



**KERN HEALTH  
SYSTEMS**

**FINANCE COMMITTEE  
MEETING**

**Friday, December 10, 2021**

**at**

**8:00 a.m.**

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

**For more information, call (661) 664-5000**



## AGENDA

### FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS  
**2900 Buck Owens Boulevard**  
Bakersfield, California 93308

Friday, December 10, 2021

8:00 A.M.

All agenda item supporting documentation is available for public review at Kern Health Systems in the Administration Department, 2900 Buck Owens Boulevard, Bakersfield, CA 93308 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

**PLEASE REMEMBER TO TURN OFF ALL CELL PHONES OR ELECTRONIC DEVICES  
DURING MEETINGS.**

#### COMMITTEE TO RECONVENE

Members: Deats, Martinez, McGlew, Melendez, Rhoades

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN HEALTH SYSTEMS STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE COMMITTEE OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE COMMITTEE CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee. Committee members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Committee at a later meeting. Also, the Committee may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))
- CA-3) Minutes for KHS Finance Committee meeting on October 8, 2021 -  
APPROVE
- 4) Report on Kern Health Systems investment portfolio for the third quarter ending September 30, 2021 (Fiscal Impact: None) –  
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 5) Proposed policy renewal with IOA RE for reinsurance to mitigate costs incurred by Kern Health Systems for members with high dollar inpatient admissions from January 1, 2022 through December 31, 2022 in an amount not to exceed \$0.18 per member per month (Fiscal Impact: \$670,140 estimated; Budgeted) –  
APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 6) Proposed Kern Health Systems 2022 Operating and Capital Budgets (Fiscal Impact: None) –  
APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 7) Proposed Budget Request for 2022 Project Consulting Professional Services, from January 1, 2022 through December 31, 2022 (Fiscal Impact: \$10,369,190; Budgeted) –  
APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 8) Proposed Agreement with Dell, Inc, for Microsoft Licensing, maintenance and technical support, from January 1, 2022 through December 31, 2024, in an amount not to exceed \$1,358,808 (Fiscal Impact: \$452,936 annually; Budgeted) –  
APPROVE; REFER TO KHS BOARD OF DIRECTORS



- 9) Proposed Agreement with Entysis360, for the purchase of the Nutanix Storage Solution with one year support and maintenance, from January 1, 2022 through December 31, 2022 (Fiscal Impact: \$733,444 annually; Budgeted) – APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 10) Proposed Agreement with LinkedIn, Co., for the online training platform for KHS' employees, from January 1, 2022 through December 31, 2024, in an amount not to exceed \$178,950 (Fiscal Impact: \$59,650 annually; Budgeted) – APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 11) Proposed Agreement with A-C Electric, for the design and installation of a Solar Panel system for the KHS' facility, from January 1, 2022 through October 30, 2022, (Fiscal Impact: \$2,371,559; Budgeted) - APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 12) Report on Kern Health Systems financial statements for September 2021 and October 2021 (Fiscal Impact: None) – RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 13) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for September 2021 and October 2021 and IT Technology Consulting Resources for the period ended October 31, 2021 (Fiscal Impact: None) – RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

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

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

The meeting facilities at Kern Health Systems are accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the KHS Finance Committee may request assistance at the Kern Health Systems office, 2900 Buck Owens Boulevard, Bakersfield, California 93308 or by calling (661) 664-5000. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.



## SUMMARY

### FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS  
**2900 Buck Owens Boulevard**  
Bakersfield, California 93308

Friday, October 8, 2021

8:00 A.M.

#### COMMITTEE RECONVENED

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

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

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

#### COMMITTEE ACTION SHOWN IN CAPS

#### PUBLIC PRESENTATIONS

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

#### COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))

**Summary**

Finance Committee Meeting  
Kern Health Systems

Page 2  
10/8/2021

---

DIRECTOR RHOADES REPORTED ON THE CURRENT RETURN TO WORK POLICY AND STATED THAT HE WOULD LIKE TO SEE EMPLOYEES BACK IN THE BUILDING

- CA-3) Minutes for Kern Health Systems Finance Committee meeting on August 6, 2021- APPROVED  
**Rhoades-Melendez: 4 Ayes; 1 Absent - Deats**
- 4) 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, 2022 (Fiscal Impact: \$6,520,000 Estimated; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS  
**Rhoades-Melendez: 4 Ayes; 1 Absent - Deats**
- 5) Report on Kern Health Systems financial statements for July 2021 and August 2021 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS  
**Martinez-Melendez: 4 Ayes; 1 Absent - Deats**
- 6) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for July 2021 and August 2021 and IT Technology Consulting Resources for the period ended August 31, 2021 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS  
**Martinez-Melendez: 4 Ayes; 1 Absent - Deats**

ADJOURN TO FRIDAY, DECEMBER 10, 2021 AT 8:00 A.M.



**To: KHS Finance Committee**

**From: Robert Landis, CFO**

**Date: December 10, 2021**

**Re: Quarterly Review of Kern Health Systems Investment Portfolio**

---

**Background**

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

- Preservation of principal
- Liquidity
- Yield

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

**Short-Term Portfolio (Under 1 year)**

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

**Long-Term Portfolio (1-5 years)**

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

**Requested Action**

Receive and File; Refer to KHS Board of Directors.

**Kern Health Systems  
Investment Portfolio  
September 30, 2021**

Short Term Portfolio (under 1 year)

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

Description		Dollar Amount	% of Portfolio	Maximum Allowed Per Policy	Approximate Current Yield	Liquidity	Principal Fluctuation
Wells Fargo - Cash		(1) \$ 700,000	0.26%	100%		1 Day	None
Money Market Accounts	(A)	(1) \$ 27,000,000	9.86%	40%	0.01%	1 Day	None
Local Agency Investment Fund (LAIF)	(B)	(2) \$ 74,000,000	27.03%	50%	0.20%	2 Days	None
US T-Bills at Wells Fargo		(1) \$ 79,500,000	29.04%	100%	0.04%	1 Day	Subject to Interest Rate Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	(1) \$ 37,200,000	13.59%		0.12%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 218,400,000	79.77%		0.10%		

Long Term Portfolio (1 - 5 years)

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

UBS Managed Portfolio	(D)	\$ 51,300,000	18.74%		0.50%	3 Days	Subject to Interest Rate and Credit Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	\$ 4,100,000	1.50%		0.23%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 55,400,000	20.23%		0.48%		
<b>Total Portfolio</b>		<b>\$ 273,800,000</b>	<b>100.00%</b>		<b>0.18%</b>		

Yield Curve	Yield Curve			
	Treasuries	AA Corporate Bonds	A Corporate Bonds	CD's
1 year	0.08%	0.15%	0.19%	0.10%
2 year	0.29%	0.33%	0.38%	0.25%
3 year	0.53%	0.56%	0.62%	0.50%
5 year	0.99%	1.07%	1.20%	0.90%

- (A) Money market fund comprised of US Treasury and Repurchase Agreement Obligations.
  - (B) LAIF is part of a \$179.1 Billion Pooled Money Investment Account managed by the State Treasurer of CA. Majority of portfolio is comprised of Treasuries, CD's, Time Deposits and Commercial Paper.
  - (C) High quality diversified portfolio comprising commercial paper, corporate bonds and notes.
  - (D) High quality diversified portfolio comprising certificate of deposits, corporate bonds and notes, municipal securities and US Treasury Securities. Includes investments maturing in less than 1 year that will be re-invested for over 1 year at maturity.
- 
- (1) Funds are utilized to pay providers, meet operating expenses, distribute pass-through monies waiting for additional approvals and/or support, amounts owed to the State for MCO Taxes, potential State premium recoupments and for amounts owed under various Risk Corridors. Extra liquidity is maintained in the event the State is late with its monthly capitation payment.
  - (2) Funds are primarily utilized to fund various Grant Programs and 2021 capital projects.



# UBS Client Review

as of September 30, 2021

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

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

**Prepared for**  
Kern Health Systems

## Accounts included in this review

**Account**  
EX-XX120  
**Risk profile:**  
Return Objective:

**Name**  
• BOND PORTFOLIO  
Conservative  
Current Income

**Type**

- Portfolio Management Program

## What's inside

Portfolio review.....	2
Asset allocation by account.....	5
Asset allocation review.....	6
Bond summary.....	7
Bond holdings.....	8
Additional information about your portfolio.....	13
Important information about this report.....	14



# Portfolio review

as of September 30, 2021

## Asset allocation review

	Value on 09/30/2021 (\$)	% of Portfolio
<b>A Cash</b>	<b>59,924.86</b>	<b>0.12</b>
Cash	59,924.86	0.12
US	59,924.86	0.12
<b>B Fixed Income</b>	<b>51,280,796.97</b>	<b>99.88</b>
US	51,280,796.97	99.88
Government	4,005,052.22	7.80
Municipals	1,467,418.94	2.86
Corporate IG Credit	45,808,325.81	89.22
<b>C Equity</b>	<b>0.00</b>	<b>0.00</b>
<b>D Commodities</b>	<b>0.00</b>	<b>0.00</b>
<b>E Non-Traditional</b>	<b>0.00</b>	<b>0.00</b>
<b>F Other</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Portfolio</b>	<b>\$51,340,721.83</b>	<b>100%</b>

Balanced mutual funds are allocated in the 'Other' category



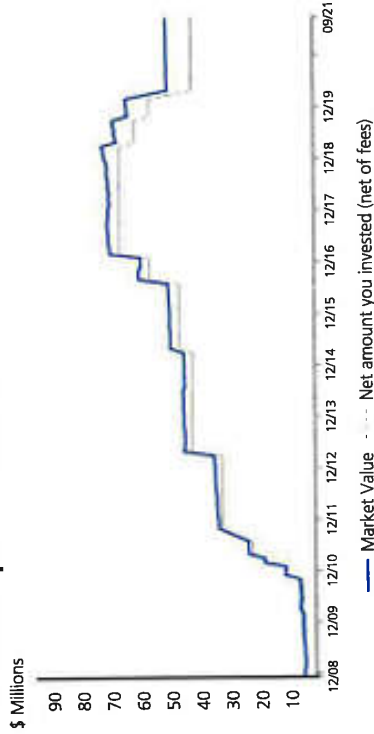
## Portfolio value and investment results

	Performance returns (annualized > 1 year)		
	For the period of 12/31/2020 to 03/31/2021	For the period of 06/30/2021 to 09/30/2021	YTD For the period of 12/31/2020 to 09/30/2021
<b>Opening value</b>	<b>51,314,838.66</b>	<b>51,290,289.38</b>	<b>51,312,945.47</b>
NET deposits/withdrawals	-16,449.05	-16,623.68	-16,813.78
Div./interest income	158,305.49	199,253.40	142,171.96
Change in acct. interest	35,203.97	-3,453.30	87,252.73
Change in value	-201,609.70	-156,520.33	-184,834.55
<b>Closing value</b>	<b>51,290,289.38</b>	<b>51,312,945.47</b>	<b>51,340,721.83</b>
Net time-weighted ROR	-0.05	0.04	0.05

Net deposits and withdrawals include program and account fees.

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

## Sources of portfolio value



## Summary of gains and losses

	Short term (\$)	Long term (\$)	Total (\$)
<b>2020 Realized gains and losses</b>	<b>23,642.27</b>	<b>224,416.40</b>	<b>248,058.67</b>
Taxable	23,642.27	224,416.40	248,058.67
Tax-deferred	0.00	0.00	0.00
<b>2021 Year to date</b>	<b>227.34</b>	<b>53,112.32</b>	<b>53,339.66</b>
Taxable	227.34	53,112.32	53,339.66
Tax-deferred	0.00	0.00	0.00

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

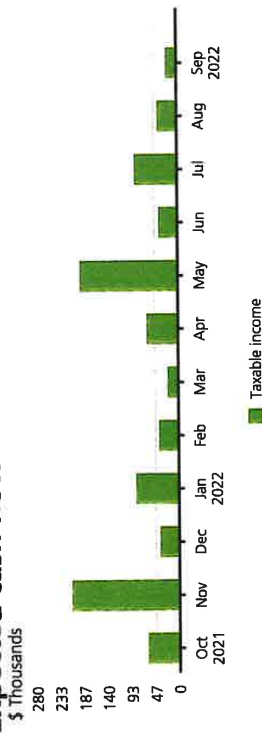
Report created on: October 29, 2021





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

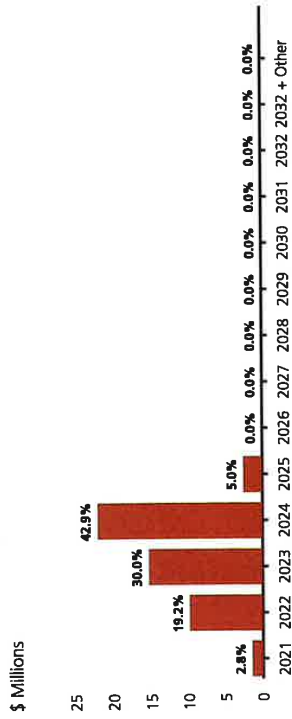
**Expected cash flow**



**Total taxable income: \$916,815.55**  
**Total expected cash flow: \$916,815.55**  
 Cash flows displayed account for known events such as maturities and mandatory puts.

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

**Bond maturity schedule**



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

**Equity sector analysis**  
 Compared to S&P 500 index

	Value on 09/30/2021 (\$)	Actual (%)	Model (%)	Gap (%)
Communication Services	0.00	0.00	11.21	-11.21
Consumer Discretionary	0.00	0.00	11.18	-11.18
Consumer Staples	0.00	0.00	6.41	-6.41
Energy	0.00	0.00	2.98	-2.98
Financials	0.00	0.00	11.63	-11.63
Health Care	0.00	0.00	12.41	-12.41
Industrials	0.00	0.00	7.47	-7.47
Information Technology	0.00	0.00	28.04	-28.04
Materials	0.00	0.00	2.58	-2.58
Real Estate	0.00	0.00	2.72	-2.72
Utilities	0.00	0.00	2.44	-2.44
<b>Total classified equity</b>	<b>\$0.00</b>			
Unclassified Securities	0.00			

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

Report created on: October 29, 2021



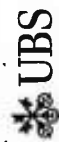
**EX XX120 • BOND PORTFOLIO • Portfolio Management Program**  
 Prepared for: Kern Health Systems  
 Risk profile: Conservative  
 Return Objective: Current Income

Portfolio review - as of September 30, 2021 (continued)  
**Summary of performance by account**

		Performance returns (annualized > 1 year)			
Performance start date	Value on 09/30/2021 (\$)	% of portfolio	For the period of 12/31/2020 to 03/31/2021	For the period of 03/31/2021 to 06/30/2021	YTD 12/31/2020 to 09/30/2021
EX XX120	51,340,721.83	100.00%	-0.05%	0.04%	0.05%
BOND PORTFOLIO•PMP•The Cohen Group Fixed Income - PIV		Net time-weighted			
Risk profile: Conservative					
Return objective: Current Income					

		Dec 08, 2008	Net time-weighted	0.05%	0.05%	0.05%
<b>Total Portfolio</b>		<b>\$51,340,721.83</b>	<b>100%</b>	<b>0.04%</b>	<b>0.05%</b>	<b>0.05%</b>
<b>Benchmarks - Annualized time-weighted returns</b>						
Blended Index						
Blended Index 2						
US Treasury Bill - 3 Mos						
Barclays US Agg 1-3Y						
S&P 500						

Blended Index: 11/04/2019 - Current: 45% Barclays Corp 1-3Y, 55% Barclays Govt/Credit 1-3Y Blended Index 2-Start - Current: 30% BofA 1Y Tts Note; 40% BofA US Corp 1-3Y A-AAA; 30% US Treasury Bill - 3 Mos  
 Past performance does not guarantee future results and current performance may be lower/higher than past data presented.  
 Report created on: October 29, 2021



# Asset allocation by account

as of September 30, 2021

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

	Equities (\$/%)				Fixed Income (\$/%)				Commodities (\$/%)	Non-Traditional (\$/%)	Other (\$/%)	Total
	Cash (\$/%)	U.S.	Global	International	U.S.	Global	International	Other (\$/%)				
<b>59,924.86</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>51,280,796.97</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$51,340,721.83</b>
<b>0.12</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>99.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100.00%</b>
<b>Total Portfolio</b>												

EX XX120 - BOND PORTFOLIO - BSA PMP

Risk profile: Conservative  
 Return objective: Current Income

	Equities (\$/%)				Fixed Income (\$/%)				Commodities (\$/%)	Non-Traditional (\$/%)	Other (\$/%)	Total
	Cash (\$/%)	U.S.	Global	International	U.S.	Global	International	Other (\$/%)				
<b>59,924.86</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>51,280,796.97</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>\$51,340,721.83</b>
<b>0.12</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>99.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100.00%</b>
<b>Total Portfolio</b>												

Balanced mutual funds are allocated in the 'Other' category



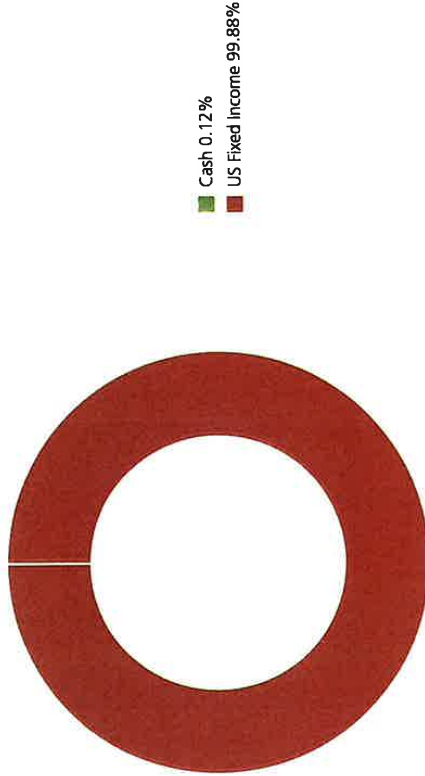
# Asset allocation review

as of September 30, 2021

## Summary of asset allocation

	Market value (\$)	% of Portfolio
<b>Cash</b>	<b>59,924.86</b>	<b>0.12</b>
Cash US	59,924.86	0.12
<b>Fixed Income</b>	<b>51,280,796.97</b>	<b>99.88</b>
US	51,280,796.97	99.88
Government	4,005,052.22	7.80
Municipals	1,467,418.94	2.86
Corporate IG Credit	45,808,325.81	89.22
<b>Equity</b>	<b>0.00</b>	<b>0.00</b>
<b>Commodities</b>	<b>0.00</b>	<b>0.00</b>
<b>Non-Traditional</b>	<b>0.00</b>	<b>0.00</b>
<b>Other</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Portfolio</b>	<b>\$51,340,721.83</b>	<b>100%</b>

Balanced mutual funds are allocated in the 'Other' category



Cash 0.12%  
US Fixed Income 99.88%

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

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

**UBS**  
**Bond summary**  
 as of September 30, 2021

**Bond overview**

Total quantity	49,624,000
Total market value	\$50,980,718.95
Total accrued interest	\$300,078.02
Total market value plus accrued interest	\$51,280,796.97
Total estimated annual bond interest	\$934,960.55
Average coupon	1.91%
Average current yield	1.83%
Average yield to maturity	0.60%
Average yield to worst	0.50%
Average modified duration	1.94
Average effective maturity	2.13

**Investment type allocation**

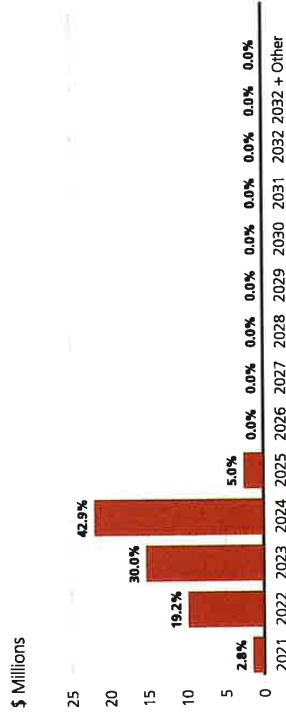
Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
Municipals	1,467,418.93	0.00	1,467,418.93	2.86
U.S. corporates	45,808,325.81	0.00	45,808,325.81	89.33
U.S. federal agencies	4,005,052.22	0.00	4,005,052.22	7.81
<b>Total</b>	<b>\$51,280,796.96</b>	<b>\$0.00</b>	<b>\$51,280,796.96</b>	<b>100%</b>

**Credit quality of bond holdings**

Effective credit rating	Issues	Value on 09/30/2021 (\$)	% of port.
<b>A</b> Aaa/AAA/AAA	3	4,533,353.47	8.88
<b>B</b> Aa/AA/AA	5	8,953,695.51	17.47
<b>C</b> A/A/A	27	36,722,485.48	71.57
<b>D</b> Baa/BBB/BBB	1	1,071,262.50	2.08
<b>E</b> Non-investment grade	0	0.00	0.00
<b>F</b> Certificate of deposit	0	0.00	0.00
<b>G</b> Not rated	0	0.00	0.00
<b>Total</b>	<b>36</b>	<b>\$51,280,796.97</b>	<b>100%</b>



