estimate of the cost of care for which the enrollee or insured is responsible if coverage is denied or otherwise not applicable. With respect to health care service plans, the bill would specify that its provisions do not apply to Medi-Cal managed care plan contracts.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB931</p>	<p>CAHP Opposed</p> <p>09/15/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>AB 1060 (Ortega)</p>	<p>Under the bill, prescription or nonprescription naloxone hydrochloride or another drug approved by the FDA for the complete or partial reversal of an opioid overdose would be a covered benefit under the Medi-Cal program.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1060</p>	<p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>

<p>AB 1085 (Maienschein)</p>	<p>The bill would make housing support services for specified populations a covered Medi-Cal benefit when the department has begun a specified evaluation required under the CalAIM Waiver Special Terms and Conditions, and the Legislature has made an appropriation for purposes of the housing support services. The bill would require the department to seek federal approval for the housing support services benefit, as specified.</p> <p>Under the bill, subject to an appropriation by the Legislature, a Medi-Cal beneficiary would be eligible for those services if they either experience homelessness or are at risk of homelessness. Under the bill, the services would include housing transition and navigation services, housing deposits, and housing tenancy and sustaining services, as defined.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1085</p>	<p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>
<p>AB 1202 (Lackey)</p>	<p>This bill would require the department, no later than January 1, 2025, to prepare and submit a report to the Legislature that includes certain information, including an analysis of the adequacy of each Medi-Cal managed care plan's network for pediatric primary care, including the number and geographic distribution of providers and the plan's compliance with the above-described time or distance and appointment time standards.</p> <p>Under the bill, the report would also include data, disaggregated as specified, on the number of children and pregnant or postpartum persons who are Medi-Cal beneficiaries receiving certain health care services during the 2021–22, 2022–23, and 2023–24 fiscal years. The report would also include additional information regarding the department's efforts to improve access to pediatric preventive care, as specified. The bill would require that the report be made publicly available through its posting on the department's internet website.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1202</p>	<p>09/21/23 - Enrolled and presented to the Governor at 3:30 p.m.</p>
<p>AB 1241 (Weber)</p>	<p>Existing law requires providers furnishing service through video synchronous interaction or audio-only synchronous interaction, by a date set by the department, no sooner than January 1, 2024, to also either offer those services via in-person contact or arrange for a referral to, and a facilitation of, in-person care, as specified. This bill would instead require, under the above-described circumstance, a provider to maintain and follow protocols to either offer those services via in-person contact or arrange for a referral to, and a facilitation of, in-person care. The bill would specify that the referral and facilitation arrangement would not require a provider to schedule an appointment with a different provider on behalf of a patient.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1241</p>	<p>09/08/23 - Chaptered by Secretary of State - Chapter 172, Statutes of 2023.</p>

<p>AB 1288 (Reyes)</p>	<p>Would prohibit a health insurer from subjecting naloxone product, or another antagonist approved by the United States Food and Drug Administration, a buprenorphine product, methadone, or long-acting injectable naltrexone for detoxification or maintenance treatment of a substance use disorder to prior authorization or step therapy.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1288</p>	<p>CAHP Opposed</p> <p>09/14/23 - Enrolled and presented to the Governor at 4:30 p.m.</p>
<p>AB 1451 (Jackson)</p>	<p>This bill would require a health care service plan contract or health insurance policy issued, amended, renewed, or delivered on or after January 1, 2024, to provide coverage for treatment of urgent and emergency mental health and substance use disorders. The bill would require the treatment to be provided without preauthorization, and to be reimbursed in a timely manner, pursuant to specified provisions. The bill's provisions would only be implemented upon appropriation by the Legislature for administrative costs of the departments.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1451</p>	<p>CAHP Opposed</p> <p>09/15/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>AB 1481 (Boerner Horvath)</p>	<p>This bill would expand the presumptive eligibility for pregnant women to all pregnant people, renaming the program “Presumptive Eligibility for Pregnant People” (PE4PP). For a pregnant person covered under PE4PP who applies for full-scope Medi-Cal benefits, if the application is submitted at any time from the date of their presumptive eligibility determination through the last day of the subsequent calendar month, the bill would require the department to ensure pregnant person is covered under PE4PP until their full-scope Medi-Cal application is approved or denied, as specified. The bill would require the department to require providers participating in the PE4PP program to provide information to pregnant persons enrolled in PE4PP on how to contact the person's county to expedite the county's determination of a Medi-Cal application.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1481</p>	<p>09/20/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>SB 101 (Skinner)</p>	<p>This bill would make appropriations for the support of state government for the 2023–24 fiscal year.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB101</p>	<p>06/27/23 - Chaptered by Secretary of State.</p>