**Bond maturity schedule**



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

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

Report created on: October 29, 2021



# Bond holdings

as of September 30, 2021

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

## Summary of bond holdings

Maturity Year	Issues	Quantity	Est. annual income (\$)	Current yield (%)	Yield to maturity (%)	Yield to worst (%)	Modified duration	Adjusted cost basis (\$)	Unrealized gain/loss (\$)	Mkt. value (\$)	% of bond portfolio maturing
2021	1	1,450,000	35,815.00	2.47%	0.39%	0.39%	0.08	1,450,381.2	2,214.30	1,457,418.93	2.85%
2022	8	9,674,000	217,005.05	2.21%	0.36%	0.26%	0.68	9,738,406.68	67,353.27	9,867,408.53	19.23%
2023	9	15,250,000	103,328.00	0.68%	0.48%	0.32%	1.63	15,309,042.69	-11,907.69	15,328,247.50	30.01%
2024	17	20,850,000	503,812.50	2.30%	0.73%	0.67%	2.74	21,912,826.82	-37,766.32	22,053,595.67	42.91%
2025	1	2,400,000	75,000.00	2.94%	1.19%	1.04%	2.89	2,564,435.92	-16,267.92	2,564,126.33	5%
2026	0	0	0		NA	NA	NA				
2027	0	0	0		NA	NA	NA				
2028	0	0	0		NA	NA	NA				
2029	0	0	0		NA	NA	NA				
2030	0	0	0		NA	NA	NA				
2031	0	0	0		NA	NA	NA				
2032	0	0	0		NA	NA	NA				
2033	0	0	0		NA	NA	NA				
2034	0	0	0		NA	NA	NA				
2035	0	0	0		NA	NA	NA				
2036	0	0	0		NA	NA	NA				
2037	0	0	0		NA	NA	NA				
2038	0	0	0		NA	NA	NA				
2039	0	0	0		NA	NA	NA				
2040	0	0	0		NA	NA	NA				
2041	0	0	0		NA	NA	NA				
2042	0	0	0		NA	NA	NA				
2043	0	0	0		NA	NA	NA				
2044	0	0	0		NA	NA	NA				
2045	0	0	0		NA	NA	NA				
2046	0	0	0		NA	NA	NA				
2047	0	0	0		NA	NA	NA				
2048	0	0	0		NA	NA	NA				
2049	0	0	0		NA	NA	NA				
2050	0	0	0		NA	NA	NA				
2050 +	0	0	0		NA	NA	NA				
Other	0	0	0		NA	NA	NA				
<b>Total</b>	<b>36</b>	<b>49,624,000</b>	<b>\$934,960.55</b>	<b>1.83%</b>	<b>0.60%</b>	<b>0.50%</b>	<b>1.94</b>	<b>\$50,975,093.31</b>	<b>\$5,625.64</b>	<b>\$51,280,796.97</b>	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.  
 Report created on: October 29, 2021



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

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

**Details of bond holdings**

	Effective rating/ Underlying rating (Moody/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%) YTM (%)	Modified duration	Adjusted cost basis (\$) Unreal. g/l (\$)	Market price (\$)	Market price (\$)	Mkt. value (\$) Accr. interest (\$)	% of bond port.
<b>Total Bond Portfolio</b>		<b>49,824,000</b>	<b>1.91%</b>	<b>11/17/2023</b>	<b>NA</b>	<b>\$934,960.55</b> <b>1.83%</b>	<b>0.60%</b> <b>0.50%</b>	<b>1.94</b> <b>\$5,625.64</b>	<b>\$50,980,718.95</b> <b>\$51,280,796.97</b>	<b>NA</b>			<b>100%</b>
<b>Maturing 2021</b>													
MISSISSIPPI ST TAX SR G	Aa2/Aaa	1,450,000	2.47%	11/01/2021		35,815.00 2.47%	0.39% 0.39%	0.08 2,214.30	1,450,381.20 2,214.30	100.179		1,452,595.50 14,823.43	2.85%
BE/R/ 2.470 110121 DTD 120815	Aa2/Aaa												
<b>Total 2021</b>		<b>1,450,000</b>	<b>2.47%</b>	<b>11/01/2021</b>		<b>\$35,815.00</b> <b>2.47%</b>	<b>0.39%</b> <b>0.39%</b>	<b>0.08</b> <b>\$2,214.30</b>	<b>\$1,450,381.20</b> <b>\$14,823.43</b>				<b>2.85%</b>
<b>Maturing 2022</b>													
PEPSICO INC NTS B/E 02.250%	A1/WD/A+	1,089,000	2.25%	05/02/2022	04/02/2022	24,502.50 2.23%	0.55% 0.27%	0.49 12,588.84	1,087,301.16 12,588.84	101.000		1,099,890.00 10,073.25	2.16%
050222 DTD050217 FC110217	NR/NR				100.00								
CALL@MW+10BP													
CATERPILLAR FHL SERVICE	A2/A	1,500,000	0.95%	05/13/2022		14,250.00 0.95%	0.18% 0.18%	0.61 4,803.53	1,502,351.47 4,803.53	100.477		1,507,155.00 5,422.92	2.96%
00.950% 051322 DTD051520	NR/NR												
FC111320 CALL@MW+15BP													
IBM CORP NTS B/E 02.850%	A2/ND/A-	1,500,000	2.85%	05/13/2022		42,750.00 2.80%	0.21% 0.21%	0.61 276.04	1,524,233.96 276.04	101.634		1,524,510.00 16,031.25	2.99%
051322 DTD051519 FC111519	NR/NR												
CALL@MW+10BP													
QUALCOMM INC NTS B/E 03.000%	A2/NR/A-	1,000,000	3.00%	05/20/2022		30,000.00 2.95%	0.32% 0.32%	0.63 13,150.66	1,003,959.34 13,150.66	101.711		1,017,110.00 10,833.33	2.00%
052022 DTD052015 FC112015	NR/NR												
CALL@MW+15BP													
UNITEDHEALTH GROUP INC	A3/A+	1,700,000	3.35%	07/15/2022		56,950.00 3.27%	0.32% 0.32%	0.78 154.33	1,740,475.67 154.33	102.390		1,740,630.00 11,864.58	3.41%
03.350% 071522 DTD072315	NR/NR												
FC011516 CALL@MW+20BP													
HONEYWELL INTL INC NTS	A2/A	200,000	0.48%	08/19/2022		966.00 0.48%	0.47% 0.47%	0.88 -144.38	200,170.38 -144.38	100.013		200,026.00 110.02	0.39%
00.483% 081922 DTD081920	NR/NR												
FC021921 CALL@MW+5BP													
WALT DISNEY CO NTS B/E 01.650%	A2/A-/BBB+	2,300,000	1.65%	09/01/2022		37,950.00 1.63%	0.18% 0.18%	0.91 40,526.00	2,290,501.00 40,526.00	101.349		2,331,027.00 3,057.08	4.57%
090122 DTD090619 FC030120	NR/NR												

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

Report created on: October 29, 2021



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

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

Underlying rating/ (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / Modified duration	Adjusted cost basis (\$)/ Unreal. gr. (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
<b>Maturing 2022</b>										
BANK OF AMER CORP 02.503% 102122 DTD102116 FC042117 CALL@MMW+20BP	385,000	2.50%	10/21/2022	10/21/2021 100.00	9,636.55 2.50%	2.40% 0.66%	389,413.70 -4,001.75	100.107	385,411.95 4,256.14	0.76%
<b>Total 2022</b>	<b>9,674,000</b>	<b>2.25%</b>	<b>06/28/2022</b>		<b>\$217,005.05</b> <b>2.21%</b>	<b>0.36%</b> <b>0.26%</b>	<b>\$9,738,406.68</b> <b>\$67,353.27</b>		<b>\$9,805,759.95</b> <b>\$61,648.58</b>	<b>19.23%</b>
<b>Maturing 2023</b>										
JPMORGAN CHASE & CO NTS 02.972% 011523 DTD120816 FC071517 CALL@MMW+20BP PEPSICO INC NTS B/E 00.750% 050123 DTD050120 FC110120 CALL@MMW+10BP APPLE INC NTS B/E 00.750% 051123 DTD051120 FC111120 CALL@MMW+10BP JOHN DEERE CPTL CORP 00.700% 070523 DTD060420 FC010521 MED TERM NTS PACCAR FINANCIAL CORP 00.350% 081123 DTD081120 FC021121 MED TERM NTS PEPSICO INC NTS B/E 00.400% 100723 DTD100720 FC040721 FCB BOND 00.290 % DUJ 110223 DTD 110220 FC 05022021 FANNIE MAE NTS 00.310 % DUE 111623 DTD 111620 FC 05162021 BANK OF NY MELLON CORP 00.350% 120723 DTD120720 FC060721 NTS B/E	1,150,000	2.97%	01/15/2023	01/15/2022 100.00	34,178.00 2.95%	2.39% 0.45%	1,170,212.60 -11,771.60	100.734	1,158,441.00 7,120.42	2.27%
	1,500,000	0.75%	05/01/2023		11,250.00 0.74%	0.25% 0.25%	1,510,353.54 1,526.46	100.792	1,511,880.00 4,656.25	2.97%
	3,000,000	0.75%	05/11/2023		22,500.00 0.74%	0.30% 0.30%	3,020,762.94 927.06	100.723	3,021,690.00 8,687.50	5.93%
	1,000,000	0.70%	07/05/2023		7,000.00 0.70%	0.33% 0.33%	1,006,065.60 464.40	100.653	1,006,530.00 1,652.78	1.97%
	2,000,000	0.35%	08/11/2023		7,000.00 0.35%	0.38% 0.38%	2,000,000.00 -1,040.00	99.948	1,998,960.00 952.78	3.92%
	600,000	0.40%	10/07/2023		2,400.00 0.40%	0.28% 0.28%	602,052.29 -618.29	100.239	601,434.00 1,153.33	1.18%
	2,000,000	0.29%	11/02/2023	11/02/2021 100.00	5,800.00 0.29%	2.07% 0.36%	1,998,818.00 -1,598.00	99.861	1,997,220.00 2,384.44	3.92%
	2,000,000	0.31%	11/16/2023	11/16/2022 100.00	6,200.00 0.31%	1.12% 0.17%	1,999,800.00 3,340.00	100.157	2,003,140.00 2,307.78	3.93%
	2,000,000	0.35%	12/07/2023	11/07/2023 100.00	7,000.00 0.35%	2.17% 0.40%	2,000,977.72 -3,137.72	99.892	1,997,840.00 2,197.22	3.92%
<b>Total 2023</b>	<b>15,250,000</b>	<b>0.68%</b>	<b>08/06/2023</b>		<b>\$163,328.00</b> <b>0.68%</b>	<b>0.48%</b> <b>0.32%</b>	<b>\$15,309,042.6</b> <b>\$-11,907.69</b>		<b>\$15,297,135.00</b> <b>\$31,112.50</b>	<b>30.01%</b>

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.  
 Report created on: October 29, 2021



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

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

Underlying	Effective rating/ (Moody/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%) YTM (%)	Modified duration	Adjusted cost basis (\$) Unreal. gain (\$)	Market price (\$)	Mkt. value (\$) Accr. interest (\$)	% of bond port.
<b>Maturing 2024</b>												
US BANCORP MED TERM NTS	AZ/A+/A+	300,000	3.38%	02/05/2024	01/05/2024	10,125.00	0.67%	2.17	319,998.95	106.284	318,852.00	0.63%
03.375% 020524 DTD020419	NR/NR/NR				100.00	3.18%	0.58%		-1,146.95		1,546.88	
FACTOR 1.000000000000												
MICROSOFT CORP NTS B/E	Aaa/AAA/AAA	500,000	2.88%	02/06/2024	12/06/2023	14,375.00	0.63%	2.11	528,086.89	105.229	526,145.00	1.03%
02.875% 020624 DTD020617	NR/NR/NR				100.00	2.73%	0.47%		-1,941.89		2,156.25	
FC080617 CALL@MMW+12.5BP												
APPLE INC NTS B/E 2.850% 051124	Aa1/NR/Aa+	400,000	2.85%	05/11/2024	03/11/2024	11,400.00	0.70%	2.37	424,831.49	105.558	422,232.00	0.83%
DTD051117 FC111117	NR/NR/NR				100.00	2.70%	0.56%		-2,599.49		4,401.67	
CALL@MMW+12.5BP												
AMAZON COM INC NTS B/E	A1/AA+/AA	2,000,000	0.45%	05/12/2024		9,000.00	0.54%	2.59	1,997,660.00	99.771	1,995,420.00	3.91%
00.450% 051224 DTD051221	NR/NR/NR					0.45%	0.54%		-2,240.00		3,450.00	
CALL@MMW+2.5BP												
JPMORGAN CHASE & CO NTS	AZ/AA-/A-	1,800,000	3.63%	05/13/2024		65,250.00	0.70%	2.48	1,939,527.49	107.577	1,936,386.00	3.80%
03.625% 051324 DTD051314	NR/NR/NR					3.37%	0.70%		-3,141.49		24,831.25	
FC111314 B/E												
BB&T CORP NTS B/E 02.500%	A3/A-/A-	1,000,000	2.50%	08/01/2024	07/01/2024	25,000.00	0.66%	2.65	1,054,623.18	105.172	1,051,720.00	2.06%
080124 DTD072919 FC020120	NR/NR/NR				100.00	2.38%	0.60%		-2,903.18		4,097.22	
UNITEDHEALTH GROUP INC	A3/A+/A+	1,000,000	2.38%	08/15/2024		23,750.00	0.70%	2.78	1,049,985.66	104.746	1,047,460.00	2.05%
02.375% 081524 DTD072519	NR/NR/NR					2.27%	0.70%		-2,525.66		2,968.75	
CALL@MMW+10BP NTS												
JOHN DEERE CAPITAL CORP	A2/A/A	1,400,000	0.63%	09/10/2024		8,750.00	0.61%	2.91	1,401,825.77	100.030	1,400,420.00	2.75%
00.625% 091024 DTD091021	NR/NR/NR					0.62%	0.61%		-1,405.77		486.11	
FC031022 NTS B/E												
PAYPAL HOLDINGS INC NTS	A3/A-/A-	1,000,000	2.40%	10/01/2024	09/01/2024	24,000.00	0.69%	2.82	1,051,961.49	105.068	1,050,680.00	2.06%
02.400% 100124 DTD092619	NR/NR/NR				100.00	2.28%	0.64%		-1,281.49		11,933.33	
FC040120 CALL@MMW+15BP												
SIMON PPTY GROUP LP B/E	A3/A-/A-	1,900,000	3.38%	10/01/2024	07/01/2024	64,125.00	1.00%	2.62	2,035,532.84	107.010	2,033,190.00	3.99%
03.375% 100124 DTD091014	NR/NR/NR				100.00	3.15%	0.80%		-2,342.84		31,884.38	
FC040115 CALL@MMW+15BP												
BB&T CORP MED TERM NTS	A3/A-/A-	1,000,000	2.85%	10/26/2024	09/26/2024	28,500.00	0.77%	2.87	1,062,995.98	106.292	1,062,920.00	2.08%
02.850% 102624 DTD102617	NR/NR/NR				100.00	2.68%	0.72%		-75.98		12,191.67	
FC042618 B/E												
PNC FINL SERV GRP INC WT	A3/A-/A-	2,000,000	2.20%	11/01/2024	10/02/2024	44,000.00	0.64%	2.88	2,102,061.68	104.756	2,095,120.00	4.11%
02.200% 110124 DTD110119	NR/NR/NR				100.00	2.10%	0.60%		-6,941.68		18,211.11	
FC050120 EXP NTS B/E												
AFLAC INC B/E 03.625% 111524	A3/A-/A-	900,000	3.63%	11/15/2024		32,625.00	0.77%	2.94	979,377.52	108.807	979,263.00	1.92%
DTD110714 FC051515	NR/NR/NR					3.33%	0.77%		-114.52		12,234.38	
CALL@MMW+20BP												
GENERAL DYNAMICS CORP	A2/A-/A-	1,750,000	2.38%	11/15/2024	09/15/2024	41,562.50	0.75%	2.86	1,838,148.73	104.999	1,837,482.50	3.60%
02.375% 111524 DTD091417	NR/NR/NR				100.00	2.26%	0.67%		-666.23		15,585.94	
FC051518 CALL@MMW+10BP												

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

Report created on: October 29, 2021





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

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

Effective rating/ Underlying rating (Moody/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%) YTW (%)	Modified duration	Adjusted cost basis (\$) Unreal. gf (\$)	Market price (\$)	Mkt. value (\$) Accr. interest (\$)	% of bond port.
<b>Maturing 2024</b>											
ORACLE CORP NTS B/E 02.950% 111524 DTD110917 FC051518 CALL@MW+15BP	1,000,000	2.95%	11/15/2024	09/15/2024 100.00	29,500.00 2.78%	0.95% 0.88%	2.84	1,061,988.86 -1,788.86	106.020	1,060,200.00 11,062.50	2.08%
TRUIST BANK NTS B/E 02.150% 120624 DTD120619 FC060620	1,000,000	2.15%	12/06/2024	11/06/2024 100.00	21,500.00 2.06%	0.82% 0.78%	2.98	1,046,484.55 -4,624.55	104.186	1,041,860.00 6,808.33	2.04%
WAL MART STORES INC NTS 02.650% 121524 DTD102017 FC061518 CALL@MW+10BP	1,900,000	2.65%	12/15/2024	10/15/2024 100.00	50,350.00 2.50%	0.73% 0.63%	2.90	2,017,735.74 -2,025.74	106.090	2,015,710.00 14,685.42	3.95%
<b>Total 2024</b>	<b>20,850,000</b>	<b>2.44%</b>	<b>09/10/2024</b>		<b>\$503,812.50</b> <b>2.30%</b>	<b>0.73%</b> <b>0.67%</b>	<b>2.74</b>	<b>\$21,912,826.8</b> <b>\$-37,766.32</b>		<b>\$21,875,060.50</b> <b>\$178,535.17</b>	<b>42.91%</b>
<b>Maturing 2025</b>											
JPMORGAN CHASE & CO B/E 03.125% 012325 DTD012315 FC072315	2,400,000	3.13%	01/23/2025	10/23/2024 100.00	75,000.00 2.94%	1.19% 1.04%	2.89	2,564,435.92 -14,267.92	106.257	2,550,168.00 13,958.33	5.00%
<b>Total 2025</b>	<b>2,400,000</b>	<b>3.13%</b>	<b>01/23/2025</b>		<b>\$75,000.00</b> <b>2.94%</b>	<b>1.19%</b> <b>1.04%</b>	<b>2.89</b>	<b>\$2,564,435.92</b> <b>\$-14,267.92</b>		<b>\$2,550,168.00</b> <b>\$13,958.33</b>	<b>5.00%</b>
<b>Total Bond Portfolio</b>											
	<b>49,624,000</b>	<b>1.91%</b>	<b>11/17/2023</b>	<b>NA</b>	<b>\$934,960.55</b> <b>1.83%</b>	<b>0.60%</b> <b>0.50%</b>	<b>1.94</b>	<b>\$50,975,093.3</b> <b>\$5,625.64</b>	<b>NA</b>	<b>\$50,960,718.95</b> <b>\$300,678.02</b> <b>\$51,280,796.97</b>	<b>100%</b>

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.  
 Report created on: October 29, 2021



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

## Additional information about your portfolio

as of September 30, 2021

### Benchmark composition

**Account EX XX120**

**Blended Index**

**Start - 05/15/2017:** 50% Barclays US Gov 1-3Y; 50% Barclays Govt/Credit 1-5Y  
**05/15/2017 - 05/31/2018:** 100% Barclays Agg Bond  
**05/31/2018 - 11/04/2019:** 100% Barclays Agg Bond  
**11/04/2019 - Current:** 45% Barclays Corp 1-3Y; 55% Barclays Govt/Credit 1-3Y

**Blended Index 2**

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



## Disclosures applicable to accounts at UBS Financial Services Inc.

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

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

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

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

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

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

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

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

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

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

applies to all performance for all assets on or after 03/30/2010, Advisory assets on or after 12/31/2010, SWP/AAP sleeves on or after 04/30/2018 as well as all Asset Class and Security level returns.

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

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

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

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

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

results. Indices are not actively managed and investors cannot invest directly in the indices. Market index data maybe subject to review and revision. Further, there is no guarantee that an investor's account will meet or exceed the stated benchmark. Index performance information has been obtained from third parties deemed to be reliable. We have not independently verified this information, nor do we make any representations or warranties to the accuracy or completeness of this information.