<p>SB 257 (Portantino)</p>	<p>This bill would require a health care service plan contract, a policy of health insurance that provides hospital, medical, or surgical coverage, or a self-insured employee welfare benefit plan issued, amended, or renewed on or after January 1, 2025, to provide coverage without imposing cost sharing for, among other things, screening mammography and medically necessary diagnostic breast imaging, including diagnostic breast imaging following an abnormal mammography result and for an enrollee or insured indicated to have a risk factor associated with breast cancer, except as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB257</p>	<p>CAHP Opposed</p> <p>09/18/23 - Enrolled and presented to the Governor at 3 p.m.</p>
<p>SB 311 (Eggman)</p>	<p>This bill would require the department to enter into a Medicare Part A buy-in agreement, as defined, for qualified Medicare beneficiaries with the federal Centers for Medicare and Medicaid Services by submitting a state plan amendment. Under the bill, the buy-in agreement would be effective on January 1, 2025, or the date the department communicates to the Department of Finance in writing that systems have been programmed for implementation of these provisions, whichever date is later.</p> <p>The bill would authorize the department to implement these provisions through all-county letters or similar instructions until regulations are adopted. Under the bill, these provisions would be implemented only to the extent that any necessary federal approvals are obtained and that federal financial participation is available and is not otherwise jeopardized.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB311</p>	<p>LHPC Support</p> <p>09/20/23 - Enrolled and presented to the Governor at 4:30 p.m.</p>
<p>SB 326 (Eggman)</p>	<p>The bill would recast the MHSA by, among other things, renaming it the Behavioral Health Services Act (BHSA), expanding it to include treatment of substance use disorders, changing the county planning process, and expanding services for which counties and the state can use funds. The bill would revise the distribution of MHSA moneys.</p> <p>The bill would require counties to pursue reimbursement through various channels and would authorize the counties to report issues with managed care plans and insurers to the Department of Managed Health Care.</p> <p>Requires voter approval and would be effective upon passage beginning 1/1/25.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB326</p>	<p>09/21/23 - Enrolled and presented to the Governor at 4 p.m.</p>

<p>SB 496 (Limon)</p>	<p>This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after July 1, 2024, to provide coverage for medically necessary biomarker testing, as prescribed, including whole genome sequencing, for the purposes of diagnosis, treatment, appropriate management, or ongoing monitoring of an enrollee’s or insured’s disease or condition to guide treatment decisions, as prescribed. The bill would specify that it does not require a health care service plan or health insurer to cover biomarker testing for screening purposes unless otherwise required by law. The bill would subject restricted or denied use of biomarker testing for the purpose of diagnosis, treatment, or ongoing monitoring of a medical condition to state and federal grievance and appeal processes.</p> <p>This bill would not preclude any obligation imposed on a managed care plan by the Knox-Keene Act, as specified. 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/billTextClient.xhtml?bill_id=202320240SB496</p>	<p>09/21/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>SB 502 (Allen)</p>	<p>This bill would require the department to file all necessary state plan amendments to exercise the HSI option made available under CHIP provisions to cover vision services provided to low-income children statewide through a mobile optometric office, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB502</p>	<p>09/20/23 - Enrolled and presented to the Governor at 4:30 p.m.</p>

<p>SB 525 (Durazo)</p>	<p>This bill would establish 3 separate minimum wage schedules for covered health care employees, as defined, depending on the nature of the employer.</p> <p>The bill would require health care facility employers with 10k FTE with a county population of 5 million to pay minimum wage of \$23 per hour from June 1, 2024 and \$25 an hour on June 1, 2026. this bill would require a healthcare facility with 10,000 health care worker minimum wage of \$21 per hour for hours worked in covered health care employment, as defined. The bill would require hospitals with high government al payor mix, rural independent healthcare facility, operated by county, or independent hospital with a population less than 250k to 18 per hour from June 1, 2024 and \$25 an hour on June 1, 2033. This bill would require, for specified clinics that meet certain requirements, the minimum wage for covered health care employees to be \$21 per hour from June 1, 2024, to May 31, 2026, inclusive, and \$22 per hour from June 1, 2026, to May 31, 2027, inclusive, and \$25 from June 1, 2027, and until as adjusted as specified.</p> <p>This bill would require, for all other covered health care facility employers, the minimum wage for covered health care employees to be \$21 per hour from June 1, 2024, to May 31, 2026, inclusive, \$23 per hour from June 1, 2026, to May 31, 2028, inclusive, and \$25 per hour from June 1, 2028, and until as adjusted as specified. This bill would provide that a covered health care facility that is county owned, affiliated, or operated must implement the appropriate minimum wage schedule described above, as applicable, beginning January 1, 2025. This bill would also separately require, for a licensed skilled nursing facility, as described, the minimum wage for certain other covered health care employees, as described, to be \$21 per hour from June 1, 2024, to May 31, 2026, inclusive, \$23 per hour from June 1, 2026, to May 31, 2028, inclusive, and \$25 per hour from June 1, 2028, and until as adjusted as specified. The bill would make this minimum wage requirement effective only when a patient care minimum spending requirement applicable to skilled nursing facilities is in effect.</p> <p>This bill would require, for covered health care employment where the employee is paid on a salary basis, that the employee earn a monthly salary equivalent to no less than 150% of the health care worker minimum wage or 200% of the applicable minimum wage, whichever is greater, for full-time employment in order to qualify as exempt from the payment of minimum wage and overtime.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB525</p>	<p>09/26/23 - Enrolled and presented to the Governor at 2:30 p.m.</p>
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<p>SB 635 (Menjivar)</p>	<p>This bill, Let California Kids Hear Act would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2025, to include coverage for hearing aids for enrollees and insureds under 21 years of age, if medically necessary.</p> <p>Coverage for hearing aids shall include an initial assessment, new hearing aids at least every four years, new earmolds, new hearing aids if alterations to existing hearing aids cannot meet the needs of the enrollee, a new hearing aid if the existing one is no longer working, and fittings, adjustments, auditory training, and maintenance of the hearing aids.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB635</p>	<p>CAHP Concern</p> <p>09/21/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>SB 667 (Dodd)</p>	<p>Adds common gynecologic conditions to the practice of midwifery by a Certified Nurse Midwife (CNM). Permits a CNM who holds privileges in a general acute care hospital, as defined, to admit and discharge patients upon their own authority, within their scope of practice and in accordance with the bylaws of that facility, as specified. Updates and revises the authority for CNMs to furnish and order controlled substances classified in schedule II, III, IV, and V. Clarifies that a CNM may dispense drugs, which are defined in the pharmacy law as not dangerous, as specified. Adds a CNM to the definition of “prescriber” in the pharmacy law, as specified.</p> <p>Authorizes an alternative birth center or primary care clinic to perform tests classified as “waived” under CLIA or a provider-performed microscopy (PPM) that are consistent with services within the scope of the provider’s license if the alternative birth center or primary care clinic obtains a registration from the DPH complies with specified provisions.</p> <p>https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill_id=202320240SB667</p>	<p>09/20/23 - Enrolled and presented to the Governor at 4:30 p.m.</p>
<p>SB 694 (Eggman)</p>	<p>This bill would make self-measured blood pressure (SMBP) devices and SMBP services, as defined, covered benefits under the Medi-Cal program subject to utilization controls, as specified. The bill would state the intent of the Legislature that those covered devices and services be no less in scope than the devices and services that are recognized under specified existing billing codes or their successors. The bill would condition implementation of that coverage on receipt of any necessary federal approvals and the availability of federal financial participation.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB694</p>	<p>09/20/23 - Enrolled and presented to the Governor at 4:30 p.m.</p>

<p>SB 770 (Weiner)</p>	<p>This bill would direct the Secretary of the California Health and Human Services Agency to research, develop, and pursue discussion of a waiver framework in consultation with the federal government with the objective of a health care system that incorporates specified features and objectives, including, among others, a comprehensive package of medical, behavioral health, pharmaceutical, dental, and vision benefits, and the absence of cost sharing for essential services and treatments. The bill would further require the secretary to engage specified stakeholders to provide input on topics related to discussions with the federal government and key design issues, as specified. The bill would require the secretary, no later than January 1, 2025, to provide an interim report to specified committees of the Legislature and propose statutory language to the chairs of those committees authorizing the development and submission of applications to the federal government for waivers necessary to implement a unified health care financing system. The bill would require the secretary, no later than June 1, 2025, to complete drafting the waiver framework, make the draft available to the public on the agency’s internet website, and hold a 45-day public comment period thereafter. The bill would require the secretary, no later than November 1, 2025, to provide the Legislature and the Governor with a report that communicates the finalized waiver framework, as specified, and sets forth the specific elements to be included in a formal waiver application to establish a unified health care financing system, as specified. The bill would also include findings and declarations of the Legislature related to the implementation of a unified health care financing system.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB770</p>	<p>CAHP Oppose</p> <p>09/21/23 - Enrolled and presented to the Governor at 4 p.m.</p>
<p>SB 805 (Portantino)</p>	<p>This bill would expand the criteria for a qualified autism service professional to include a psychological associate, an associate marriage and family therapist, an associate clinical social worker, or an associate professional clinical counselor, as specified. The bill would require those positions to meet the criteria for a Behavioral Health Professional, as provided.</p> <p>This bill would require the department to regulations, on or before July 1, 2026, to address the use Behavioral Health Professionals and Behavioral Health Paraprofessionals in behavioral health treatment group practice. The bill would require the department to establish rates and the educational or experiential qualifications and professional supervision requirements necessary for these positions to provide behavioral intervention services, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB805</p>	<p>09/20/23 - Enrolled and presented to the Governor at 4:30 p.m.</p>