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

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

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

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

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

**Net Deposits/Withdrawals:** When shown on a report, this information represents the net value of all cash and securities contributions and withdrawals, program fees (including wrap fees) and other fees added to or subtracted from your accounts from the first day to the last day of the period. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS FS price on the day securities



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

are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate account billing arrangement. When shown on Client Summary and/or Portfolio Review report, program fees (including wrap fees) may not be included in net deposits/withdrawals. PACE Program fees paid from sources other than your PACE account are treated as a contribution. A PACE Program Fee rebate that is not reinvested is treated as a withdrawal.

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

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

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

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

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

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

**Performance Start Date Changes:** The Performance Start Date for accounts marked with a '\*' have changed. Performance figures of an account with a changed

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

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

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

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

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

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

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

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

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

**Pricing:** All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS FS account statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the

pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold liquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

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

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

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

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

This information is supplied by Morningstar, Inc. on a daily basis to UBS FS based on data supplied by the fund which may not be current. Mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these



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

funds. If a fund's underlying holding data is not available, it will be classified based on its corresponding overall Morningstar classification. All data is as of the date indicated in the report.

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

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

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

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

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

**Equity Capitalization:** Market Capitalization is

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

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

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

**Estimated Annual Income:** The Estimated Annual Income is calculated by summing the previous four dividend/interest rates per share and multiplying by the quantity of shares held in the selected account(s) as of the End Date of Report for savings product & sweep funds. This value is not calculated and is displayed as 0.

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

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

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

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

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

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

**Reinvestment Risk:** Since most corporate issues pay interest semi-annually, the coupon payments over the life

of the bond can have a major impact on the bond's total return.

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

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

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

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

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

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

**Cash Flow:** This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, interest rate fluctuations. The effect of a call on any security(s) and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated – but prior to the report run ("As of") date – are not reflected in this report. In determining the potential cash flows, UBS FS relies on information obtained from third party services; it believes to be

reliable. UBS FS does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Although UBS FS generally provides this information as it is received, the Firm does not provide any assurances that the information listed is accurate as of the Record Date. Cash flows for mortgage-backed, asset-backed, factored, and other pass-through securities are based on the assumptions that the current face amount, principal pay-down, interest payment and payment frequency remain constant. Calculations may include principal payments as intended to be an estimate of future projected interest cash flows and do not in any way guarantee accuracy.

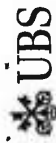
**Expected Cash Flow reporting for Puerto Rico Income Tax Purposes:** Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only, if you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes,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

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

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

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





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

for Puerto Rico income tax purposes only. If you have received gain/loss reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Pursuant to the Puerto Rico Internal Revenue Code (IRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisors for purposes other than determining realized gains/losses for Puerto Rico income tax purposes. Neither UBS FS nor its employees or associated persons provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

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

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

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

For more information about account or group names, or

to make changes, contact your Financial Advisor.

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

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

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

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

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

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

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

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

UBS FS All Rights Reserved. Member SIPC.



**Kern Health Systems**  
**Account Number: EBXXX20**

Your Financial Advisor:  
 THE COHEN GROUP  
 Phone: 661-663-5206/600-628-6022

Filtered by: Entry Date 07/01/2021-09/30/2021, Call/Redemption

Entry Date/Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
09/15/21	CALL REDEMPTION	ORACLE CORP NTS B/E 01.900% 091521 DTD070716	813C11	1,425,000.00	REDEMPTION	1,425,000.00
09/01/21	CALL REDEMPTION	LOS ANG CAL TAX SR A B/E/R	750QN9	1,000,000.00	REDEMPTION	1,000,000.00
08/20/21	CALL REDEMPTION	CISCO SYSTEMS INC B/E 01.850% 092021 DTD092016	667W50	1,000,000.00	REDEMPTION	1,000,000.00
08/19/21	CALL REDEMPTION	HONEYWELL INTL INC NTS 00.483% 081922 DTD081920	6574M1	800,000.00	REDEMPTION	800,000.00
08/16/21	CALL REDEMPTION	NVIDIA CORP NTS B/E 2.200% 091621 DTD091616	810LY0	1,300,000.00	REDEMPTION	1,300,000.00
08/13/21	CALL REDEMPTION	FILMC MED TERM NTS 00.350 % DUE 111323	FG4F30	1,200,000.00	REDEMPTION	1,200,000.00
08/09/21	CALL REDEMPTION	CATERPILLAR FINANCIAL SE 01.700% 080921 DTD080916	667HW2	2,000,000.00	REDEMPTION	2,000,000.00

Filtered by: Entry Date 07/01/2021-09/30/2021, Bought

Entry Date/Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
09/17/21	09/21/21 BOUGHT	JOHN DEERE CAPITAL CORP 00.625% 091024 DTD091021	791ZG1	1,400,000.00	\$100.132	1,402,115.36
09/08/21	09/10/21 BOUGHT	PAYPAL HOLDINGS INC NTS 02.400% 100124 DTD092619	818FL1	1,000,000.00	\$105.301	1,063,610.00
08/23/21	08/25/21 BOUGHT	GENERAL DYNAMICS CORP 02.375% 111524 DTD091417	753G77	1,750,000.00	\$105.201	1,852,562.64
08/18/21	08/20/21 BOUGHT	JPMORGAN CHASE & CO B/E 03.125% 012325 DTD012315 731HD6		2,400,000.00	\$107.089	2,575,761.00
08/12/21	08/16/21 BOUGHT	AMAZON COM INC NTS B/E 00.450% 051224 DTD051221	696SAB	2,000,000.00	\$99.883	2,000,010.00

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

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

The information is based upon the market value of your account(s) as of the date of business on September 30, 2021, is subject to daily market fluctuation and in some cases may be rounded for convenience. Your UBS account statements and trade confirmations are the official records of your accounts at UBS. We assign index benchmarks to our asset allocations, strategies in our separately managed accounts and discretionary programs based on our understanding of the allocation, strategy, the investment style and our research. The benchmarks included in this report can differ from those assigned through our research process. As a result, you may find that the performance comparisons may differ, sometimes significantly, from that presented in performance reports and other materials that are prepared and delivered centrally by the Firm. Depending upon the composition of your portfolio and your investment objectives, the indexes used in this report may not be an appropriate measure for comparison purposes, and as such, are represented for illustration only. Your portfolio holdings and performance may vary significantly from the index. Your financial advisor can provide additional information about how benchmarks within this report were selected.

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





Wells Fargo Bank, N.A.  
 333 SOUTH GRAND AVENUE  
 8TH FLOOR LOS ANGELES CA 90071  
 JONATHAN CHIUANG  
 1-213-253-6202

**Bank Account Statement**  
**Wells Fargo Bank, N.A.**

**Statement Period**  
**09/01/2021 - 09/30/2021**

KERN HEALTH SYSTEMS  
 2900 BUCK OWENS BOULEVARD  
**Account Value Summary USD**

	Amount Last Statement Period	Amount This Statement Period	% Portfolio
Cash	\$ 0.00	\$ 0.00	0%
Money Market Mutual Funds	27,082,223.93	27,018,147.23	18%
Bonds	116,644,090.96	120,804,597.19	82%
Stocks	0.00	0.00	0%
<b>Total Account Value</b>	<b>\$ 143,726,314.89</b>	<b>\$ 147,822,744.42</b>	<b>100%</b>
<b>Value Change Since Last Statement Period</b>	<b>\$ 4,096,429.53</b>		<b>3%</b>
<b>Percent Increase Since Last Statement Period</b>		<b>\$ 119,017,553.90</b>	<b>24%</b>

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

**Income Summary USD**

	This Period	Year-To-Date
Interest	\$ 171,175.00	\$ 2,298,143.46
Dividends/Capital Gains	0.00	0.00
Money Market Mutual Funds Dividends	187.51	6,628.94
Other	0.00	0.00
<b>Income Total</b>	<b>\$ 171,362.51</b>	<b>\$ 2,304,772.40</b>

**Interest Charged USD**

Description	This Period
Debit Interest For September 2021	0.00
<b>Total Interest Charged</b>	<b>\$ 0.00</b>

**Money Market Mutual Funds Summary USD**

Description	Amount
<b>Opening Balance</b>	<b>\$ 27,082,223.93</b>
Deposits and Other Additions	246,671,330.00
Distributions and Other Subtractions	(246,735,594.21)
Dividends Reinvested	187.51
Change in Value	0.00
<b>Closing Balance</b>	<b>\$ 27,018,147.23</b>

**Important Information**

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

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

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

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

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

**FINRA BrokerCheck Program:** WFS is a member of the Financial Industry Regulatory Authority (FINRA). Under its BrokerCheck program, FINRA provides certain information regarding the disciplinary history of brokers/dealers and their associated persons. Information can be obtained from the FINRA BrokerCheck program hotline number (1-800-289-9988) or the FINRA website ([www.fina.org](http://www.fina.org)). A brochure describing the FINRA BrokerCheck program will be furnished upon written request.

**Free Credit Balances:** Any customer free credit balances may be used in the business of WFS subject to limitation of 17 CFR Section 240.15c3-3 under the Securities Exchange Act of 1934. In the course of normal business operations, a customer has the right to receive delivery of the following: any free credit balances to which he or she is entitled, any fully paid securities to which he or she is entitled, and any securities purchased on margin upon full payment of indebtedness to WFS.

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

**Equity Extended Hours Trading:** See important information relating to equities trading before and after regular trading hours at: [www.wellsfargo.com/stocks/securities/regulatory](http://www.wellsfargo.com/stocks/securities/regulatory).

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

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

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

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

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

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

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

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

**Financial Statements:** WFS financial statements are available upon request.

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

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

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

Customer Service  
90 South 7th Street  
5th Floor, MAC N9305-05F  
Minneapolis, MN 55402  
[wfcustomer@wellsfargo.com](mailto:wfcustomer@wellsfargo.com)

Customers may also report complaints, inaccuracies or discrepancies by calling 1-800-645-3751 option 5. International callers should call 1-877-695-8878. To further protect their rights, including rights under the Securities Investor Protection Act, customers should also re-confirm in writing to the above address any oral communications with WFS relating to the inaccuracies or discrepancies.

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

**KERN HEALTH SYSTEMS**

Account Number: [REDACTED]

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

Security ID	Description	Maturity Date	Coupon	Current Par / Original Par	Market Price*	Market Value	Original Par Pledged**	Callable
<b>Bonds USD</b>								
13063DQA9	CALIFORNIA ST REF	10/01/21	5.000%	1,065,000.000	100.0000	1,065,000.00		N
458140AJ9	INTEL CORP	10/01/21	3.300%	1,215,000.000	100.0000	1,215,000.00		N
912796M30	US TREASURY BILL	10/12/21	0.000%	9,500,000.000	99.9993	9,499,932.27		
912796G52	UNITED STATES TREASURY BILL	10/14/21	0.000%	20,000,000.000	99.9992	19,999,837.40		
50000DXF8	KOCH INDUSTRIES INC DISCOUNTED COMMERCIAL PAPER	10/15/21	0.000%	3,000,000.000	99.9971	2,999,912.49		
912796ZB8	UNITED STATES TREASURY BILL	10/15/21	0.000%	50,000,000.000	99.9982	49,999,076.50		
91411SXS4	UNIVERSITY OF CALIFORNIA	10/26/21	0.000%	5,000,000.000	100.0000	5,000,000.00		
02665WBW0	AMERICAN HONDA FINANCE	11/05/21	0.471%	3,000,000.000	100.0359	3,001,077.09		N
48306AZ75	KAISER FOUNDATION HOSP DISCOUNTED COMMERCIAL PAPER	12/07/21	0.000%	3,000,000.000	99.9707	2,999,121.66		
13059QAM7	CALIFORNIA SCH FIN AUTH REVENU TXBL-2020-21 SCHOOL AND CMNY C	12/30/21	0.220%	3,000,000.000	100.0118	3,000,353.40		N
4370768V3	HOME DEPOT INC	03/01/22	3.250%	3,000,000.000	101.2599	3,037,796.37		N
0258M0E00	AMERICAN EXPRESS CREDIT	03/03/22	2.700%	4,500,000.000	100.8146	4,536,659.16		Y
717081ER0	PFIZER INC	03/11/22	2.800%	3,000,000.000	101.1397	3,034,191.96		N
24422ERM3	JOHN DEERE CAPITAL CORP	03/15/22	2.750%	1,000,000.000	101.0990	1,010,989.76		N
13063DLY2	CALIFORNIA ST TXBL-VARIOUS PURPOSE-BID GROUP	04/01/22	2.350%	2,000,000.000	101.0630	2,021,260.40		N
459200JX0	IBM CORP	05/13/22	2.850%	2,275,000.000	101.6338	2,312,168.50		N
747525AE3	QUALCOMM INC	05/20/22	3.000%	500,000.000	101.7114	508,556.87		N
74460DAB5	PUBLIC STORAGE	09/15/22	2.370%	500,000.000	101.8668	509,333.83		Y
06051GFZ7	BANK OF AMERICA CORP	10/21/22	2.503%	4,050,000.000	100.1069	4,054,329.53		Y
032556EQ1	ANAHEIM CA HSG & PUBLIC IMPT A REFUNDED-REF & IMPT-ELEC UTIL	10/01/34	5.000%	1,000,000.000	100.0000	1,000,000.00		Y
						<b>120,804,597.19</b>	<b>0.00</b>	

\*See important information regarding security pricing on Page 2.

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

**KERN HEALTH SYSTEMS**  
Account Number: ██████████  
**Daily Account Activity**

Your investment transactions during this statement period.

Transaction / Effective Date	Settlement / Activity	Security ID	Description	Par / Quantity	Price	Principal Amount	Income Amount	Debit / Credit Amount
<b>Transaction Activity USD</b>								
09/01/21	Security Receipt	02665WBW0	AMERICAN HONDA FINANCE	3,000,000.00	100.0684000	(3,002,052.00)	(1,139.17)	(3,003,191.17)
09/01/21	Security Receipt	458140AJ9	INTEL CORP	1,215,000.00	100.2448000	(1,217,974.32)	(16,929.00)	(1,234,903.32)
09/13/21	Security Receipt	5000DXF8	KOCH INDUSTRIES INC DISCOUNTED	3,000,000.00	99.9948350	(2,999,845.00)	0.00	(2,999,845.00)
09/14/21	Security Receipt	912796M30	US TREASURY BILL	9,500,000.00	99.9970000	(9,499,715.00)	0.00	(9,499,715.00)
09/16/21	Security Receipt	912796L56	US TREASURY BILL	20,000,000.00	99.9991670	(19,999,833.33)	0.00	(19,999,833.33)
09/16/21	Security Receipt	912796ZB8	UNITED STATES TREASURY BILL	50,000,000.00	99.9963750	(49,998,187.50)	0.00	(49,998,187.50)
09/27/21	Security Receipt	912796G52	UNITED STATES TREASURY BILL	20,000,000.00	99.998190	(19,999,763.89)	0.00	(19,999,763.89)

**Income / Payment Activity USD**

09/01/21	Interest	437076BV3	HOME DEPOT INC				48,750.00	48,750.00
09/03/21	Interest	0258M0EG0	AMERICAN EXPRESS CREDIT				60,750.00	60,750.00
09/07/21	Matured	912796L23	US TREASURY BILL			20,000,000.00		20,000,000.00
09/07/21	Matured	912796L23	US TREASURY BILL	(20,000,000.00)				
09/13/21	Interest	717081ER0	PFIZER INC				42,000.00	42,000.00
09/14/21	Matured	912796L31	US TREASURY BILL					
09/14/21	Matured	912796L31	US TREASURY BILL	(20,000,000.00)				
09/15/21	Interest	24422ERM3	JOHN DEERE CAPITAL CORP				13,750.00	13,750.00
09/15/21	Interest	74460DAB5	PUBLIC STORAGE				5,925.00	5,925.00
09/16/21	Matured	14912DWG0	CATERPILLAR FIN SERV CRP			2,500,000.00		2,500,000.00
09/16/21	Matured	14912DWG0	CATERPILLAR FIN SERV CRP	(2,500,000.00)				
09/21/21	Matured	912796L49	US TREASURY BILL					
09/21/21	Matured	912796L49	US TREASURY BILL	(40,000,000.00)				
09/28/21	Matured	912796L56	US TREASURY BILL					
09/28/21	Matured	912796L56	US TREASURY BILL	(20,000,000.00)				

**Cash Activity USD**

Transaction / Trade Date	Settlement / Eff. Date	Activity	Description	Debit Amount / Disbursements	Credit Amount / Receipts
09/01/21	09/01/21	ACH/DDA Transaction	DESIGNATED DDA	17,000,000.00	
09/08/21	09/08/21	ACH/DDA Transaction	DESIGNATED DDA	16,000,000.00	
09/13/21	09/13/21	ACH/DDA Transaction	DESIGNATED DDA	3,000,000.00	
09/14/21	09/14/21	ACH/DDA Transaction	DESIGNATED DDA	14,000,000.00	
09/15/21	09/15/21	ACH/DDA Transaction	DESIGNATED DDA		70,000,000.00
09/15/21	09/15/21	ACH/DDA Transaction	DESIGNATED DDA		70,000,000.00
09/16/21	09/16/21	ACH/DDA Transaction	DESIGNATED DDA		7,000,000.00
09/21/21	09/21/21	ACH/DDA Transaction	DESIGNATED DDA		10,000,000.00
09/22/21	09/22/21	ACH/DDA Transaction	DESIGNATED DDA		10,000,000.00
09/23/21	09/23/21	ACH/DDA Transaction	DESIGNATED DDA		10,000,000.00

**KERN HEALTH SYSTEMS**

Account Number: ██████████

**Daily Account Activity (Continued)**

Your investment transactions during this statement period.

Transaction / Settlement /		USD		Debit Amount /		Credit Amount /	
Trade Date	Eff. Date	Activity	Description	Disbursements	Receipts		
09/24/21	09/24/21	ACH/DDA Transaction	DESIGNATED DDA	10,000,000.00			
09/28/21	09/28/21	ACH/DDA Transaction	DESIGNATED DDA	20,000,000.00			
09/29/21	09/29/21	ACH/DDA Transaction	DESIGNATED DDA	10,000,000.00			
09/30/21	09/30/21	ACH/DDA Transaction	DESIGNATED DDA	3,000,000.00			

**Money Market Fund Activity**

Morgan Stan TreasSvc 8314

\*As of September 30, 2021

USD

Transaction Date	Activity	Shares	Price	Dividend paid this period	Market Value (\$)	Dividend Amount	Share Balance
	<b>Beginning Balance</b>		1.0000		12.50		12.50000
	<b>Ending Balance</b>		1.0000	0.00	12.50		12.50000
				0.00			
				0.010%			
				0.010%			
				0.010%			

Goldman FS Tr Ob Ins 468

\*As of September 30, 2021

USD

Transaction Date	Activity	Shares	Price	Dividend paid this period	Market Value (\$)	Dividend Amount	Share Balance
	<b>Beginning Balance</b>		1.0000		27,079,848.79		27,079,848.79000
09/01/21	Purchase	48,750.00000			48,750.00		27,128,598.79000
09/01/21	Redemption	(17,000,000.00000)			(17,000,000.00)		10,128,598.79000
09/01/21	Reinvest	120.19000				120.19	10,128,718.98000
09/03/21	Redemption	(4,238,094.49000)			(4,238,094.49)		5,890,624.49000
09/03/21	Purchase	60,750.00000			60,750.00		5,951,374.49000
09/07/21	Purchase	20,000,000.00000			20,000,000.00		25,951,374.49000
09/08/21	Redemption	(16,000,000.00000)			(16,000,000.00)		9,951,374.49000
09/13/21	Purchase	42,000.00000			42,000.00		9,993,374.49000
09/13/21	Redemption	(3,000,000.00000)			(3,000,000.00)		6,993,374.49000
09/14/21	Purchase	17,000,155.00000			17,000,155.00		23,993,529.49000
09/14/21	Redemption	(14,000,000.00000)			(14,000,000.00)		9,993,529.49000
09/15/21	Redemption	(9,499,715.00000)			(9,499,715.00)		493,814.49000
09/15/21	Purchase	13,750.00000			13,750.00		507,564.49000
09/15/21	Purchase	5,925.00000			5,925.00		513,489.49000

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

**Money Market Fund Activity (Continued)**

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
09/15/21	Purchase	70,000,000.00000		70,000,000.00		70,513,489.49000
09/16/21	Purchase	7,000,000.00000		7,000,000.00		77,513,489.49000
09/16/21	Purchase	2,500,000.00000		2,500,000.00		80,013,489.49000
09/21/21	Purchase	40,000,000.00000		40,000,000.00		120,013,489.49000
09/21/21	Redemption	(30,000,000.00000)		(30,000,000.00)		90,013,489.49000
09/22/21	Redemption	(10,000,000.00000)		(10,000,000.00)		80,013,489.49000
09/23/21	Redemption	(10,000,000.00000)		(10,000,000.00)		70,013,489.49000
09/24/21	Redemption	(10,000,000.00000)		(10,000,000.00)		60,013,489.49000
09/27/21	Redemption	(19,999,763.89000)		(19,999,763.89)		40,013,725.60000
09/28/21	Purchase	20,000,000.00000		20,000,000.00		60,013,725.60000
09/28/21	Redemption	(20,000,000.00000)		(20,000,000.00)		40,013,725.60000
09/29/21	Redemption	(10,000,000.00000)		(10,000,000.00)		30,013,725.60000
09/30/21	Redemption	(3,000,000.00000)		(3,000,000.00)		27,013,725.60000
	<b>Ending Balance</b>		<b>1.0000</b>	<b>27,013,725.60</b>		<b>27,013,725.60000</b>

JP Morgan UST Plus Inst 3918

\*As of September 30, 2021

USD

Dividend paid this period 67.32  
7 day\* simple yield 0.010%  
30 day\* simple yield 0.010%

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	<b>Beginning Balance</b>		<b>1.0000</b>	<b>2,362.64</b>		<b>2,362.64000</b>
09/01/21	Reinvest	67.32000			67.32	2,429.96000
09/15/21	Purchase	70,000,000.00000		70,000,000.00		70,002,429.96000
09/16/21	Redemption	(49,998,187.50000)		(49,998,187.50)		20,004,242.46000
09/16/21	Redemption	(19,999,833.33000)		(19,999,833.33)		4,409.13000
	<b>Ending Balance</b>		<b>1.0000</b>	<b>4,409.13</b>		<b>4,409.13000</b>



## PMIA/LAIF Performance Report as of 10/19/21



### PMIA Average Monthly Effective Yields<sup>(1)</sup>

Sep	0.206
Aug	0.221
Jul	0.221

### Quarterly Performance Quarter Ended 09/30/21

LAIF Apportionment Rate <sup>(2)</sup> :	0.24
LAIF Earnings Ratio <sup>(2)</sup> :	0.00000661958813242
LAIF Fair Value Factor <sup>(1)</sup> :	0.999873661
PMIA Daily <sup>(1)</sup> :	0.20%
PMIA Quarter to Date <sup>(1)</sup> :	0.22%
PMIA Average Life <sup>(1)</sup> :	321

### Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 09/30/21 \$179.1 billion

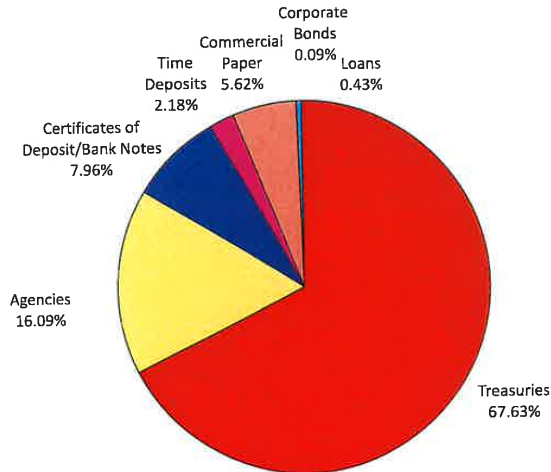


Chart does not include \$8,243,000.00 in mortgages, which equates to 0.004603%. Percentages may not total 100% due to rounding.