Public Relations & Publicity

Media Clips

Agricultural Worker Health Day in Arvin offers medical resources and advice

By: 23abc | August 10, 2023

"Emily Duran, CEO of Kern Family Health Care, says they attended the event in Arvin to provide on-the-spot services, including health screenings, essential kits for people who work outdoors, and assistance with scheduling medical appointments." [Click here to read more.](#)

Bakersfield community leader relishing opportunity to construct racial equity at state level

By: 23abc | August 25, 2023

"Now, Matthews has added health and racial equity in an official capacity being hired by Kern Health Systems as the Chief Health Equity Officer and being appointed by Governor Gavin Newsom to the Racial Equity Commission." [Click here to read more.](#)

Kern mobile clinic serves unhoused community members

By: KGET-17 | September 11, 2023

"The heart of equity is going to where the people are and so we're very pleased with the approach that the social servant has been taking which has really just been getting out and helping people where they happen to live," said Matthews." [Click here to read more.](#)

Lessons in leadership: Charting the course

By: The Bakersfield Californian | September 30, 2023

"Developing quality leaders for the future is essential for the long-term success of any organization. At Kern Health Systems, we are on the path to "grow our own" local leaders. I was born and raised in Kern County, and I see the potential we have with individuals who truly have the heart for our community." [Click here to read more.](#)

Mentions

Celebran 2o evento anual de la lactancia materna

By: El Popular | August 18, 2023

"Este evento está orgullosamente patrocinado por Dignity Health y Kern Family Health Care. Los socios comunitarios para este evento incluyen California Health Collaborative, Baby Cafe Bakersfield, Black Infant Health, Kern County Public Health, 2-1-1, CAPK, California WIC y Clinica Sierra Vista." [Click here to read more.](#)

El Grito de Dolores celebration on tap for Friday

By: The Bakersfield Californian | September 14, 2023

"This honorary Mexican Independence Day celebration will take place in front of the Kern County Liberty Bell outside and in front of the Kern County Superior Court Building...This event is presented by the KCHCC's Business Education Foundation, Jim Burke Ford, Chevron and Kern Family Health Care." [Click here to read more.](#)

Bark For Life

By: The Renegade Rip | September 20, 2023

"Canine Creek was not the only community support. Local business Carlos Donuts provided free donuts, and the local Starbucks offered coffee and free puppuccinos. The event also found assistance in Adventist Health Tehachapi, Kern Family Health Care, And Tehachapi Mountain Dog Fanciers." [Click here to read more.](#)

SUMMARY

PHYSICIAN ADVISORY COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Blvd.
Bakersfield, California 93308

Wednesday, June 7, 2023
7:00 A.M.

COMMITTEE RECONVENED

Members: Aggarwal, Amin, Gevorgyan, Hair, Lascano, Parmar, Patel, Tasinga
ROLL CALL: 5 Present; 3 Absent – Amin, Gevorgyan, Hair

Meeting called to order at 7:05 A.M. by Dr. Tasinga, MD, CMO

NOTE: The vote is displayed in bold below each item. For example, Amin-Parmar denotes Member Amin made the motion and Member Parmar 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.

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 (Gov. Code Sec. 54954.2[a]) **NO ONE HEARD.**

ADJOURNED TO CLOSED SESSION @ 7:15 A.M.

CLOSED SESSION

- 3) Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) – BY A VOTE OF 5-0, THE COMMITTEE APPROVED PROVIDERS RECOMMENDED FOR INITIAL CREDENTIALING AND RE-CREDENTIALING. (HAIR-PATEL)

INITIAL CREDENTIALING

COMPREHENSIVE REVIEWS WERE CONDUCTED FOR INITIAL CREDENTIALING APPLICATIONS LISTED BELOW FOR REVIEW OF ADDITIONAL ADVERSE INFORMATION AND/OR INFORMATION RELATED TO MALPRACTICE CASE(S) THAT RESULTED IN SETTLEMENT OR JUDGMENT MADE ON BEHALF OF THE PRACTITIONER WITHIN THE PREVIOUS THREE YEARS:

- PRV004708 (GSH-RHC) – REVIEWED INFORMATION REGARDING NPDB 2020 FOR \$500,000: ALLEGED NEGLIGENT DELIVERY AND TREATMENT (8/24/2011) RESULTING IN HYPOXIC ISCHEMIC ENCEPHALOPATHY AND PERMANENT DISABILITY IN BABY BOY. PROVIDER EXPLANATION REVIEWED AND RECOMMEND APPROVAL OF NETWORK PARTICIPATION AS THERE HAVE BEEN NO ADDITIONAL SETTLEMENTS.