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

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

Source:

- <sup>(1)</sup> State of California, Office of the Treasurer
- <sup>(2)</sup> State of California, Office of the Controller







**To: KHS Finance Committee**

**From: Robert Landis, CFO**

**Date: December 10, 2021**

**Re: Annual Renewal of the Reinsurance Policy**

---

**Background**

Kern Health Systems (“KHS”) has purchased a reinsurance policy to mitigate the costs of catastrophic cases since the plan’s inception. The KHS population has changed significantly over the last several years with SPD members incurring high medical costs. More recently, management believes that there is an increasing trend in the medical expenses for the longer-term enrolled Expansion members. The overall increase in medical costs has led to higher reinsurance premiums over the years. For 2022, KHS will be at financial risk for major organ transplants for members that are placed on a transplant list on or after January 1, 2022. In the past, KHS had only been responsible for kidney and cornea transplants. This may pose an increase in catastrophic claims in the latter half of 2022 and beyond.

**Discussion**

Over the last 3 completed years, KHS reinsurance recoveries have been lower than the reinsurance claim payments. For the policy years 2018, 2019, and 2020 KHS recovered approximately \$1M million in reinsurance claims while paying reinsurance premiums of approximately \$3.8 million. **These 3 years represent a 26% ratio of recoveries to expense.**

Based on information **through September 28, 2021**, KHS has requested approximately \$352,167 in recoveries (which has been applied towards the annual aggregate deductible of \$784,642) against approximately \$739,965 in premiums paid. This represents an overall cumulative 22% ratio for all periods. We have until December 31, 2022 to turn in claims for the 2021 policy period.

The current 2021 Reinsurance Policy is with IOA Re (AM Best Rating A+ Superior Financial Rating; Financial Size Category X) and has a deductible of \$300,000, a blended rate of \$.29 pmpm and an aggregate deductible of \$.23 pmpm with an estimated total exposure of \$1,773,972. (This is comprised of \$989,331 for premiums and \$784,642 for the aggregate deductible).

**Fiscal Impact**

The lowest quote for renewal is with the current carrier IOA Re is at a blended rate of \$.29 per member with the current deductible of \$300,000 per member and a \$.20 pmpm aggregate deductible for an overall expected reinsurance cost of \$1,824,270 (This is comprised of \$ 1,079,670 for premiums and \$744,600 for the aggregate deductible). For this renewal, IOA Re originally requested an increase of 15%. After several negotiation discussions, our insurance broker was able to secure the increase of only 3%, which includes a 9% increase in members and the addition of major organ transplant coverage. IOA Re has been the reinsurance carrier since 1/1/2020.

KHS can lower the IOA Re premium to a blended rate of \$.18 pmpm and a \$.13 pmpm aggregate deductible by increasing the deductible to \$350,000. This would save approximately \$670,140 of reinsurance costs but would cost KHS an additional \$50,000 per member that reaches the reinsurance deductible. The savings of \$670,140 would be lost if the members reaching the \$350,000 deductible exceeds 13 ( $\$670,140 \text{ savings} / \$50,000 \text{ increase in deductible} = 13.40$  members). Based on utilization data of 5 members in 2018, 4 members in 2019, 5 members in 2020 and 2 member through September 28, 2021, management expects the 2022 utilization to be less than 13 members. Accordingly, management recommends increasing the deductible to \$350,000 and lowering the blended rate to \$.18 pmpm and lowering the aggregate deductible to \$.13 pmpm.

The 2022 Budget includes estimated reinsurance premium payments at a blended rate of \$.18 pmpm and reinsurance recoveries at a blended rate of \$.18 pmpm. Estimated fiscal dollar impact is \$670,140.

**Risk Assessment**

Based on the continued expense of the SPD population and the increasing trend in medical expenses for the longer-term enrolled Expansion members, additional utilization from COVID-19 complications and the new risk for major organ transplants, management believes that binding reinsurance coverage is warranted for 2022 and is recommending the IOA RE option at a blended rate of \$.18 pmpm and increasing the deductible at \$350,000.

**Requested Action**

Approve; Refer to KHS Board of Directors



**To: KHS Finance Committee**

**From: Robert Landis, CFO**

**Date: December 10, 2021**

**Re: 2022 Budget**

---

**Background**

The 2022 Budget supports the KHS 2022 Corporate and Department Goals and the 2022 Corporate Projects which will be presented at the next Board meeting. Such goals take into consideration and prioritize the continued support afforded to the Safety Net Providers. The scope of the 2022 Corporate Goals reflect the expanded role Medi-Cal Managed Care health plans will be responsible for under the CalAIM initiative starting on January 1, 2022.

Specifically, CalAIM has three primary goals:

- Identify and manage member risk and need through whole person care approaches and addressing Social Determinants of Health
- Move Medi-Cal to a more consistent and seamless system by reducing complexity and increasing flexibility; and
- Improve quality outcomes, reduce health disparities, and drive delivery system transformation and innovation through value-based initiatives, modernization of systems, and payment reform.

Major CalAIM initiatives scheduled for implementation on January 1, 2022 include:

- Enhanced Care Management (ECM) is a comprehensive approach to address the clinical and non-clinical needs of high-need, high-cost members through coordination of services and comprehensive care management. Kern Health Systems Health Home Program and Kern Medical's Whole Person Care Program will be incorporated under Enhanced Care Management. Over the years, more Medi-Cal members will qualify for Enhanced Care Management through expansion among existing qualified enrollees or adding of new member eligibility categories.
- Community Support Services (CSS) also formerly referred to as In Lieu of Services or ILOS, are services provided as a substitute for, or used to avoid, other more costly covered services, such as a hospital or skilled nursing facility admission or a discharge delay. Such service may or may not be medically related but by their proper use should reduce medical cost.

To: KHS Finance Committee  
Re: 2022 Budget  
Page 2

At its conclusion, CalAIM will transform Medi-Cal Managed Care health plans to provide a broader range of benefits through an integrated delivery system comprised of traditional medical services, behavior health services (including specialty mental health) substance use disorder services (detox and therapeutic) and dental care.

Since 2012, we have witnessed an increase in membership from expansion in eligibility, adoption of the affordable care act and inclusion of a variety of new coverage categories and programs like SPDs, CBAS, childless adults, children with autism and undocumented children and young adults.

Newly eligible populations present unique challenges. KHS expanded its network of providers, both in scope and depth, so that the appropriate level and type of services would be available to treat new members often with medically complex conditions. Much of what has been developed and implemented over the past 9 years relates to the creation and administration of these new programs and the additional benefits and expanded services that accompany them. Enrollment in KHS has increased nearly 300% during that time to where today, KHS serves approximately 310,000 of Kern County's residents.

### Setting the Stage

In 2021 there were several new or modified DHCS and DMHC requirements that impact the 2022 Budget including:

- KHS will expand its **Major Organ Transplant** responsibilities with the addition of Heart, Lung, Liver and Pancreas. Historically, other than for kidneys, members needing organ transplants would disenroll with KHS and reenroll in the State's Medi-Cal Fee For Service Coverage Plan.
- **Pharmacy Benefits Management (PBM)** currently administered through health plans will be carved out and centrally administered through a statewide PBM
- **Medi-Cal Eligibility Expansion** will occur over 2022, adding six new Managed Care Medi-Cal eligibility population categories to Managed Care Plans like KHS
- An **Incentive Program** to promote health plan and provider participation in ECM and CSS will be created. The Governor's budget allocated \$300 million for plan incentives from January to June 2022, \$600 million from July 2022 to June 2023, and \$600 million from July 2023 to June 2024
- **Telehealth Services** has shown to be an effective method for maintaining the physician / patient relationship during the pandemic. DHCS modified its benefits to include telehealth as an alternative to office visits during the stay-at-home order
- **Population Health Management** preparation will continue through 2022 to develop and maintain a whole system, person centered population health management strategy for addressing member needs across the continuum of care based on data driven risk

To: KHS Finance Committee  
Re: 2022 Budget  
Page 3

stratification, predictive analytics, and standardized assessment processes for 2023 readiness

- Expanded regulatory oversight for quality-of-care measures and timely access to care standards
- New or expanded data and analytic reporting requirements
- Increase in the application of supplemental payments pertaining to Hospital Directed Payments, Proposition 56 payments, GEMT, HYDE as well as other supplemental payment arrangements for physician and hospitals
- Other new benefits and programs included in the State Budget (i.e., dyadic services, expanded postpartum eligibility, doula services, coverage of continuous glucose monitors, and whole genome sequencing)

#### **New 2022 Key Initiatives for KHS**

Besides these State mandated changes impacting the 2022 budget, several internal initiatives are scheduled for next year including:

- Selection of a New Chief Executive Officer
- Creation of a new 3-year Strategic Plan
- Transition of Health Home Programs and Whole Person Care programs to Enhanced Care Management to include new sites and operational models
- Procure and implement a Community Services Referral System that will allow CSS services to be referred, authorized, and monitored
- Health Services staffing restructure to support Population Health Management program
- Ongoing administration of the DHCS Behavioral Health / Integrated Care Grant
- Continued administration of the KHS Provider and Community Grant program supporting the CalAIM initiatives defined by Department of Health Care Services (DHCS)
- Implementation of an integrated School based Behavioral Health program
- Broad focus on healthcare equity, inclusion, and diversity across the health plan and network, i.e., reporting, population identification, and program implementation
- NCQA accreditation preparation standardizing quality assurance and clinical practice protocols across all Managed MCAL plans to comply with state and federal requirements
- D-SNP preparations for all Managed MCAL plans to align enrollment of Medicare eligible members to promote more integrated care and ensure continuity of care protections
- Corporate projects for improving processes, initiating new programs or enhancing services such as:
  - Enhance Care Management Expansion and Incentive Payment Program
  - In Lieu of Services Program

To: KHS Finance Committee  
Re: 2022 Budget  
Page 4

- Long Term Care Benefit
  - JIVA Medical Management System Upgrade
  - QNXT/NetworX/Optum Core Claims System Upgrade
  - Cactus Upgrade to Provider Credentialing System
  - Population Health Management Program Development and JIVA Module Implementation
  - Community-Based Organization Referral System
  - NCQA Consultant and Readiness Review
  - Alternative Provider Payment and Remittance Solution
- 
- Continued development of Provider Performance Based reimbursement arrangements
  - Expansion of Member incentive program across new or existing programs for enterprise-wide eligibility
  - Identify and mitigate social determinants of health and reduce health disparities or inequities.
  - Expansion of department dashboards for operational metric transparency
  - Define/refine Medical Loss Ratio dashboard for monitoring and Executive transparency for budgeting considerations
  - Comply with State mandated coordination of benefits to help mitigate unwarranted cost and recovery including retro eligibility activity based on state information

**Support for Existing Programs and Initiatives in 2022**

Other major responsibilities annually performed by KHS that will impact the 2022 budget include:

- Medi-Cal COVID 19 Vaccination Incentive Program. Carry over from 2021. Targeted to end 2/28/22
- Continue work with Kern Medical through the joint operations committee to explore collaboration opportunities and address operation issues and development of new chronic condition programs for Population Health
- Continue to work with Dignity hospitals (Memorial, Mercy & Mercy Southwest) to ensure mutual success assuming risk via 2021 DRG agreement
- Strengthen collaboration with Kern County Mental Health and the GATE team for Substance Use Disorders and resource/referral coordination
- Expand the Transitional Care Program with local hospitals or independent KHS provider network
- Palliative Care program expansion
- Expand Telehealth Specialty Care services to all eligible service sectors
- Development of home bound program to deliver care directly to members' home for vulnerable populations

To: KHS Finance Committee  
Re: 2022 Budget  
Page 5

- Broad focus on Potentially Preventable Admissions with hospital and provider network collaboration
- Expand the Diabetic Prevention Programs to provider settings focused on lifestyle changes for diabetes prevention
- Ongoing support for the School based Wellness Programs
- Collaboration with Kern County Community Alliance for Tobacco Cessation
- Expand the Population Health Management Programs, including homelessness outreach, ER overutilization, and care coordination efforts to support CalAIM and low utilization members
- Enhancing MCAS Tracking and Reporting, including expanded electronic data collection
- Continue with Pay for Performance incentives to reward providers who demonstrate improved MCAS outcomes and other non-MCAS preventative care measures
- Expand pregnancy related programs to improve pre and postnatal compliance to promote healthy babies
- Design an in-house Medication Therapy Management Program for eligible members not deemed eligible in an Enhanced Care Management provider setting
- Use the Care Gradient Analysis Predictive Modeling tool to identify populations for diagnoses specific engagement schemes
- Continue to monitor and measure member and provider satisfaction independently via satisfaction surveys
- Expand design and implementation of department specific outcome metrics
- Continue monitoring of Fraud, Waste, and Abuse and delegated oversight of contracted providers and community partners
- Expand COPD program to include other chronic cardio-pulmonary diagnoses such as Congestive Heart Failure (CHF) and Hypertension (HTN)
- Continued recruitment and retention of talent to meet the ongoing changes and initiatives with CalAIM
- Develop and provide training and support for KHS staff into each new phase of CalAIM
- Ensure a safe return to work plan and a safe workplace for all KHS employees
- Continue to enhance the Business Intelligence systems with a new data lineage tool.
- Routine hardware and software upgrades and replacements to maintain systems.

**2022 Budget - Resources for Collaboration to Enhance Member or Provider Experience**

Finally, the 2022 budget will provide resources to support a variety of programs administered either directly or through collaboration with outside organizations. Examples include:

- Provider/Member Portal for notification and education to network providers
- Implement Claims Department Call Center to directly service all Provider inquiries
- Autism Spectrum Disorder Behavioral Therapy, including Non-Autism diagnoses

To: KHS Finance Committee  
Re: 2022 Budget  
Page 6

- California Children's Services Coordination of Care
- Kern Regional Center Coordination of Care
- Kern County Public Health Department for new or existing public health issues such as Black Infant Health
- Vision Services Plan for optometric diabetic screenings
- Kaiser Permanente Subcontract
- Program awareness of Mental Health benefit, including coordination with Kern County Public Health for Emergent Mental health services and Medication Assisted Therapy
- Hospitalist program expansion
- Low Income Housing through the Kern County Housing Authority
- Asthma Remediation program collaboration with Central California Asthma Coalition

**2022 Budget Documents**

Attached are the following documents relating to the 2022 Budget:

- 1) Consolidated Operating Budget
- 2) Operating Budget by Aid Category
- 3) Enrollment Assumptions
- 4) Revenue Assumptions
- 5) Medical Expense Assumptions
- 6) Administrative Expense Assumptions
- 7) Budgeted FTE by Department
- 8) Capital Budget for 2022
- 9) Preliminary 2021 Year-end and Projected 2022 TNE Calculation

**Requested Action**

Approve; Refer to KHS Board of Directors.



**KERN HEALTH SYSTEMS  
P & L BY MAJOR CATEGORY OF SERVICE  
2022 BUDGET**

	EST ANNUAL		DIFFERENCE	PMPM		DIFFERENCE	PMPM %
	2022 BUDGET	2021		2022 BUDGET	2021 ANNUAL		
	\$	\$	\$	3,723,000	3,411,483	311,515	9%
<b>REVENUE</b>							
Capitation (excludes Prop 56 & GEMT)	778,512,590 (4)	815,223,748	(36,711,158)	209.11	238.96	(29.86)	-12%
Maternity Kick	35,994,432	35,340,741	653,691	9.67	10.36	(0.69)	-7%
Health Home Kick	- (6)	8,676,292	(8,676,292)	*	2.54	(2.54)	-100%
HEP C Kick	- (4)	3,193,867	(3,193,867)	*	0.94	(0.94)	-100%
BHT Kick	18,483,954	15,278,662	3,205,292	4.96	4.48	0.49	11%
Behavioral Health Integration Program	3,000,000	6,645,785	(3,645,785)	0.81	1.95	(1.14)	-59%
Enhanced Care Management	21,233,150	*	21,233,150	5.70	*	5.70	100%
Major Organ Transplant	5,848,837	*	5,848,837	1.57	*	1.57	100%
CalAIM Incentive Program	14,272,213	*	14,272,213	3.83	*	3.83	100%
Prop 56	74,110,685	67,867,658	6,243,027	19.91	19.80	0.11	0%
GEMT	6,688,319	6,039,993	648,326	1.80	1.77	0.03	1%
Total MCAL Revenue	958,144,181	958,266,656	(122,475)	257.36	280.89	(23.54)	-8%
Add-Ons (Directed Provider Payments)	200,642,143	192,711,753	6,930,390	51.73	56.78	(5.06)	-9%
MCO Tax Revenue	124,665,083	118,544,650	6,120,433	32.14	34.75	(2.61)	-8%
Interest	1,000,000	837,708	162,292	0.27	0.25	0.02	9%
Reinsurance	479,148	242,031	237,117	0.18	0.07	0.11	154%
<b>TOTAL REVENUE</b>	<b>1,285,121,547</b>	<b>1,271,602,798</b>	<b>13,518,749</b>	<b>345.18</b>	<b>372.74</b>	<b>(27.56)</b>	<b>-7%</b>
<b>MEDICAL</b>							
Inpatient Hospital	243,605,904	239,660,847	3,945,057	65.43	70.25	(4.82)	-7%
Outpatient Facility	103,561,502	91,660,421	11,901,081	27.82	26.87	0.95	4%
Emergency Room Facility	67,820,137	54,453,116	13,367,021	18.22	15.56	2.66	14%
Long-Term Care Facility	17,565,966	16,133,869	1,432,097	4.72	4.73	(0.01)	0%
Primary Physician Services	47,913,135	42,929,351	4,983,784	12.87	12.58	0.29	2%
Health Homes Capitation and Incentive	- (6)	3,592,390	(3,592,390)	*	1.05	(1.05)	-100%
Urgent Care	19,759,763	17,060,320	2,699,443	5.31	5.00	0.31	6%
Physician Specialty	140,725,214	133,319,365	7,405,849	37.80	39.08	(1.28)	-3%
BHT	18,483,954	14,673,622	3,810,332	4.96	4.30	0.66	15%
Mental Health	1,855,001	1,713,651	141,350	0.50	0.50	0.00	-1%
Vision	3,912,402	3,581,209	331,193	1.05	1.05	0.00	0%
Other Medical Professional	20,332,052	16,528,314	3,803,737	5.46	4.84	0.62	13%
Enhanced Care Management	21,233,150	-	21,233,150	5.70	*	5.70	100%
Major Organ Transplant	5,848,837	-	5,848,837	1.57	*	1.57	100%
Pharmacy & HEP-C	- (4)	111,651,069	(111,651,069)	*	32.73	(32.73)	-100%
DME	11,028,004	8,645,358	2,382,646	2.96	2.53	0.43	17%
Pharmacy Rebates	- (4)	(1,078,195)	1,078,195	*	(0.32)	0.32	-100%
Home Health and CBAS	8,405,841	7,482,162	923,679	2.26	2.19	0.06	3%
Other- Ambulance and Non-Emergent Transportation	19,499,514	16,676,252	2,823,263	5.24	4.89	0.35	7%
Behavioral Health Integration Program	3,000,000	6,978,460	(3,978,460)	0.81	2.05	(1.24)	-61%
Pay for Performance Quality Incentive	5,584,500	5,102,974	481,527	1.50	1.50	0.00	0%
CalAIM Incentive Program	14,272,213	-	14,272,213	3.83	*	3.83	100%
Provider Incentive Payments (Prop 56 & GEMT)	77,093,470	70,289,043	6,804,427	20.71	20.60	0.10	1%
Add-Ons Directed Provider Payments	200,642,143	193,326,013	7,316,130	51.73	56.67	(4.94)	-9%
Reinsurance Premium	670,140	984,858	(314,718)	0.18	0.29	(0.11)	-38%
UM/QA Costs (including Utilization & Quality Review)	36,325,240	71,198,189	(34,872,949)	10.51	7.37	3.14	43%
<b>Total Medical Costs</b>	<b>1,891,937,899 (3)(5)</b>	<b>1,860,217,217</b>	<b>11,439,252</b>	<b>293.30</b>	<b>316.73</b>	<b>(23.43)</b>	<b>-7%</b>
<b>GROSS PROFIT/(LOSS)</b>	<b>193,179,458</b>	<b>191,099,961</b>	<b>2,079,497</b>	<b>51.89</b>	<b>56.02</b>	<b>(4.13)</b>	<b>-7%</b>
<b>ADMINISTRATIVE</b>	<b>87,867,217</b>	<b>57,615,737</b>	<b>30,251,480</b>	<b>18.01</b>	<b>16.89</b>	<b>1.13</b>	<b>7%</b>
<b>NET PROFIT/(LOSS) BEFORE MCO TAX</b>	<b>126,111,731</b>	<b>133,484,224</b>	<b>(7,372,493)</b>	<b>33.87</b>	<b>39.13</b>	<b>(5.25)</b>	<b>-13%</b>
<b>MCO TAX EXPENSE</b>	<b>134,845,982</b>	<b>117,819,816</b>	<b>17,026,166</b>	<b>32.14</b>	<b>33.07</b>	<b>(0.93)</b>	<b>-3%</b>
<b>NET PROFIT/(LOSS) AFTER MCO TAX</b>	<b>1,226,628</b>	<b>21,664,408</b>	<b>(19,217,561)</b>	<b>0.39</b>	<b>6.06</b>	<b>(5.67)</b>	<b>-94%</b>
<b>HEALTH HOME PROGRAM GRANTS</b>	<b>1,000,000 (7)</b>	<b>937,818</b>	<b>62,182</b>				
<b>PROVIDER GRANTS/CALAIM INITIATIVE GRANT</b>	<b>4,000,000 (8)</b>	<b>6,000,000</b>	<b>(2,000,000)</b>				
<b>NET PROFIT/(LOSS) AFTER GRANT EXPENSE</b>	<b>(3,553,352)</b>	<b>13,726,381 (1) (2)</b>	<b>17,279,733</b>				
<b>MEDICAL LOSS RATIO (EXCLUDING MCO TAX, GRANTS AND DIRECTED PAYMENTS)</b>	<b>92.86%</b>	<b>92.48%</b>					
<b>ADMIN RATIO (EXCLUDING MCO TAX, GRANTS AND DIRECTED PAYMENTS)</b>	<b>6.99%</b>	<b>6.01%</b>					

- (1) 2021 has been adjusted for approximately \$3.3 million of favorable prior period adjustments including retro capitation adjustments and IBNR and paid claims adjustments recognized as of September 2021, excludes \$2.1 million of one-time program capacity reported as of September 2021.
- (2) 2021 Annual is estimated using September Financials, the 2021 Budget, and other adjustments due to timing differences and availability of updated current information.
- (3) Includes \$10.5 million of cost savings from Medical Management 2022 MLR Strategies.
- (4) Effective January 1, 2022 the Pharmacy Benefit has been carved out from managed-care plans, which equates to approximately \$120 million of revenue (\$35.17 PMPM) and approximately \$112 million of expenses (\$32.83 PMPM).
- (5) The 2022 Budget reflects a decrease of \$3.85 PMPM, or approximately \$14 million to account for increased utilization experienced in 2021 due to COVID admissions.
- (6) Effective January 1, 2022 Health Home members have been transitioned into Enhanced Care Management (ECM).
- (7) Estimated remaining balance of previously awarded Health Home Grant.
- (8) Estimated remaining balance of previously awarded 21/22 Provider CalAIM Incentive Grant.

**KERN HEALTH SYSTEMS  
P & L BY MAJOR CATEGORY OF SERVICE  
2022 BUDGET**

	ALL COM	FAMILY & OTHER	SPD	EXPANSION
<b>REVENUE</b>	<b>3,371,000</b>	<b>3,171,000</b>	<b>193,000</b>	<b>98,500</b>
Capitation	778,512,590	209,111	153,354,960	300,780,718
Maternity Kick	35,994,432	9,677	13,077	2,819,564
BHT Kick	18,483,954	4,966	9,318,293	2,85
Behavioral Health Integration Program	3,000,000	0,811	1,512,386	7,84
Enhanced Care Management	21,233,150	5,700	5,516,726	10,16
Major Organ Transplant	14,272,213	3,883	2,817,428	5,57
CalAIM Incentive Program	74,110,685	19,911	5,731,652	19,98
Prop 56	6,688,319	2,457,119	1,725,602	2,506,138
GEMT	998,144,181	257,366	181,730,515	344,005,279
Total MCAL Revenue	200,642,143	51,773	35,391,472	73,86
Add-Ons (Directed Provider Payments)	124,665,083	32,114	32,991,184	33,29
MCO Tax Revenue	1,000,000	0,277	34,733	0,18
Interest	670,140	0,18	0,18	0,18
Reinsurance				
<b>TOTAL REVENUE</b>	<b>1,285,121,547</b>	<b>345,18</b>	<b>233,693,973</b>	<b>454,48</b>
<b>MEDICAL</b>			<b>1,159,28</b>	<b>454,48</b>
Inpatient Hospital	243,605,004	65,43	54,406,912	101,15
Outpatient Facility	103,561,502	27,82	20,661,148	42,289,306
Emergency Room Facility	67,890,137	18,22	8,011,291	22,366,523
Long-Term Care Facility	17,565,966	4,72	8,160,015	4,965,132
Primary Physician Services	47,913,135	12,87	3,180,194	12,926,083
Urgent Care	19,759,763	5,31	3,031,853	6,138,921
Physician Specialty	140,725,214	37,80	22,798,638	57,162,886
BHT	18,483,954	4,96	9,318,293	2,819,564
Mental Health	1,855,001	0,50	342,666	506,722
VSP	3,912,402	1,05	2,003,314	1,042,725
Other Medical Professional	20,332,052	5,46	2,894,399	8,924,067
Enhanced Care Management	21,233,150	5,70	5,516,726	10,16
Major Organ Transplant	5,848,837	1,57	1,754,086	2,515,002
DME	11,028,004	2,96	4,660,864	2,773,778
Behavioral Health Integration Program	3,000,000	0,81	1,516,386	1,933,587
Home Health and CBAS	8,405,841	2,26	2,075,344	5,318,237
Other - Ambulance and Non-Emergent Transportation	19,499,514	5,24	3,949,316	1,486,440
Pay for Performance Quality Incentive	5,584,500	1,50	289,446	14,272,213
CalAIM Incentive Program	14,272,213	3,88	5,519,492	21,311,019
Provider Incentive Payments - Prop 56 & GEMT	77,093,470	20,71	7,170,132	21,311,019
Directed Provider Payments	200,642,143	51,73	35,391,472	73,196,939
Reinsurance Premium	670,140	0,18	34,733	178,373
UM/QA Costs (including Utilization & Quality Review)	39,129,246	10,51	7,724,367	15,122,340
<b>Total Medical Costs</b>	<b>1,091,942,089</b>	<b>293,30</b>	<b>207,268,275</b>	<b>404,740,511</b>
<b>GROSS PROFIT/(LOSS)</b>	<b>193,179,458</b>	<b>51,89</b>	<b>16,425,697</b>	<b>46,05</b>
<b>ADMINISTRATIVE</b>	<b>67,067,727</b>	<b>18,01</b>	<b>12,730,687</b>	<b>24,30</b>
<b>NET PROFIT/(LOSS) BEFORE MCO TAX</b>	<b>126,111,731</b>	<b>33,87</b>	<b>3,705,010</b>	<b>21,75</b>
<b>MCO TAX EXPENSE</b>	<b>124,665,083</b>	<b>32,14</b>	<b>6,337,285</b>	<b>33,29</b>
<b>NET PROFIT/(LOSS) AFTER MCO TAX</b>	<b>1,446,648</b>	<b>0,29</b>	<b>(2,632,243)</b>	<b>(11,439,540)</b>
<b>MEDICAL LOSS RATIO (EXCLUDING MCO TAX AND DIRECTED PROVIDER PAYMENTS)</b>	<b>92.86%</b>	<b>91.37%</b>	<b>94.45%</b>	<b>96.33%</b>
<b>ADMIN RATIO (EXCLUDING MCO TAX)</b>	<b>6.99%</b>	<b>6.98%</b>	<b>7.00%</b>	<b>7.00%</b>

Attachment 2

**KERN HEALTH SYSTEMS  
BUDGETED MEMBER MONTHS  
CY 2022**

MEDI-CAL	JAN'22	FEB'22	MAR'22	APR'22	MAY'22	JUN'22	JUL'22	AUG'22	SEP'22	OCT'22	NOV'22	DEC'22	CY 2022
	<i>Increased Amt</i>												
<b>19 &amp; OVER</b>	300	58,000	58,300	58,600	58,900	59,200	59,500	59,800	60,100	60,400	60,700	61,000	712,200
<b>UNDER 19</b>	1,000	139,000	141,000	142,000	143,000	144,000	145,000	146,000	147,000	148,000	149,000	150,000	1,734,000
<b>SPDS</b>	100	15,530	15,630	15,730	15,830	16,030	16,130	16,230	16,330	16,430	16,530	16,630	192,960
<b>TOTAL OTHER</b>	0	7,740	7,740	7,740	7,740	7,740	7,740	7,740	7,740	7,740	7,740	7,740	92,880
-Blind/Disabled Dual	0	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	50,400
-Aged Dual	0	3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	42,480
<b>MEDI-CAL EXPANSION</b>	600	79,000	79,400	80,200	80,600	81,000	81,600	82,200	82,800	83,400	84,000	84,600	978,600
-Expansion Dual	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
-Expansion Partial Dual	0	30	30	30	30	30	30	30	30	30	30	30	360
<b>TOTAL MEDI-CAL</b>	2,000	300,000	301,800	303,600	305,400	307,200	311,000	313,000	315,000	317,000	319,000	321,000	3,723,000
<b>Kaiser Membership</b>	0	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	156,000
<b>TOTAL COMBINED</b>	2,000	313,000	314,800	316,600	318,400	320,200	324,000	326,000	328,000	330,000	332,000	334,000	3,879,000

**KERN HEALTH SYSTEMS  
MEDI-CAL  
2022 REVENUE BUDGET**

ENROLLMENT	
Family and Other	
SPD Members	
MCAL Expansion	
<b>Total Members - MCAL</b>	

2,539,080
192,960
990,960
<b>3,723,000</b>

REVENUES	
Title XIX - Medicaid Adult & Child	
Title XIX - Medicaid Seniors & Persons w/Disabilities	
Title XIX - Medicaid Expansion	
<b>SUBTOTAL PREMIUM REVENUE</b>	(1-9)
<b>DIRECTED PAYMENT REVENUE</b>	(10)
Title XIX - Medicaid - MCO TAX	(13)
<b>TOTAL MEDICAID REVENUE</b>	
Interest Revenue	(11)
Reinsurance Recoveries	(12)
<b>TOTAL REVENUES</b>	

PMPM	\$
170.30	432,408,388
941.80	181,730,515
347.14	344,005,279
257.36	958,144,181
51.73	200,642,143
32.14	124,665,083
344.74	1,283,451,407
0.27	1,000,000
0.18	670,140
<b>345.18</b>	<b>1,285,121,547</b>

REVENUE ASSUMPTIONS

- 1) PREMIUM REVENUE IS BASED ON DRAFT RATES PROVIDED BY DHCS (JANUARY-DECEMBER 2022) ON OCTOBER 1, 2021 WHICH INCLUDE THE REMOVAL OF PHARMACY SERVICES FOR CY 2022 OF APPROXIMATELY \$120 MILLION. ALSO INCLUDED ARE ADDITIONAL RATE ASSUMPTIONS TO ACCOUNT FOR ADJUSTMENTS TO BE INCLUDED IN THE FINAL RATES.
- 2) MATERNITY KICK REVENUE INCLUDED IN PREMIUM REVENUE INCLUDES A MONTHLY DELIVERY ASSUMPTION OF 400 DELIVERIES PER MONTH AND NEWBORNS ACCOUNT FOR A PORTION OF THE MONTHLY MEMBERSHIP INCREASE.
- 3) BHT KICK REVENUE INCLUDED IN PREMIUM REVENUE IS BASED ON 4,905 UTILIZER MONTHS OF TREATMENT AT \$4,401 PER MONTH FOR 0-6 YEAR-OLDS AND \$3,165 FOR 7-20 YEAR-OLDS IN ACCORDANCE WITH DRAFT CY 2022 RATES. REVENUE AND EXPENSE ARE ASSUMED TO BE BUDGET NEUTRAL.
- 4) PROP 56 ADD-ON REVENUE IS BUDGETED WITH DRAFT CY 2022 RATES AND ASSUMES NO SIGNIFICANT PROGRAM CHANGES FROM 2021. EXPENSE IS BUDGETED TO BE 95% OF REVENUE.
- 5) GEMT ADD-ON REVENUE IS BUDGETED WITH DRAFT CY 2022 RATES AND ASSUMES NO SIGNIFICANT PROGRAM CHANGES FROM 2021. EXPENSE IS BUDGETED TO BE 95% OF REVENUE.
- 6) ENHANCED CARE MANAGEMENT PROGRAM ADD-ON REVENUE INCLUDED IN PREMIUM REVENUE IS BUDGETED WITH DRAFT CY 2022 RATES. REVENUE AND EXPENSE ARE ASSUMED TO BE BUDGET NEUTRAL.
- 7) MAJOR ORGAN TRANSPLANT ADD-ON REVENUE INCLUDED IN PREMIUM REVENUE IS BUDGETED WITH DRAFT CY 2022 RATES. REVENUE AND EXPENSE ARE ASSUMED TO BE BUDGET NEUTRAL.
- 8) BEHAVIORAL HEALTH INTEGRATION PROGRAM REVENUE IS BUDGETED BASED ON EXPECTED PROJECT EXPENSES TO BE INCURRED BY APPROVED DHCS PROGRAM PROVIDERS. REVENUE AND EXPENSE ARE ASSUMED TO BE BUDGET NEUTRAL.
- 9) CALAIM INCENTIVE PROGRAM REVENUE INCLUDED IN PREMIUM REVENUE IS BASED ON THE CY 2022 DOLLAR AMOUNT PROVIDED BY DHCS. REVENUE AND EXPENSE ARE ASSUMED TO BE BUDGET NEUTRAL.
- 10) DIRECTED PAYMENT ADD-ON REVENUE INCLUDING PHOP, EPP, AND QCP IS BUDGETED WITH THE MOST CURRENT 2021 RATES PROVIDED BY DHCS AS A PLACEHOLDER. REVENUE AND EXPENSE ARE ASSUMED TO BE BUDGET NEUTRAL.
- 11) INTEREST AND INVESTMENT REVENUE IS BASED ON YTD INVESTMENT REVENUE RECEIVED THROUGH SEPTEMBER 2021 WITH BUDGETED AMOUNTS USED TO ESTIMATE OCTOBER - DECEMBER ACTIVITY. THE BUDGET ASSUMES SIMILAR PRINCIPAL BALANCES WILL BE AVAILABLE FOR INVESTMENT AND CURRENT INTEREST RATES WILL REMAIN FOR 2022. POTENTIAL UNKNOWN MARKET GAINS OR LOSSES ARE NOT INCLUDED.
- 12) FOR CY 2022 THE REINSURANCE DEDUCTIBLE WAS RAISED RESULTING IN A BUDGET REDUCTION OF REINSURANCE REVENUE AND EXPENSE FROM 2021. REINSURANCE RECOVERIES ARE ASSUMED AT 100% OF PREMIUM.
- 13) MCO TAX REVENUE IS BASED ON ESTIMATED PMPM RATES OF \$32.14 WHICH IS ESTIMATED BASED ON KNOWN QUARTERLY MCO TAX EXPENSE PAYMENTS. REVENUE AND EXPENSE ARE ASSUMED TO BE BUDGET NEUTRAL.

**KERN HEALTH SYSTEMS  
2022 BUDGET  
UTILIZATION AND UNIT COST ASSUMPTIONS**

**FAMILY & OTHER**

	Annualized Increase	
	Unit Cost	Utilization
Inpatient Hospital	3.00%	0.00%
Outpatient Facility	3.00%	1.00%
Emergency Room	1.00%	1.00%
Long Term Care/Hospice	3.00%	1.00%
Urgent Care	3.00%	3.00%
Physician Primary Care	3.00%	3.00%
Physician Specialty	2.00%	1.00%
Other Medical Professional	1.00%	1.00%
Mental Health	1.00%	1.00%
Laboratory and Radiology	3.00%	1.00%
Home and Community Based Services	1.00%	1.00%
Other, Ambulance, and Non-Emergency Medical Transportation	3.00%	1.00%

**SENIORS & PERSONS WITH DISABILITIES (SPD)**

	Annualized Increase	
	Unit Cost	Utilization
Inpatient Hospital	5.00%	1.00%
Outpatient Facility	3.00%	3.00%
Emergency Room	2.00%	1.00%
Long Term Care/Hospice	3.00%	3.00%
Urgent Care	3.00%	1.00%
Physician Primary Care	3.00%	3.00%
Physician Specialty	3.00%	3.00%
Other Medical Professional	3.00%	1.00%
Mental Health	3.00%	1.00%
Laboratory and Radiology	3.00%	1.00%
Home and Community Based Services	1.00%	1.00%
Other, Ambulance, and Non-Emergency Medical Transportation	3.00%	1.00%

**EXPANSION**

	Annualized Increase	
	Unit Cost	Utilization
Inpatient Hospital	3.00%	3.00%
Outpatient Facility	2.00%	3.00%
Emergency Room	1.00%	1.00%
Long Term Care/Hospice	3.00%	1.00%
Urgent Care	2.00%	3.00%
Physician Primary Care	3.00%	3.00%
Physician Specialty	1.00%	1.00%
Other Medical Professional	3.00%	1.00%
Mental Health	3.00%	1.00%
Laboratory and Radiology	3.00%	1.00%
Home and Community Based Services	3.00%	3.00%
Other, Ambulance, and Non-Emergency Medical Transportation	3.00%	1.00%

Note 1: The above percentages were based on paid claims cost history for the 12 month period ending May 2021. Percentages are rounded to the nearest whole percentage.

Note 2: The above percentages do not include Medical Management 2022 MLR Strategies which represent approximately \$10.5 million of utilization savings included in the 2022 Budgeted Medical Costs.

Note 3: The above percentages do not reflect a decrease of \$3.85 PMPM, or approximately \$14 million to account for increased utilization experienced in 2021 due to COVID admissions.