RE-CREDENTIALING

COMPREHENSIVE REVIEWS WERE CONDUCTED FOR RE-CREDENTIALING APPLICATIONS LISTED BELOW FOR REVIEW OF ADDITIONAL ADVERSE INFORMATION AND/OR INFORMATION RELATED TO MALPRACTICE CASE(S) THAT RESULTED IN SETTLEMENT OR JUDGMENT MADE ON BEHALF OF THE PRACTITIONER WITHIN THE PREVIOUS THREE YEARS:

- MEMBER GRIEVANCES: ALL PROVIDERS WITH SIGNIFICANT MEMBER & QUALITY GRIEVANCES WERE REVIEWED WITH NO QUALITY OF SERVICE OR CARE ISSUES REPORTED AS SIGNIFICANT TRENDS OR CONCERN REQUIRING FURTHER REVIEW BY THIS COMMITTEE.
- PRV050569 - REVIEWED INFORMATION REGARDING NPDB 2020 \$77,000: ALLEGED NEGLIGENT PERFORMANCE OF HIP REPLACEMENT USED

INCORRECT SIZE OF DEVICE REQUIRING REVISED SURGERY. PROVIDER EXPLANATION REVIEWED AND RECOMMEND APPROVAL OF CONTINUED NETWORK PARTICIPATION AS THERE HAVE BEEN NO ADDITIONAL SETTLEMENTS.

- PRV000894 – REVIEWED INFORMATION REGARDING MBC PROBATION & STIPULATED DECISION (ACCUSATION & PROVIDER CORRECTIVE ACTION PREVIOUSLY REPORTED) MBC ISSUED 7-YRS PROBATION WITH TERMS AND CONDITIONS; ABSTAINING FROM CONTROLLED SUBSTANCES, BIOLOGICAL FLUID TESTING AND WORKSITE MONITOR ASSIGNED AT BAHAMAS SURGERY CENTER. PROVIDER EXPLANATION REVIEWED, QUARTERLY MONITORING AND RECOMMENDED APPROVAL OF CONTINUED NETWORK PARTICIPATION WITH CURRENT COMPLIANCE NOTED.
- PRV006850 - REVIEWED INFORMATION REGARDING NPDB 2022 \$30,000 - ALLEGED SURGERY SHOULD BE PERFORMED SOONER AND DID NOT TIMELY DIAGNOSE RETINAL DETACHMENT AFTER 1ST SURGERY. PROVIDER EXPLANATION REVIEWED AND RECOMMEND APPROVAL OF CONTINUED NETWORK PARTICIPATION AS THERE HAVE BEEN NO ADDITIONAL SETTLEMENTS.

COMMITTEE RECONVENED TO OPEN SESSION @ 7:30 A.M.

- CA-4) Minutes for KHS Physician Advisory Committee meeting on May 3, 2023 – APPROVED
Parmar-Lascano: All Ayes
- 5) Delegated Credentialing Oversight Audit Summary 2022– APPROVED
Lascano-Aggarwal: All Ayes

DELEGATION OF CREDENTIALING ACTIVITIES

2023 - 1ST QUARTER REPORTS: YOLANDA HERRERA REPORTED THE DELEGATION OF CREDENTIALING ACTIVITIES AS FOLLOWS: 1ST QUARTER REPORTS FOR 2023 INDICATE STABLE NETWORKS FOR THE DELEGATED ENTITIES WITH NO SIGNIFICANT DECREASE IN PROVIDERS, ALSO, THERE WERE NO SIGNIFICANT CHANGES IN THEIR CREDENTIALING PROGRAM, POLICIES/PROCEDURES OR PROVIDER NETWORK WAS REPORTED.

2022 - DELEGATED CREDENTIALING AUDIT RESULTS FOR TERTIARY FACILITIES, VSP, KAISER AND CONFIRMED.
 YOLANDA HERRERA REPORTED THE DELEGATION OF CREDENTIALING ACTIVITIES ANNUAL OVERSIGHT REVIEWS AS FOLLOWS:
 KHS PNM CREDENTIALING REQUESTED PERMISSION FROM EACH TERTIARY

FACILITY TO ACCESS THE HEALTH INDUSTRY COLLABORATION EFFORT (HICE) SHARED CREDENTIALING AUDIT RESULTS FOR CALENDAR YEAR 2022 CONDUCTED BY OTHER HEALTH PLANS IN LIEU OF CONDUCTING OUR OWN AUDIT AND REDUCE DUPLICATION FOR CHILDREN'S HOSPITAL OF LOS ANGELES MEDICAL GROUP, VALLEY CHILDREN'S MEDICAL GROUP, UCLA MEDICAL GROUP & USC MEDICAL GROUP. VISION SERVICE PLAN'S CREDENTIALING AUDIT FOR 2022 WAS CONDUCTED VIA DESK-TOP PROCESS AND WAS FINALIZED ON 1/12/23. KAISER'S FULL AUDIT DATE IS CURRENTLY IN DISCUSSIONS BETWEEN KAISER & KHS COMPLIANCE DEPT AS IT WILL BE A MULTI-DEPARTMENT AUDIT COORDINATED BY KHS COMPLIANCE DEPARTMENT. CONFIRMED WAS NOT DUE FOR AUDIT UNTIL 1ST QUARTER 2023.

ALL DELEGATED CREDENTIALING AUDITS REVEALED EACH ENTITY PASSING SCORE WITH TWO (2) ENTITIES RESULTING IN CORRECTIVE ACTION PLANS:

- CHLA: ONGOING MONITORING LOGS FOR NON-PUBLISHED REPORT DATES WERE NOT UPDATED CORRECTLY. CHLA HAS REVISED THEIR PROCESS TO INCLUDE: "IF THERE IS NO NEW INFORMATION PUBLISHED, I WILL DOCUMENT AS SUCH AND WILL DOCUMENT THE DATE I HAVE REVIEWED AND DETERMINED THERE WAS NO NEW INFORMATION PUBLISHED. FURTHERMORE, IF THERE IS NO PUBLICATION DATE ON THE REPORT, I WILL USE THE DATE OF MY REVIEW IN THE "DATE PUBLISHED" COLUMN AS WELL AS THE "DATE REVIEWED" COLUMN".

- UCLA: SUBMITTED REVISED POLICY FOR MONITORING MEDICAL SUSPENDED & INELIGIBLE PROVIDER REPORTS; HIV AIDS ATTESTATIONS: UCLA MG RESPONSE: ATTESTATIONS WERE NOT TRACKED ACCURATELY. ATTESTATIONS WILL BE SCREENED TIMELY AND TRACKED APPROPRIATELY USING MONITORING LOG FOR THE 2023 SCREENING YEAR; AND MEDICAL FFS ENROLLMENT: UCLA MG RESPONSE: UCLA MG WILL IMPLEMENT THE PROCESS OF MEDICAL ENROLLMENT MONITORING FOR ALL PROVIDERS AS PART OF ON-GOING MONITORING.

- CAP RESPONSE WAS ACCEPTED AND WILL BE REVIEWED DURING NEXT AUDIT'S REVIEW.

- MOTION WAS ACCEPTED TO APPROVE THE DELEGATED CREDENTIALING ACTIVITIES.

6) Review Policy 2.72-I Provider Preventable Conditions – APPROVED
Patel-Parmar: All Ayes

7) Review Policy 2.73-P Initial Health Assessment - APPROVED
Patel-Parmar: All Ayes

MEETING ADJOURNED AT 7:51 A.M. TO WEDNESDAY, AUGUST 2, 2023 @ 7:00 A.M

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

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

SUMMARY

PHYSICIAN ADVISORY COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Blvd.
Bakersfield, California 93308

Wednesday, August 2, 2023
7:00 A.M.

COMMITTEE RECONVENED

Members: Aggarwal, Amin, Gevorgyan, Hair, Lascano, Parmar, Patel, Tasinga
ROLL CALL: 4 Present; 4 Absent – Aggarwal, Gevorgyan, Hair, Patel

Meeting called to order at 7:12 A.M. by Dr. Tasinga, MD, CMO

NOTE: The vote is displayed in bold below each item. For example, Amin-Parmar denotes Member Amin made the motion and Member Parmar 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.

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 (Gov. Code Sec. 54954.2[a]) **NO ONE HEARD.**

ADJOURN TO CLOSED SESSION – **N/A**

CLOSED SESSION

- 3) Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) –

DUE TO A LACK OF QUORUM, OF VOTING MEMBERS, THE INITIAL AND RECREDENTIALING REPORTS COULD NOT BE APPROVED.

THE CREDENTIAL FILES MEETING CLEAN FILE REVIEW FOR INITIAL APPLICATIONS AND RECREDENTIALING WERE APPROVED BY DR. TASINGA AND WILL BE FORWARDED TO THE NEXT BOARD OF DIRECTORS.

THE CREDENTIAL FILES REQUIRING COMPREHENSIVE REVIEW WERE PENDED UNTIL THE NEXT SCHEDULED MEETING IN ORDER FOR DISCUSSION AND VOTE.

COMMITTEE TO RECONVENE TO OPEN SESSION – **N/A**

- CA-4) Minutes for KHS Physician Advisory Committee meeting on June 7, 2023 –
APPROVE – **N/A**

DUE TO LACK OF QUORUM, THE NEXT MEETING WIL BE HELD WEDNESDAY,
SEPTEMBER 6, 2023 @ 7:00 A.M

AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)

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SUMMARY

FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Friday, August 11, 2023

8:00 A.M.