2022 ADMINISTRATIVE BUDGET ASSUMPTIONS

KERN HEALTH SYSTEMS MEDI-CAL ADMINISTRATIVE EXPENSES						
Administrative:	2022 BUDGET		2021 ESTIMATED		DIFFERENCE	
	PMPM	\$	PMPM	\$	PMPM	\$
Compensation	10.88	40,496,257	10.33	35,239,841	0.55	5,256,416
Purchased Services	3.72	13,831,091	3.50	11,925,868	0.22	1,905,223
Supplies	0.51	1,897,030	0.34	1,161,283	0.17	735,747
Depreciation	1.70	6,318,864	1.64	5,600,442	0.06	718,422
Other Administrative Expenses	1.22	4,524,485	1.08	3,688,304	0.13	836,181
<b>Total Administrative Expenses</b>	<b>18.01</b>	<b>\$ 67,067,727</b>	<b>16.89</b>	<b>\$57,615,737</b>	<b>1.13</b>	<b>\$ 9,451,990</b>
<b>Member Months</b>		<b>3,723,000</b>		<b>3,411,485</b>		<b>311,515</b>

COMPENSATION

COMPENSATION EXPENSE WAS BASED ON STAFFING LEVELS NEEDED FOR THE GRADUAL ENROLLMENT OF 3,723,000 MEMBER MONTHS AND FOR THE IMPLEMENTATION AND MANAGEMENT OF BENEFITS AND PROGRAMS REQUIRED UNDER CALAIM.

- 1.) THE 2022 BUDGETED COMPENSATION AMOUNT INCLUDES AN INCREASE OF APPROXIMATELY \$3,700,000 FOR EXPECTED SALARY INCREASES INCLUDING PROMOTIONS, 17 NEW ADMINISTRATIVE STAFF POSITIONS REQUIRED FOR REGULATORY PROJECTS AND CALAIM PROGRAMS, AND COST OF LIVING AND MERIT ADJUSTMENTS FOR A COMBINED AVERAGE OF 4.0% FOR ADMIN EMPLOYEES.
- 2.) THE 2022 EXPENSE INCLUDES AN INCREASE OF APPROXIMATELY \$1,500,000 FROM ESTIMATED 2021 EXPENSE DUE TO ESTIMATED INCREASES IN PAYROLL TAXES AND BENEFIT RATES, INCLUDING CALPERS AND EMPLOYER RETIREMENT CONTRIBUTIONS.

PURCHASED SERVICES

- 3.) THE 2022 BUDGET INCLUDES AN EXPECTED INCREASE OF APPROXIMATELY \$1,600,000 FOR OUTSIDE PROFESSIONAL SERVICES AND CONSULTING SERVICES BASED ON RESOURCES NEEDED TO COMPLETE 2022 APPROVED PROJECTS WHICH INCLUDE REGULATORY REQUIRED PROJECTS AND APPROVED OPERATIONAL PROJECTS IN SUPPORT OF CALAIM RELATED PROGRAMS. THERE IS AN INCREASE OF APPROXIMATELY \$1,600,000 FOR ANNUAL SYSTEM MAINTENANCE EXPENSES AND ADDITIONAL ANNUAL SUPPORT LICENSES. THESE INCREASES ARE OFFSET BY A SAVINGS OF \$1,300,000 DUE TO THE REDUCTION OF PHARMACY ADMINISTRATION EXPENSE AS A RESULT OF THE PHARMACY BENEFIT CARVE OUT.

SUPPLIES

- 4.) THE 2022 BUDGET INCLUDES INCREASES OF APPROXIMATELY \$200,000 FOR SUCH OFFICE SUPPLIES AS LETTERHEAD, ENVELOPES, AND OFFICE EQUIPMENT PURCHASES, APPROXIMATELY \$200,000 FOR ADDITIONAL MEMBER MATERIALS, AND APPROXIMATELY \$300,000 FOR SUPPLIES RELATED TO INCREASES IN MAIL PROCESSING SERVICES AND POSTAGE.

DEPRECIATION

- 5.) THE 2022 DEPRECIATION EXPENSE IS EXPECTED TO INCREASE APPROXIMATELY \$718,000 DUE TO A FULL YEAR OF EXPENSE FOR CAPITALIZED ASSETS COMPLETED AND PUT INTO PRODUCTION IN 2021.

OTHER ADMINISTRATIVE EXPENSES

- 6.) THE 2022 BUDGETED EXPENSE FOR OTHER ADMINISTRATIVE EXPENSES REFLECTS AN INCREASE IN PROPERTY AND LIABILITY INSURANCE PREMIUMS OF \$300,000, AN INCREASE OF APPROXIMATELY \$100,000 IN RECRUITMENT EXPENSES AND TRAINING & DEVELOPMENT EXPENSE, AND AN INCREASE OF APPROXIMATELY \$100,000 IN REGULATORY ANNUAL LICENSE EXPENSE BASED ON INCREASED MEMBER ENROLLMENT.
- 7.) THE 2022 BUDGET INCLUDES EXPECTED INCREASES OF APPROXIMATELY \$300,000 FOR ALL OTHER ADMINISTRATIVE EXPENSES INCLUDING BUSINESS TRAVEL, PROFESSIONAL AND ASSOCIATION DUES, PROVIDER RELATION EXPENSES, COMMUNICATION AND INTERNET EXPENSE, AND UTILITIES.

KERN HEALTH SYSTEMS

2022 BUDGETED FTE BY DEPARTMENT

CC DEPARTMENT	PROJECTED DECEMBER 2021	EXPECTED MEMBERSHIP												TOTAL 2022	TOTAL FTE ADDITIONS			
		JAN 2022	FEB 2022	MARCH 2022	APRIL 2022	MAY 2022	JUNE 2022	JULY 2022	AUGUST 2022	SEPT 2022	OCT 2022	NOV 2022	DEC 2022					
110 EXECUTIVE	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	-
210 FINANCE	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15	-
220 INFORMATION TECHNOLOGY	22	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24	2
221 BUSINESS INTELLIGENCE	19	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	1
222 ENTERPRISE DEVELOPMENT	17	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	3
230 CLAIMS	60	-	-	1	-	-	-	1	-	-	-	-	-	-	-	-	62	2
240 PROJECT MANAGEMENT	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	-
310 UTILIZATION MANAGEMENT	68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68	-
314 ENHANCED CARE MANAGEMENT	26	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27	1
316 POPULATION HEALTH MANAGEMENT	33	-	-	-	6	-	-	-	-	-	-	-	-	-	-	-	39	6
311 QUALITY IMPROVEMENT	20	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21	1
312 HEALTH EDUCATION	15	1	-	-	2	-	-	-	-	-	-	-	-	-	-	-	18	3
313 PHARMACY	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	-
317 COMMUNITY SUPPORT SERVICES	3	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	4	1
320 PROVIDER NETWORK MANAGEMENT	30	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31	1
330 MEMBER SERVICES/ENGAGEMENT	90	2	2	2	-	-	-	-	-	-	-	-	-	-	-	-	96	6
340 CORPORATE SERVICES	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11	-
360 COMPLIANCE & REGULATORY AFFAIRS	6	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	2
420 MARKETING	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-
510 HUMAN RESOURCES	14	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15	1
<b>TOTAL</b>	<b>480</b>	<b>15</b>	<b>2</b>	<b>3</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>511</b>	<b>31</b>



## 2022 New Employee Requests

---

### **Background:**

2022 represents the beginning of major transformation occurring with Medi-Cal Managed Care Health Plans. CalAIM will add several new initiatives to health plans over the next 4 years. To successfully meet this challenge requires health plans to expand existing functions and create new functions previously not part of Medi-Cal Managed Care Health Plans contractual responsibilities. For 2022, this will mean adding full time employees (FTEs), more than ordinarily required, if we are to successfully meet CalAIM challenges and accommodate the anticipated enrollment growth in the health plan.

Described below is each department's additional FTE needs for 2022.

### **Process:**

The KHS CEO met with each department to review all departmental budgets and staffing requests. After the review was completed, **31 new FTEs** are required to meet the various departments demand resulting from:

- Expansion of DHCS programs, primarily from CalAIM initiatives, required over the next several years
- Increase to Medi-Cal eligibility membership transferred from the State's Fee for Service Programs
- Instituting new DHCS initiatives such as Major Organ Transplants
- Expanding health plans' role in data collection, compilation, formatting, presentation and filing requirements as mandated by DHCS and DMHC.





**Department Specific Staffing Needs:**

- **Information Technology (IT)**

IT requires **2 FTEs** to keep up with demand for more sophisticated and complex technical infrastructure and performance requirements from DHCS, DMHC and NCQAA. 1 FTE is required to support the call center, IVR campaigns, local and wide area networking and internet connectivity. The second FTE is necessary to oversee our technical architecture since the diversity in technology has become more complex over the past several years. Staying abreast of the latest technology and advancements to systems applications has become a full-time responsibility for a company as large and diverse as KHS.

- **Business Intelligence (BI)**

BI requires **1 FTE** to keep up with demand for more sophisticated information reporting and performance requirements on Medi-Cal health plans from DHCS, DMHC and NCQAA.

**(Necessary to fulfill data needs for performance monitoring of ECMs under CalAIM)**

- **Enterprise Development (ED)**

ED requires a total of **3 FTEs** to keep up with overall growth and demand on Medi-Cal health plans from DHCS. **1 FTE is required in the Electronic Data Interchange (EDI) team as the CalAIM regulatory requirements for exchanging and translating data files with Providers and State Regulators have significantly increased;** 1 FTE is required in the Database Development team to integrate and maintain new data into the Enterprise Data Warehouse (EDW) for organization consumption; and 1 FTE is required in the Database Operations team to manage and support the complex database systems infrastructure for the organization.

- **Claims Adjudication and Processing**

Claims requires **2 FTEs** to meet the demand of growing regulatory implementations. 1 FTE is needed in auditing to address the increase in claims volume; and 1 in management to be able to meet the demand of new regulatory requirements as well as Cal-Aim implementations.

**(Necessary to fulfill DHCS performance standards and service requirements in 2022)**



- **Enhanced Care Management (ECM)**

ECM requires 1 FTE to assist with outreach and support to our provider sites. KHS anticipates expanding to an additional 4 ECM Provider sites in 2022. The Advocate will assist these Providers with Member authorizations, eligibility, Member incentives and other outreach efforts they may need.

**(ECM is a new program under CalAIM to begin 2022)**

- **Population Health Management (PHM)**

PHM requires 6 FTEs to support and fulfill DHCS CalAIM requirements, which includes the carve-in benefit package for Major Organ Transplant (MOT), implementation and utilization of new data-driven risk stratification system for population health management, management of members identified as High Utilizers, and preparation for NCQA accreditation and management of Dual-Eligible Special Needs beneficiaries. The 6 FTEs (3 RN Case Managers and 3 Case Management Assistants) will be utilized for the other CalAIM initiatives. PHM will implement newly built Special Programs to support the CalAIM initiatives, which includes Transition of Care, Potentially Preventable Admissions, CHF, Diabetes, COPD, Palliative Care, and High-risk Maternity Program to fully serve those who are identified through the new risk stratification system. The FTEs will play an integral role in fulfilling DHCS requirements and assuring members are navigated through the appropriate Special Programs and receive care coordination and case management services to support the overall utilization and population health management requirements specified under the CalAIM Program. The FTEs will also provide case management services for those who have opted out or are not eligible for the CalAIM Enhanced Care Management (ECM) Program and Community Supports Services (CSS) Program.

**(PHM is new program under CalAim. Staffing increase required to meet member / staffing ratios required for PHM by DHCS).**

- **Quality Improvement (QI)**

QI requires 1 FTE to initiate oversight of and support for compliance by Health Services departments with State regulatory requirements for Managed Care Plans.

**(Necessary to fulfill DHCS performance standards and service requirements in 2022)**



- **Health Education (HE)**

HE requires **3 FTEs** to meet KHS' growing and diverse demands for health education and cultural and linguistic services. 2 FTEs will be Health Education Specialists and will allow the department to expand access to these prevention and wellness programs throughout the county through in-person and remote educational communication channels. Prevention and wellness programs are a key component in KHS' ability to prepare for CalAIM and succeed in the implementation of Population Health Management. Additionally, KHS continues to see an increase in its requests for written translations and qualified interpreters, particularly during the pre-pandemic years. 1 FTE will be a Cultural and Linguistic Specialist and will allow KHS to continue to support access to the regulatory (federal and state) language access services among Limited English Proficient (LEP) members in order to ensure effective communication with their health care team. The Cultural and Linguistic Specialist is also an essential role in delivering culturally and linguistically appropriate services to LEP members who may qualify for many of the new programs under CalAIM.

**(New CalAIM Initiative and CalAIM Expansion)**

- **Community Support Services (CSS)**

CCS requires **2 FTEs** all of which will be Community Health Workers ("CHW") to help manage the initial 6 Community Support Services that KHS will be offering to our entire population beginning January 1, 2022. The CHW team will manage the referrals and outcomes for all Community Supports services.

**(CSS is new program under CalAIM)**

- **Provider Network Management (PNM)**

PNM requires **1 FTE** to help manage the influx of Initial Applications, Recredentialing, Additional Locations/Provider Changes, Locum Requests and other priority driven/regulatory required assignments. In addition, credentialing is now shifting toward developing new processes for the programs within the CalAIM initiative that requires credentialing involvement; including review and new creation of applications, processes, policy and procedures that will also be needed for HP Accreditation in the future; and migration to Cactus 5.0.

**(CalAIM will add a significant number of providers of different types, all needing to be credentialled and monitored)**



- **Member Services**

MS requires **6 FTEs** to assist with meeting the growing demand of customer service calls, increased outbound robo call campaigns which generate increase incoming calls, respond to over 20,000 new expected members and increase in Grievance & Appeal regulatory requirements as set forth by DHCS in APL 17-006 - All member dissatisfactions are considered grievances, and APL 21-004 – Nondiscrimination requirements.

**(Necessary to fulfill DHCS performance standards and service requirements in 2022)**

- **Compliance and Regulatory Affairs (CRA)**

CRA requires **2 FTEs** to support the new regulatory requirements related to CalAIM initiatives, as well as supporting Corrective Action Plans, Fraud Waste and Abuse processes, internal monitoring and auditing activities and increased All Plan Letters. 1 FTE will be focused on retrospective APL audits and resuming/expanding upon internal audits of operational areas from a contractual and DMHC/DHCS Audit perspective. This FTE will also support in the identification, research, and reporting surrounding potential FWA cases. 1 FTE will be focused on auditing many of the CalAIM initiatives including, but not limited to Major Organ Transplant (MOT) and Model of Care (MOC), as well as other CalAIM regulatory updates and filings. This FTE will also support upcoming CalAIM initiatives and the various projects such as NCQA readiness activities.

**(Necessary to fulfill DMHC and DHCS performance standards, filings, and service requirements in 2022)**

- **Human Resources (HR)**

HR requires **1 FTE** as a human resources coordinator for COVID related employee activities such as monitoring compliance with regulatory agencies, maintaining the OSEF (Onsite Essential Functions) list for employees allowed to be onsite; scheduling all testing for new and non-vaccinated employees and providing security with building clearances. In addition, this position will assist the HR department with order processing, managing the individual department reporting, managing the temp workforce scheduling and producing internal human resources reports. This position will free up the HR Assistant to focus on administrative tasks related to CalAIM FTE growth and assisting with entry level Onboarding and Payroll duties.

2022 CAPITAL BUDGET

KERN HEALTH SYSTEMS  
2022 CAPITAL BUDGET

ITEM	CORPORATE PROJECTS	TYPE (1)	QTR	COST	2021	2020	TOT. PRJ. (2)	CAI/AM
1	Community Based Organization (CBO) Referral System	N	1,2,3,4	\$ 1,105,080	\$ 224,506		\$ 1,329,586	Y
2	Medical Management/Fraud, Waste, and Abuse Programs	B	1,2,3,4	\$ 1,125,000			\$ 1,125,000	N
3	Claims Workflow Conversion (QNX)	R	1,2,3,4	\$ 668,076			\$ 668,076	N
4	Data Linage System	N	1,2	\$ 384,800			\$ 384,800	N
5	Analytic Software (Power BI) Migration	R	2,3	\$ 209,800			\$ 209,800	N
6	Communications Software Replacement	B	1,2,3,4	\$ 171,800			\$ 171,800	N
				<b>CORPORATE PROJECT SUBTOTAL \$</b>	<b>3,358,394</b>	<b>5,362,940</b>	<b>3,889,062</b>	
<b>BUILDING IMPROVEMENTS, OFFICE FURNITURE, &amp; EQUIPMENT</b>								
7	Solar Panels	N	1,2,3,4	\$ 2,400,000			\$ 2,400,000	N
8	Office Furniture	B	1,2,3,4	\$ 169,000	\$ 71,250	\$ 212,500	N/A	N
				<b>OFFICE FURNITURE &amp; EQUIPMENT SUBTOTAL \$</b>	<b>88,250</b>	<b>408,602</b>	<b>2,400,000</b>	
<b>TECHNOLOGY</b>								
9	Data Center Hardware Fulfillment and Replacement	B	1,2,3,4	\$ 887,500	\$ 202,500.00	\$ 330,000.00	N/A	N
10	Security Information Event Management (SIEM) Software	N	1,2,3,4	\$ 500,000			N/A	N
11	Cognizant Licensing	B	1,2,3,4	\$ 616,206	\$ 88,740.00	\$ 88,740.00	N/A	N
12	Employee Equipment	N	1,2,3,4	\$ 157,500	\$ 62,500.00	\$ 50,000.00	N/A	N
13	Population Health Management Tools	N	1,2,3,4	\$ 158,500			N/A	Y
14	Microsoft Licensing True Up Reconciliation Software	B	3,4 3,4	\$ 90,000 \$ 90,000	\$ 160,000.00	\$ 75,000.00	N/A	N
				<b>TECHNOLOGY SUBTOTAL \$</b>	<b>761,300</b>	<b>507,000</b>	<b>\$</b>	
				<b>TOTAL 2022 CAPITAL ITEMS \$</b>	<b>8,643,262</b>	<b>6,278,542</b>	<b>6,289,062</b>	

(1) Type R is a Renewal or Replacement / Type N is New / Type B is Both  
 (2) Does not include ongoing maintenance and support that is expected not to exceed 10% of the total project cost during the initial five years

## 2022 Capital Summary

### Corporate Projects

**1. Community Based Organization (CBO) Referral System**

KHS established this project to acquire an integrated referral software system to support the Community Based Organizations (CBOs) for the new Medi-Cal Community Based Supports benefits (formerly known as In Lieu of Services, ILOS). This software will provide connectivity between the Health Plan and the CBO for a seamless process to coordinate the new non-clinical services/benefits and ensure that KHS is meeting the regulatory and contractual requirement as outlined by the Department of Health Care Services (DHCS). (Budgetary Impact: \$1,105,080.)

**2. Medical Management/Fraud, Waste, and Abuse Programs**

KHS is responsible for a variety of Fraud, Waste, and Abuse (FWA) policies that are audited by the Department of Health Care Services (DHCS). These policies have been governed by a variety of manual systematic processes using internal reporting and analytics. As KHS has significantly increase in members, claims, and general utilization, a more robust approach is needed to ensure that KHS is performing its fiduciary responsibility for FWA oversight. This project will review the market for third party systems or services that can provide a FWA solution. (Budgetary Impact: \$1,125,000.)

**3. Claims Workflow Conversion (QNXT)**

Twelve years ago, KHS developed a custom claims workflow software for the Claims department to manage the claims backlog. The custom software is set to retire in 2022, and over the last decade, Cognizant has developed a QNXT claims workflow software that is integrated with the current claims processing system (QNXT). This Cognizant product has several enhancements that will assist in the management of the adjudication process for the Claims team and will seamlessly replace the custom software. This project will acquire the software; install and configure the software for the Claims Department; and migrate all reporting and analytics associated with the inventory and productivity. (Budgetary Impact: \$668,076.)

**4. Data Lineage System**

As KHS has grown in members, utilization, and new programs, so has the amount of data that KHS manages. Examples of these data sets include Electronic Medical Records; Laboratory Results; Vision; Pharmacy; and Claims. The data is stored in the Enterprise Data

## 2022 Capital Summary

Warehouse (EDW) and normalized for company to perform analytics and reporting. To ensure that strong organizational data governance occurs, a data lineage software tool is essential. Today, KHS uses manual process and audit reporting to facilitate this aspect of data governance and will replace the manual system with a commercial enterprise data lineage system. Data lineage software will provide KHS with tools that dynamically source data origins, how it is transformed, and reduce data errors for data analytics and reporting. (Budgetary Impact: \$384,800.)

### 5. **Analytic Software (Power Business Intelligence) Migration**

One tool that the Business Intelligence Department leverages to provide the organization with analytics and dashboards is the Microsoft Power-BI Business Analytics software. Power-BI allows KHS to quickly develop internal and external dashboards without significant coding. This project will migrate the Microsoft Power-BI software from an on-premises installation to a cloud-based instance. Microsoft will eventually require many of its licenses to migrate to the O-365 cloud-based software. (Budgetary Impact: \$209,800.)

### 6. **Communications Software Replacement**

This project will replace two existing software solutions that are at the manufacturer's end of life, and add several digital dashboard displays in the Claims department. The software solutions that are retiring are the Cisco Softphone for remote users and the Secure File Transfer for large data transfers. Both software solutions are essential for the Health Plan's operation. (Budgetary Impact: \$171,800.)