COMMITTEE RECONVENED

Members: McGlew, Watson
ROLL CALL: 2 Present

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

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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- CA-3) Minutes for Kern Health Systems Finance Committee meeting on June 9, 2023 - APPROVED
McGlew-Watson – All Ayes
- 4) Report on Kern Health Systems investment portfolio for the second quarter ending June 30, 2023 (Fiscal Impact: None) – IRA COHEN, UBS FINANCIAL, HEARD; RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Watson – All Ayes
- 5) Proposed renewal and binding of insurance coverages for General Liability and Excess Liability from September 29, 2023 through September 29, 2024 and Earthquake Insurance from October 15, 2023 through October 15, 2024 (Fiscal Impact: \$515,000 Estimated; Budgeted) – CANDACE PORTER AND CHRIS TOBIN, ALLIANT, HEARD; APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Watson – All Ayes
- 6) Proposed renewal and binding of employee benefit plans for medical, vision, dental, life insurance, short-term and long-term disability, and long-term care effective January 1, 2024 (Fiscal Impact: \$9,500,000 Estimated; Budgeted) – MONIQUE EUBANKS, INSURICA, HEARD; APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Watson – All Ayes
- 7) Report on Kern Health Systems financial statements for May 2023 and June 2023 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Watson – All Ayes
- 8) Report on Accounts Payable Vendor Report, Administrative Contracts between \$50,000 and \$200,000 for May 2023 and June 2023 and IT Technology Consulting Resources for the period ended May 31, 2023 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Watson – All Ayes

ADJOURN TO FRIDAY, OCTOBER 6, 2023 AT 8:00 A.M.

SUMMARY

PHYSICIAN ADVISORY COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Blvd.
Bakersfield, California 93308

Wednesday, September 6, 2023
7:00 A.M.

COMMITTEE RECONVENED

Members: Aggarwal, Amin, Gevorgyan, Hair, Lascano, Parmar, Patel, Tasinga
ROLL CALL: 6 Present; 2 Absent – Gevorgyan, Parmar

Meeting called to order at 7:04 A.M. by Dr. Tasinga, MD, CMO

NOTE: The vote is displayed in bold below each item. For example, Amin-Parmar denotes Member Amin made the motion and Member Parmar 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.

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 (Gov. Code Sec. 54954.2[a])
- YOLANDA HERRERA INTRODUCED YESENIA SANCHEZ, CREDENTIALING COORDINATOR, WHO IS RESPONSIBLE FOR THE PRIMARY SOURCE VERIFICATION PROCESS FOR ALL INITIAL APPLICATIONS AND WILL ATTEND PAC MEETINGS AS NEEDED TO FOR COVERAGE AND OTHER PRESENTATIONS FROM CREDENTIALING.
 - COMMITTEE STRUCTURE/PAC MEETINGS 2024: DR. TASINGA INFORMED THE MEMBERS AND PRESENTED A REVISED COMMITTEE STRUCTURE FOR THE CLINICAL AND PEER REVIEW COMMITTEE FOR KHS. BEGINNING IN 2024, AFTER REVIEW WITH LEGAL COUNSEL, IT WAS DETERMINED THAT THE CLINICAL AND PEER REVIEW COMMITTEES, INCLUDED THE PHYSICIAN ADVISORY COMMITTEE, WERE NOT CONSIDERED LEGISLATIVE BODIES AND THEREFORE THE MEETINGS OF SUCH COMMITTEES ARE NOT SUBJECT TO THE BROWN ACT. KHS WILL CONTINUE CURRENT STRUCTURE UNDER BROWN ACT FOR THE REMAINDER OF 2023 REQUIRING "IN-PERSON" MEETINGS; HOWEVER, BEGINNING IN JANUARY 2024, MEETINGS WILL NO LONGER BE REQUIRED TO BE IN-PERSON AND BASED ON NCQA REQUIREMENTS THERE WILL BE AN OPTION TO ATTEND BOTH IN-PERSON AS WELL AS VIRTUAL/REMOTE. FURTHER, MINUTES WILL BE RECORDED, WITH APPROVAL OF THE ATTENDEES, FOR THE PURPOSES OF TRANSCRIBING THE PROCEEDINGS OF THE MEETING IN A MANNER ACCEPTABLE TO NCQA. THE KHS QI-HE COMMITTEE ORGANIZATIONAL CHART FOR 2024 WILL BE SENT TO THE PAC MEMBERS FOR REVIEW AND NOMINATIONS OF ANY PARTICIPATING PROVIDERS WHO MAY BE INTERESTED IN PARTICIPATING IN ONE OF THESE COMMITTEES.

ADJOURNED TO CLOSED SESSION @ 7:06 A.M.