## Office Furniture

### 7. **Solar Panels**

In 2021, Procurement and Facilities leadership retained Partner Engineering and Science, Inc. (a full-service energy consultant) to conduct a separate and full analysis of the performance of our current solar system and our historical electricity consumption and develop specifications for an additional carport solar system that would expand our electricity production capacity to 100% of what we consume. This capital item is based on the recommendation to design and build an all-inclusive carport solar system capable of producing at least 674.5 KW<sub>DC</sub> to cover our remaining electricity consumption. (Budgetary Impact: \$2,400,000.)

### 8. **Office Furniture**

Corporate Services is responsible for the overall maintenance and growth of the office furniture and equipment. Type of furniture includes but not limited to chairs, desks,

## 2022 Capital Summary

standing desks, and cubicle furniture. This capital expenditure will provide office furniture for the organizational growth in 2022.

(Budgetary Impact: \$169,000.)

### Technology

#### **9. Data Center Hardware Fulfillment and Replacement**

Annually, KHS reviews data center equipment for replacement and growth based on the manufacturers life cycle and support; normal wear and tear; utilization performance; and potential new systems that will be installed. Based on this review, this capital expenditure will provide the procurement of additional data center hardware for the 2022 calendar year to meet the organization's demands. Most of this cyclical procurement is to replace equipment that was purchased and installed over the last seven (7) years. Specifically, KHS will replace 22 servers, 421 TB of storage, and 14 fiber optic switches

(Budgetary Impact: \$887,500.)

#### **10. Security Information Event Management (SIEM) Software**

KHS is responsible for safeguarding the Personal Healthcare Information (PHI) of its constituents. The Security Information Event Management (SIEM) Software is an industry standard solution that aggregates security events from multiple security systems. The SIEM provides KHS with a single interface for managing security risks. This capital expenditure will provide KHS with the procurement, installation, and configuration of a SIEM software solution to continue to protect the organizations data assets.

(Budgetary Impact: \$500,000.)

#### **11. Cognizant Licensing**

Annually, Cognizant audits two of the KHS core systems (i.e. QNXT and Networx) for any membership growth. As KHS operates a perpetual license for the system, the licensing model is based on the number of members the system manages when the audit occurs. For the last two years, Cognizant has leased the licenses to KHS in consideration of the redetermination process for Medi-Cal. This capital expenditure will provide KHS with funding for any new licensing needed at the end of 2022.

(Budgetary Impact: \$616,206.)



## 2022 Capital Summary

### **12. Employee Equipment**

Each year KHS procures various types of desktop equipment for employees. This equipment can be attributed to a change in role, new employee hires, or aged equipment that is no longer serviceable. For 2022, KHS intends on hiring thirty-eight (38) employees, and replacing twenty-five (25) laptops. The average costs per employee and laptop replacement is \$2,500 per desktop environment and this includes the desktop computer, dual monitors, cisco telephone and associated hardware.

(Budgetary Impact: \$157,500.)

### **13. Population Health Management Tools**

As part of CalAIM, Population Health Management (PHM) is a Health Services Initiative that requires the clinical team to manage various populations within the assigned membership. These populations will be managed within the ZeOmega JIVA medical management platform, and in 2022 KHS is allocating this capital expenditure for any new software that maybe required to fulfill the CalAIM Population Health initiative.

(Budgetary Impact: \$158,500.)

### **14. Microsoft Licensing**

Annually, KHS procures Microsoft Software for employee growth, new projects, and routine replacement. The manner that the Microsoft software is procured is through an annual "True-up" process where KHS pays for new licenses in use at the end of the calendar year. This capital expenditure will provide KHS with the additional Microsoft licensing that will be due at the end of 2022.

(Budgetary Impact: \$90,000.)

**KERN HEALTH SYSTEMS  
TANGIBLE NET EQUITY (TNE) REVIEW  
2022 BUDGET**

	<u>12/31/2020</u> <u>ACTUAL</u> \$	<u>12/31/2021</u> <u>ESTIMATED</u> \$	<u>12/31/2022</u> <u>BUDGET</u> \$
CAPITAL RESERVE	\$ 227,086,184	\$ 240,812,575	\$ 239,365,927
CALCULATION OF MINIMUM TANGIBLE NET EQUITY (TNE) AMOUNT *	\$ 38,868,906	\$ 51,004,935	\$ 49,348,220
CAPITAL RESERVE AS % OF TNE	584.24%	472.14%	485.05%
CURRENT BOARD APPROVED TNE TARGET RANGE	500% - 600%	500% - 600%	500% - 600%

\* AMOUNT BASED ON DMHC'S CALCULATION FOR MINIMUM TNE USING ANNUAL HEALTHCARE EXPENSES



**To: KHS Finance Committee**

**From: Richard M. Pruitt, Chief Information Officer**

**Date: December 10, 2020**

**Re: Project Consulting Professional Services**

---

**Background**

Over the last two years, KHS started a transformation so that the convergence of the Health Plan, Clinician, Member, Social Services, and Community Supports are all communicating when rendering their respective services. All of this is being accomplished through technology, systems, data exchanges, reporting and analytics, people, and processes outlined in the various new programs and models from the State of California.

Each year, the organization augments the workforce by outsourcing with consultants, thus avoiding full-time employee hires, to accommodate the temporary resource demands of the organization projects.

**Requested Action**

Authorize the CEO to approve contracts associated to procurement of Professional Resources with various consulting companies in the amount not to exceed \$10,369,190 in operating and capital expenses associated for labor needed to complete the 2022 corporate and department projects.



2022 Project Consulting  
Professional Services  
December 2021

Richard M. Pruitt  
Chief Information Officer

## Agenda

- State of Affairs
- General Overview
- Sequence of Events
- Roadmap
- Expenditures
- Benefits of Outsourcing
- Board of Directors Request

# State of Affairs

The 2020-21 Budget

Re-Envisioning Medi-Cal—The CalAIM Proposal

MANAGED CARE

JOURNEY TOWARD WHOLE PERSON CARE

NCQA

MENTAL HEALTH

Long Term Care

MEDICARE + MEDICAID

## General Overview

Over the last two years, KHS started a transformation so that the convergence of the Health Plan, Clinician, Member, Social Services, and Community Supports are all communicating when rendering their respective services.

All of this is being accomplished through technology, systems, data exchanges, reporting and analytics, people, and processes outlined in the various new programs and models from the State of California.

Each year, the organization augments the workforce by outsourcing with consultants, thus avoiding full-time employee hires, to accommodate the temporary resource demands of the organization projects.

The resource demand for the 2022 identified the need for thirty-seven (37) resources to adequately staff the forty-one (41) Corporate and Department Projects not to exceed \$10,369,190.

## Sequence of Events

- Continuous Executive Strategic Planning (Government Affairs)
- Design the 2022 Portfolio
- Annual Corporate/Department Project Planning & Approval
- Annual Resource Planning
- Annual Budget Process
- Create recommendation for the Board of Directors.



# Roadmap



## Timeline of Major Medi-Cal Managed Care Program Changes

**January 1, 2022**

- ECM implementation for plans in WPC, HHP counties
- COMMUNITY SUPPORTS implementation for all plans
- MOT carved in
- MSSP carved out
- Implement CALAIM INCENTIVES
- MMCE (except dual and LTC aid codes)
- MEDI-CAL RX go-live
- STUDENT BEHAVIORAL HEALTH Incentive Program
- HCBS HOUSING & HOMELESS Incentive Program

**July 1, 2022**

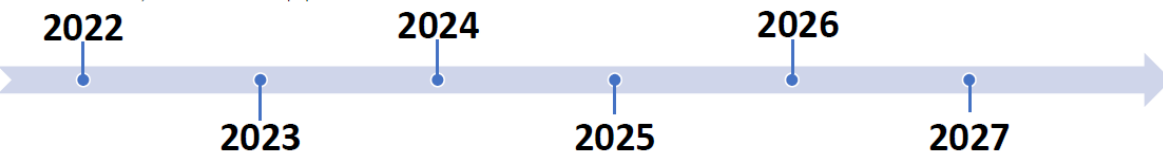
- Plans without WPC, HHP implement ECM.
- New benefits go live – CHW, DOULAS, DYADIC CARE.
- Implement standardized MENTAL HEALTH SCREENING & TRANSITION TOOLS, and "NO WRONG DOOR" proposal

**January 1, 2024**

- Go-live for MANAGED CARE MODEL AND PROCUREMENT CHANGES AND NEW MCP CONTRACTS
- Full implementation of REGIONAL RATES (no sooner than)
- Continue tiered, retrospective shared savings/risk model
- Mandatory FEE SCHEDULE FOR SCHOOL-BASED mental health services
- DMHC equity metrics CAPs and sanctions
- DATA EXCHANGE between entities outlined in AB 133 required

**January 1, 2026**

- Go-live for D-SNPS in non-CCI counties
- Implement PROSPECTIVE MODEL FOR SHARED SAVINGS/RISK
- NCOA ACCREDITATION for plans by 2026
- Possible transition of COMMUNITY SUPPORTS to statewide benefits (based on DHCS' stated goal of transitioning to benefits in four years)



**January 1, 2023**

- PHM implementation and continued development of PHM SERVICE/PLATFORM
- LTC carved in
- Plans in CCI TRANSITION TO D-SNPs
- Mandatory managed care enrollment for DUALS
- Implement SPD/LTC BLENDED RATE (no sooner than)
- Implement tiered, retrospective SHARED RISK/SHARED SAVINGS (at earliest)
- Implementation of all remaining ECM target populations, including RE-ENTRY population
- Implement Medi-Cal application process upon release from jail
- Begin reporting QUALITY AND EQUITY MEASURES as identified by DMHC

**January 1, 2027**

- Statewide implementation of MLTSS
- NCOA LTSS DISTINCTION SURVEY for all plans
- FULL INTEGRATION pilots go-live (no sooner than)

## 2021 Corporate Projects

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
1	Population Health Management											
2	Update Workflow to Support Multiple Browsers											
3	Upgrade QNXT/NetworX/Optum											
4	MCAS Data Submission and Audit											
5	Potential Inappropriate Care Monitoring/Reporting											
6	Managed Care Accountability System RFP											
7	Expansion of KHS's Alternative Payment Model											
8	Pharmacy Benefit Manager System											
9	Provider Credentialing System											
10	Implementation of Distributive Model											
11	New Health Homes Site											
12	Enterprise Logging											
13	Enterprise Data Warehouse											
14	JIVA Upgrade											
15	JIVA Upgrade 2021											
16	Prior Authorization List											
17	Clinical Engagement Program											
18	OHC Requirements for APL 20-010											
19	Project Portfolio Management System											
20						New PMO Dashboard						
21	Interoperability System											
22	Rate Development Template (RDT) Enhancements											
23	Back to Care for Members Program											
24	Diabetic Prevention Program Expansion (Internal Program)											
25	CCAC Asthma Mitigation											
26	Social Determinants of Health - In Lieu of Service Program											
27	Community-Based Organization Referral System											
28	New Grant Program for 2021 for ILOS											

## 2022 Corporate Projects

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
1	CalAim PHM (MOC)											
2	DHCS Reporting Changes											
3	PHM - JIVA Module Implementation											
4	QNXT/NetworX/Optum/CES Upgrade 2022											
5	Rx Carveout (Resume)											
6	CACTUS UPGRADE TO 5.0 (NEW NAME SYMPLR PROVIDER)											
7	Create Data Reference Software (MDS) Development Standards											
8	Faxing Software Upgrade											
9	Interoperability & Patient Access - Phase II											
10	Medical Management Platform Upgrade (JIVA)											
11	Establish Purge/Archive Standards											
12	Claims Workflow Conversion to QNXT Workflow and retire KHS Claims											
13	Community Supports (ILOS)											
14	Community-Based Organizations (CBO) Referral System and Incentives											
15	Database Software Upgrades											
16	DHCS Audit Remediation (Placeholder)											
17	Enhanced Care Management Expansion and Incentives											
18	MLR Strategies (Placeholder)											
19	NCQA Consultant & Readiness Review											
20	PHM - Align Existing KHS Programs to PHM Standards											
21	PHM - New PHM Program Development											
22	Long Term Care Benefit											
23	Comprehensive Pharmacy Program											
24	Tobacco Cessation Initiative											
25	Document Repository Update											
26	Analytics Software (PowerBI) Migration											
27	Retire Legacy EDI (BizTalk) System											
28	LTSS and D-SNP RFP											



## 2022 Department Projects

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
1	CES Q1			CES Q2				CES Q2			CES Q2	
2	Clinical Criteria Update											
3	Implement new Data Lineage System											
4	Migrate ODS Processes to EDW											
5	Upgrade SFTP Software											
6	Alternative Provider Payment and Remittance Solution											
7				TDX Software Upgrade 11.4								
8	Create Executive Dashboard											
9							Migrate Test/UAT Environments to New Storage					
10							Softphone Software Replacement					
11							Create Monitoring Management Dashboard					
12									Claims TV Wall Boards			
13									HECL Dashboard			

# 2022 Resource Planning

PROJECTS			BUSINESS INTELLIGENCE				ENTERPRISE DEVELOPMENT				TECHNICAL OPERATIONS				TOTAL					
ID	PROJECT NAME	TYPE	BUDGET	BIA	DA	PIA	DS	EDI	APP	DEVD	DBA	HD	TELE	INSEC	SYS	NET	QNXT	JIVA	TOTAL	
1	Clinical Criteria Update (MCC)	Department	Clinical												40				80	
2	Claims Editing Software Quarterly Update (CES)	Department	Expense		80						50	50					360		580	
3	Softphone Software Replacement	Department	Capital						40			40	240	40					400	
4	Create Monitoring Management Dashboard	Department	Expense	120	160	40	160	80		240	40				40				960	
5	Create Executive Dashboard	Department	Expense	320	240	120	240				40								1,080	
6	Migrate QDS Processes to EDW	Department	Expense	80	240	80	420		225	1,105	80				1,520				3,750	
7	Implement new Data Lineage System	Department	Capital	120	120	240	240			240	300						40		1,540	
8	Migrate Test/UAT Environments to New Storage	Department	Expense			80										360	120		680	
9	Upgrade SFTP Software	Department	Capital					20		20	20			40	120				220	
10	NCQA Consultant & Readiness Review	Corporate	Clinical	40	40			40	40	40							40	40	280	
11	Claims Workflow Conversion to QNXT Workflow and retire KHS	Corporate	Capital	282	432	140	212	120	432	1,002	120			132	432	132	432	132	4,060	
12	Medical Management Platform Upgrade (JIVA)	Corporate	Clinical	130	205	95	70	262	412	654					854			1,054	3,736	
13	PHM - Align Existing KHS Programs to PHM Standards	Corporate	Clinical	512	776	662	536	250	460	1,506					1,030	140	390		8,764	
14	CACTUS UPGRADE TO 5.0 (NEW NAME SYNPLR PROVIDER)	Corporate	Expense		146	126	126	106	106	206					186				1,002	
15	Community-Based Organizations (CBO) Referral System	Corporate	Capital	260	335	260	210	335	467	517				40	335	20		305	3,084	
16	Claims TV Wall Boards	Department	Capital	20	100	20	80		100	60					15				395	
17	Enhanced Care Management Expansion and Incentive	Corporate	Clinical	516	450	270	120	630	576	796					350		630	1,442	5,840	
18	HECL Dashboard	Department	Expense	80	110	40	80												310	
19	Community Supports Services (ILOS)	Corporate	Clinical	534	470	170	170	686	532	912					410		670	1,634	6,308	
20	Long Term Care Benefit	Corporate	Clinical	444	160	140	140	52	304	264					36		148	232	1,680	
21	QNXT/NetworX/Optum/CES Upgrade 2022	Corporate	Expense	130	205	95	70	155	398	90	441					298	451	68	2,401	
22	Alternative Provider Payment and Remittance Solution	Department	Expense		40		40								80				160	
23	Tobacco Cessation Initiative	Corporate	Clinical	72	80	70	70	152	252	132					56		74	146	1,104	
24	Database Software Upgrades (X Systems)	Corporate	Expense							240	1,000				520				1,760	
25	Establish Pragma/Archive Standards	Corporate	Expense							480	480				360				1,320	
26	Retire Legacy EDI (BizTalk) System	Corporate	Expense	120	80	40	120	600	450	360	40				120				1,930	
27	Create Data Reference Software (MDS) Development	Corporate	Expense	80	80	120	120	80		570	120				360				1,290	
28	Analytics Software (PowerBI) Migration	Corporate	Capital	240	240	80	120				300								1,340	
29	Document Repository Update	Corporate	Expense	12	75	12	12	20	75		75				15				356	
30	MLR Strategies (Placeholder) (5 programs)	Corporate	Clinical	317	276	342	276	1,380	614	1,486					610	20	510	1,442	7,269	
31	DHCS Audit Remediation (Placeholder)	Corporate	Expense	120	240	240									20			120	740	
32	Fixing Software Upgrade	Corporate	Expense						160		25				120	200			505	
33	PHM - JIVA Module Implementation	Corporate	Clinical	40	40	40	40	40	40	40					160			160	600	
34	CalAim PHM (MCC)	Corporate	Clinical			40				134	140								314	
35	DHCS Reporting Changes	Corporate	Expense	240	240	80	120				300								1,340	
36	Comprehensive Pharmacy Program	Corporate	Clinical	317	276	342	276	1,380	610	1,486					610	20	510	1,442	7,269	
37	Interoperability Payer to Payer	Corporate	Expense	100	120	120		100	200	200				120	40	40			1,040	
38	LTSS and D-SNP RFP for Consultants	Corporate	Clinical	80		80												120	400	
39	RX PBM Carveout	Corporate	Expense	100	120	120		34	80	160					40	40	250	120	1,064	
40	TDX Software Upgrade 11.4	Department	Expense		60	40	80				120				120				500	
41	Continue NetworX Contract Migration	Department	Expense	4,378	8,781	1,536	1,728	4,000	4,000	3,000	1,500	6,600	2,100	2,700	10,560	2,520	7,064	2,700	63,167	
42	Maintenance	Maintenance	Expense																1,440	1,440
<b>TOTAL</b>				<b>9,264</b>	<b>14,777</b>	<b>5,740</b>	<b>5,836</b>	<b>10,582</b>	<b>10,923</b>	<b>16,116</b>	<b>4,871</b>	<b>6,640</b>	<b>2,340</b>	<b>3,072</b>	<b>20,317</b>	<b>3,292</b>	<b>13,149</b>	<b>13,799</b>	<b>140,718</b>	
<b>Resource Demand</b>				<b>5</b>	<b>8</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>9</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>11</b>	<b>2</b>	<b>7</b>	<b>8</b>	<b>81</b>	
<b>Full-Time Employees</b>				<b>5</b>	<b>7</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>48</b>	
<b>Labor Hours</b>				<b>9,500</b>	<b>13,300</b>	<b>3,800</b>	<b>1,900</b>	<b>7,600</b>	<b>9,500</b>	<b>7,600</b>	<b>3,800</b>	<b>5,700</b>	<b>3,800</b>	<b>1,900</b>	<b>9,500</b>	<b>1,900</b>	<b>5,700</b>	<b>5,700</b>	<b>91,200</b>	
<b>Technology Labor</b>						(1)	(2)	(9)	(2)	(1)	(5)	(1)	(1)		(1)	(6)	(1)	(4)	(5)	33
<b>Project Management Labor</b>																				2
<b>Clinical Labor</b>																				2
<b>Total 2022 Consulting Services</b>																				37



## Expenditures

YEAR	PROJECTS	RESOURCES	REQUESTED	ACTUAL	VARIANCE
2019	21	24	\$5,321,753	\$4,806,716	\$515,037
2020	20	16	\$4,236,600	\$3,748,424	\$488,176
2021 <sup>1</sup>	32	13	\$4,008,296	\$2,884,800	\$469,154
<b>2022 <sup>2</sup></b>	<b>41</b>	<b>38</b>	<b>\$10,369,190</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup> As of October 31 variance forecasted through EOY

<sup>2</sup> This amount excludes \$2 million of expected budgeted reimbursements from the State for ECM and CalAIM Incentive Programs

## Professional Services Vendors

ITEM	COMPANY	DEV	DBA	EDI	TA	DA	SYS	PM
1	Vendor A	\$ 129	\$ 109	\$ 130	\$ 129	\$ 109	\$ 109	\$ 149
2	Vendor B	\$ 105	\$ 105	\$ 90	\$ 90	\$ 95	\$ 105	\$ 120
3	Vendor C	\$ 90	\$ 90	\$ 90	\$ 90	\$ 75	\$ 90	\$ 90
4	Vendor D	\$ 160	\$ 160	\$ 150	\$ 150	\$ 150	\$ 115	\$ 140
5	Vendor E	\$ 108	\$ 91	\$ 101	\$ 107	\$ 94	\$ 111	\$ 134
6	Vendor F	\$ 112	\$ 105	\$ 95	\$ 95	\$ 95	\$ 100	\$ 125
7	Vendor G	\$ 110	\$ 105	\$ 110	\$ 95	\$ 105	\$ 110	\$ 120
DEV - C# Application Developer		DA - Data Analytics Developer			EDI - Electronic Data Interchange Developer			
DBA - Database Administrator		SYS - Systems Engineer/Administrator						
TA - Technical Analyst		PM - Project Manager						

## Benefits of Outsourcing

- Staffing Flexibility to Accommodate Temporary Project Load.
- Reduce Long Term Administrative Costs.
- Obtain Resources Not Easily Available Locally.
- Find Skilled Resources Needed for Specific Projects.
- Ensure Projects are Successful Through Adequate Staffing.