CLOSED SESSION

- 3) Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) – BY A VOTE OF 6-0, THE COMMITTEE APPROVED PROVIDERS RECOMMENDED FOR INITIAL CREDENTIALING AND RE-CREDENTIALING. (AMIN-HAIR)

CREDENTIALING REPORT

MENTAL HEALTH PRE-APPROVALS FROM 8/30/2023:
 IN COMPLIANCE WITH SENATE BILL 2581, DR. TASINGA, KHS CMO, APPROVED THE MENTAL/BEHAVIORAL HEALTH PROVIDERS AS LISTED ON THE 9/6/2023

CREDENTIALING REPORT, ALL MEETING CLEAN FILE CRITERIA, IN COMPLIANCE WITH THE 60-DAY TURNAROUND REQUIREMENTS. PROVIDERS WERE ACCEPTED AS PRESENTED.

INITIAL CREDENTIALING

THERE WERE NO COMPREHENSIVE REVIEWS PRESENTED FOR REVIEW. INITIAL APPLICANTS MEETING CLEAN FILE REVIEW WERE ACCEPTED AS PRESENTED.

RECREREDENTIALING

COMPREHENSIVE REVIEWS WERE CONDUCTED FOR RECREREDENTIALING APPLICATIONS LISTED BELOW FOR REVIEW OF ADDITIONAL ADVERSE INFORMATION AND/OR INFORMATION RELATED TO MALPRACTICE CASE(S) THAT RESULTED IN SETTLEMENT OR JUDGMENT MADE ON BEHALF OF THE PRACTITIONER WITHIN THE PREVIOUS THREE YEARS:

MEMBER GRIEVANCES: ALL PROVIDERS WITH SIGNIFICANT MEMBER & QUALITY GRIEVANCES WERE REVIEWED WITH NO QUALITY OF SERVICE OR CARE ISSUES REPORTED AS SIGNIFICANT TRENDS OR CONCERN REQUIRING FURTHER REVIEW BY THIS COMMITTEE.

PRV009406 - REVIEWED CLINICAL PRIVILEGE RESTRICTION FORM ADVENTIST HEALTH TEHACHAPI FOR WHICH THE PROVIDER INDICATED VOLUNTARY RESIGNATION. IN ADDITION, PROVIDER EXPLANATION WAS REVIEWED REGARDING VOLUNTARY ACCEPTANCE OF A BEHAVIORAL/PROFESSIONAL CONDUCT AGREEMENT AT ANTELOPE VALLEY MEDICAL CENTER. PROVIDER HAS ACCEPTED THIS AGREEMENT AND IS IN COMPLIANCE. PROVIDER EXPLANATION REVIEWED AND RECOMMEND APPROVAL OF CONTINUED NETWORK PARTICIPATION WITH CONTINUED MONTHLY MONITORING AND FAILURE TO MAINTAIN REMAINING HOSPITAL PRIVILEGES MAY RESULT IN TERMINATION OF NETWORK PARTICIPATION WITH KHS.
DELEGATION OF CREDENTIALING ACTIVITIES

2023 - 1ST & 2ND QUARTER REPORTS: YOLANDA HERRERA REPORTED THE DELEGATION OF CREDENTIALING ACTIVITIES AS FOLLOWS:

•1ST QUARTER REPORTS FOR 2023 INDICATE STABLE NETWORKS FOR THE DELEGATED ENTITIES WITH NO SIGNIFICANT DECREASE IN PROVIDERS, ALSO, THERE WERE NO SIGNIFICANT CHANGES IN THEIR CREDENTIALING PROGRAM, POLICIES/PROCEDURES OR PROVIDER NETWORK WAS REPORTED.

•2ND QUARTER REPORTS FOR 2023 INDICATE STABLE NETWORKS FOR THE DELEGATED ENTITIES WITH NO SIGNIFICANT DECREASE IN PROVIDERS, ALSO, THERE WERE NO SIGNIFICANT CHANGES IN THEIR CREDENTIALING PROGRAM, POLICIES/PROCEDURES OR PROVIDER NETWORK WAS REPORTED.

COMMITTEE RECONVENED TO OPEN SESSION @ 7:16 A.M.

- CA-4) Minutes for KHS Physician Advisory Committee meeting on June 7, 2023 –
APPROVED
Hair-Patel: All Ayes

- CA-5) Minutes for KHS Physician Advisory Committee meeting on August 2, 2023 –
APPROVED
Hair-Patel: All Ayes

- 6) Review Policy 20.50-I Medi-Cal Managed Care Quality and Performance
Improvement Program Requirements – **HELD UNTIL NEXT MEETING**

MEETING ADJOURNED AT 8:09 A.M. TO WEDNESDAY, OCTOBER 4, 2023 @ 7:00 A.M

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

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