## Board of Directors Request

Authorize the CEO to approve contracts associated to procurement of Professional Resources with various consulting companies in the amount not to exceed \$10,369,190 in operating and capital expenses associated for labor needed to complete the 2022 corporate and department projects.

## Questions

Please contact:

Richard M. Pruitt

Chief Information Officer

661-664-5078

[richard.pruitt@khs-net.com](mailto:richard.pruitt@khs-net.com)



**To: KHS Finance Committee**

**From: Richard M. Pruitt, Chief Information Officer**

**Date: December 10, 2021**

**Re: Administer contract with Dell for Microsoft Licensing**

---

**Background**

KHS extensively uses Microsoft software on its end user desktops (Windows), e-mail (Exchange), productivity (Office), data reporting databases (MSSQL), workflow and web development (TFS, Visual Studio), and core QNXT system (BizTalk, MSSQL). In September 2021, KHS performed a formal RFP process to select a vendor for these services. Dell was selected as the vendor for this contract based on the RFP responses, pricing, and experience.

**Discussion**

Dell will provide KHS with Microsoft software license, maintenance (software assurance), and technical support for the organization for a three (3) year term.

**Fiscal Impact**

Not to exceed \$1,358,808 for three (3) years.

**Requested Action**

Approve; Refer to KHS Board of Directors.

# Kern Health Systems

Microsoft Licensing  
Dell, L.P.

Richard M. Pruitt  
Chief Information Officer  
December 10, 2021



## Agenda

- Overview
- Procurement Process
- Vendor Selection
- Board Request



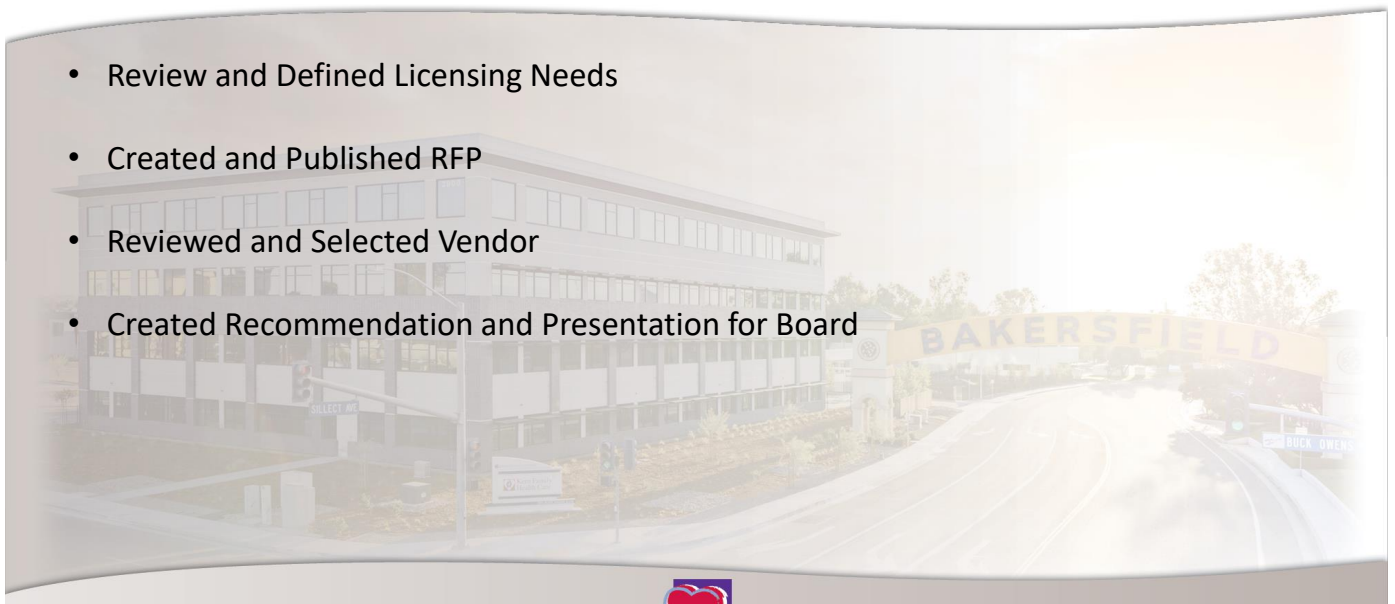
## Background

- KHS leverages Microsoft software to operate the various desktops, core systems, and databases within its infrastructure. KHS is able to leverage the State of California's contracted pricing with Microsoft as a quasi-government agency. Microsoft licenses its software through various channel partners and has published an RFP to solicit a new channel partner to acquire the licensing.
- KHS performed its formal RFP process and performed vendor selection based on the vendor responses. The following is an overview of the process and pricing with staff's recommendation and request of the Board



## Procurement Process

- Review and Defined Licensing Needs
- Created and Published RFP
- Reviewed and Selected Vendor
- Created Recommendation and Presentation for Board



## Request for Proposal

Description	Vendor 1	Vendor 2	Vendor 3
Year 1 Cost	\$452,936	\$464,847	\$626,139
Year 2 Cost	\$452,936	\$475,369	\$626,139
Year 3 Cost	\$452,936	\$475,369	\$626,139
<b>Total 3Y Costs</b>	<b>\$1,358,808</b>	<b>\$1,415,585</b>	<b>\$1,878,417</b>

- Dell was selected as the vendor for these services based on experience, price, and references.





## Scope of Services

- Licensing includes but not limited to:
  - Operating Systems for server environment management
  - Operating Systems for end user management
  - System Center for monitoring of servers
  - Visual Studio for standard development code repository
  - SQL Server for database management
  - Microsoft Project for Project Management
  - Team Foundation Server for tracking busines and technical project work
  - SharePoint
  - Visio
  - Service Manager for KHS Ticketing System
  - Teams for Corporate Communication
  - Dynamics for Customer Relationship Management for PNM



## Recommendation

- Request the Board of Directors authorize the CEO to sign a contract with Dell for the Microsoft Licensing, annual support, and maintenance in an amount not to exceed \$1,358,808 for a period of three years.



## Questions

Please contact:

**Richard M. Pruitt**  
Chief Information Officer  
661-664-5000  
[Richard.pruitt@khs-net.com](mailto:Richard.pruitt@khs-net.com)



**Proposed administrative contract over \$100,000, December 10, 2021.**

1. Operational Agreement with Dell

a. Recommended Action

Approve; Authorize Chief Executive Officer to Sign

b. Contact

Richard Pruitt, Chief Information Officer

c. Background

KHS extensively uses Microsoft software on its end user desktops (Windows), e-mail (Exchange), productivity (Office), data reporting databases (MSSQL), workflow and web development (TFS, Visual Studio), and core QNXT system (BizTalk, MSSQL). In September 2021, KHS performed a formal RFP process to select a vendor for these services. Dell was selected as the vendor for this contract based on responses, pricing, and experience.

d. Discussion

Dell will provide KHS with Microsoft software license purchases, maintenance (software assurance), and technical support for the organization for a three (3) year term.

e. Fiscal Impact

Not to exceed \$1,358,808 for three (3) years.

f. Risk Assessment

If KHS does not purchase Microsoft licensing the organization will not be able to operate any of its functions.

g. Attachments

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

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

This contract is pending legal approval.



# KERN HEALTH SYSTEMS

## AGREEMENT AT A GLANCE

Department Name: IT

Department Head: Richard M. Pruitt

Vendor Name: Dell

Contact name & e-mail: Sam Andrews, sam.andrews@dell.com

What services will this vendor provide to KHS? Dell will provide KHS with Microsoft software license purchases, maintenance (software assurance), and technical support for the organization for a three (3) year term.

Description of Contract	
<p>Type of Agreement: <u>Software</u></p> <p><input checked="" type="checkbox"/> Contract</p> <p><input type="checkbox"/> Purchase</p> <p><input checked="" type="checkbox"/> New agreement</p> <p><input type="checkbox"/> Continuation of Agreement</p> <p><input type="checkbox"/> Addendum</p> <p><input type="checkbox"/> Amendment No. _____</p> <p><input type="checkbox"/> Retroactive Agreement</p>	<p>Background: <u>KHS is able to participate in the State of California's Microsoft contract due to the nature of the organization. This provides KHS with the ability to leverage the State's pricing model (Level D) for Microsoft software. In September 2021, KHS created an RFP to secure the best pricing. KHS extensively uses Microsoft software on its end user desktops (Windows), e-mail (Exchange), productivity (Office), data reporting databases (MSSOL), workflow and web development (TFS, Visual Studio), and EDI systems (BizTalk).</u></p> <p>Brief Explanation: <u>Dell will provide KHS with Microsoft software license purchases, maintenance (software assurance), and technical support for the organization for a three (3) year term.</u></p>
<p><input checked="" type="checkbox"/> <b>Summary of Quotes and/or Bids attached.</b> Pursuant to KHS Policy #8.11-1, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic (e-mail/fax) solicitation may be used for purchases of up to Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00) but must be documented on the RFQ form (Attachment A). Actual bid, sole or single source justification and/or cost price analysis documents are required for purchases over Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Fifty Thousand Dollars (\$50,000). Lowest bid price not accepted must be fully explained and justified in writing. All bids will be treated as a not to exceed amount with "change orders" used to track any changes.)</p>	
<p>Brief vendor selection justification: <u>Dell was awarded the contract, due to best pricing per 2021 RFP.</u></p> <p><input type="checkbox"/> Sole source – no competitive process can be performed.</p>	
<p>Brief reason for sole source: _____</p> <p><input type="checkbox"/> Conflict of Interest Form is required for this Contract</p>	
<p><input type="checkbox"/> HIPAA Business Associate Agreement is required for this Contract</p>	

Form updated 11/21/19

Fiscal Impact	
KHS Governing Board previously approved this expense in KHS' FY 2021 Administrative Budget	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES
Will this require additional funds?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES
Capital project	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES
Project type: _____	
Budgeted Cost Center <u>225</u>	GL# <u>5406</u>
Maximum cost of this agreement not to exceed: <u>\$1,358,808.00 per three years</u>	
Notes: _____	
Contract Terms and Conditions	
Effective date: <u>1/1/2022</u>	Termination date: <u>12/31/2024</u>
Explain extension provisions, termination conditions and required notice: _____	
Approvals	
<b>Compliance DMHC/DHCS Review:</b>	<b>Legal Review:</b>
<del>Director of Compliance and Regulatory Affairs</del>	<del>Legal Counsel</del>
<del>Date</del>	<del>Date</del>
<b>Contract Owner:</b>	<b>Purchasing:</b>
<u>Approved by Victoria Hurtado</u>	<u>Approved by Alonso Hurtado per</u>
Department Head	Director of Procurement and Facilities
<u>per contract meeting on 11/9/21</u>	<u>contract meeting 11/9/21</u>
Date	Date
<b>Reviewed as to Budget:</b>	<b>Recommended by the Executive Committee:</b>
<u>Patt Smith</u>	_____
Chief Financial Officer or Controller	Chief Operating Officer
<u>12/2/21</u>	_____
Date	Date
<b>IT Approval:</b>	<b>Chief Executive Officer Approval:</b>
<u>Approved by Richard Pruitt</u>	_____
Chief Information Officer or IT Director	Chief Executive Officer
<u>per contract meeting 11/9/21</u>	_____
Date	Date



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

\_\_\_\_\_  
KHS Board Chairman

\_\_\_\_\_  
Date







**To: KHS Finance Committee**

**From: Richard M. Pruitt, Chief Information Officer**

**Date: December 10, 2021**

**Re: Entisys360, Data Center Hardware & Software**

---

**Background**

In 2019, KHS constructed a new building on Buck Owens Boulevard, to accommodate the current and future growth of the business and required Nutanix Hardware Platform as part of the procurement to occupy the facility. As outlined in the 2020 Capital Budget, IT will purchase additional Nutanix hardware to support the business' future growth.

**Discussion**

Entisys360 will provide KHS with support and maintenance for one (1) year for five (5) Nutanix Node Hardware Platform (NX-8170-G8).

**Financial Impact**

This agreement will not exceed \$733,444.00 per one year.

**Requested Action**

Approve; Refer to KHS Board of Directors.

# Data Center Hardware & Software

Finance Committee  
December 10, 2021

Richard M. Pruitt  
Chief Information Officer



## Agenda

- Overview
- Hyper-Converged Infrastructure
- Background
- Procurement Process
- Vendor Selection
- Board Request



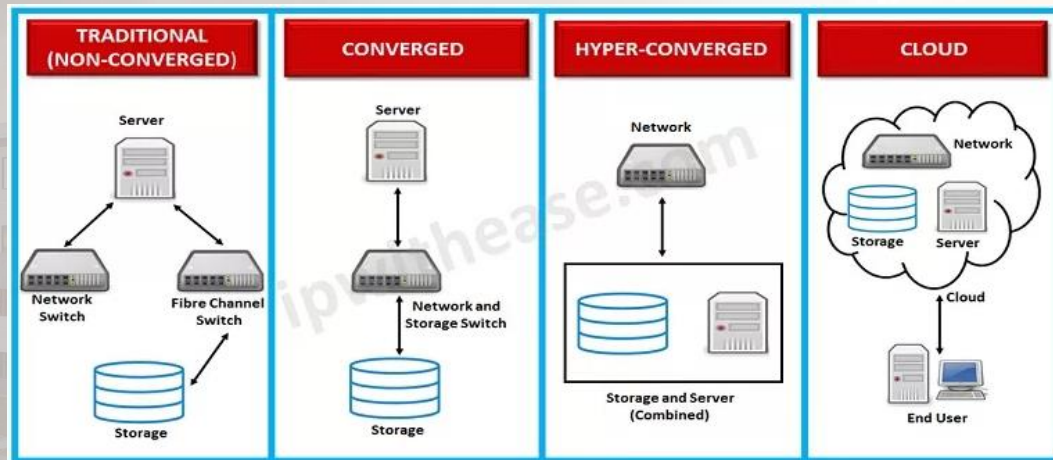
## Overview

KHS leverages the Nutanix manufacturer of hardware and software as its Hyper-Converged Infrastructure (HCI) for the company servers and storage. The HCI infrastructure supports the end-user desktop, core processing systems, various application and database technology within KHS. Over the last three years, KHS has continued to grow in data collection and processing due to growth in membership and regulatory requirements and processes.

KHS contiguously reviews data center equipment for replacement and growth based on the manufacturers life cycle and support; normal wear and tear; utilization performance; and when procuring new systems to be installed. Based on this review, this capital expenditure will provide the procurement of additional data center hardware for the 2022 calendar year to meet the organization's demands.



# Hyper-Converged Infrastructure



networkinterview.com



## Background

- KHS migrated to Hyper-Converged Infrastructure with New Building
- KHS Uses Both Hyper-Converged and Cloud in its Operations
- HCI Reduces Complexity and Administration
- Retiring Traditional DEV, TEST, UPG, and UAT - End of Life
- Equipment Fully Depreciated at Five Years (Currently at Year 7)
- Environments are Critical to Business Operations



## Procurement Process

- Reviewed and Defined Licensing Needs
- Created and Published RFQ
- Reviewed and Selected Vendor
- Create Recommendation and Presentation for Board



## Vendor Selection

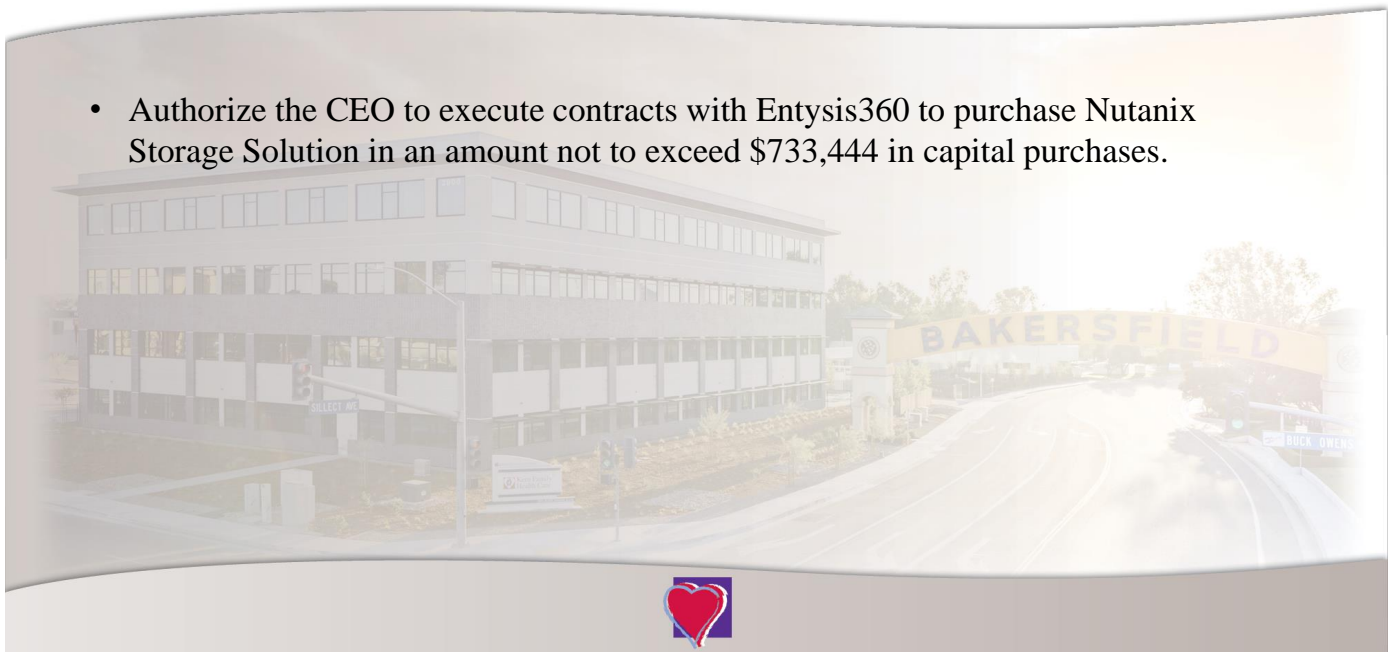
Description	Vendor 1	Vendor 2	Vendor 3
Hardware	\$ 421,532	\$ 401,553	\$ 371,780
Software	\$ 261,096	\$ 423,161	\$ 330,108
Support	\$ 47,149	\$ 12,710	\$ 11,675
Other (Taxes, Shpping, etc)	\$ 3,667	\$ 6,600	\$ 27,702
<b>Total 1Y Costs</b>	<b>\$ 733,444</b>	<b>\$ 844,024</b>	<b>\$ 741,264</b>





## Board Request

- Authorize the CEO to execute contracts with Entysis360 to purchase Nutanix Storage Solution in an amount not to exceed \$733,444 in capital purchases.



## Questions

Please contact:

**Richard M. Pruitt**

*Chief Information Officer*

661-664-5078

[richard.pruitt@khs-net.com](mailto:richard.pruitt@khs-net.com)



**Proposed Administrative Contract over \$100,000, December 10, 2021**

1. Operational Agreement with Entisys360

a. Recommended Action

Approve; Authorize Chief Executive Officer to Sign

b. Contact

Richard M. Pruitt, Chief Information Officer

c. Background

In 2019, KHS constructed a new building on Buck Owens Boulevard, to accommodate the current and future growth of the business and required Nutanix Hardware Platform as part of the procurement to occupy the facility. As outlined in the 2020 Capital Budget, IT will purchase additional Nutanix hardware to support the business' future growth.

d. Discussion

Entisys360 will provide KHS with support and maintenance for one (1) year for five (5) Nutanix Node Hardware Platform (NX-8170-G8).

e. Fiscal Impact

This agreement will not exceed \$733,444.00 per one year.

f. Risk Assessment

If KHS does not replace its existing Nimble storage solution that is at End of Life, KHS will not be able to support the corporate project portfolio and regular operations for the systems that reside on the hardware. Additionally, if the hardware has a failure, there is no support and KHS runs the risk of loss of data.

g. Attachments

An Agreement at a Glance form is attached.

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

This contract has been approved by KHS legal counsel.



# KERN HEALTH SYSTEMS

## AGREEMENT AT A GLANCE

Department Name: IT

Department Head: Richard M. Pruitt

Vendor Name: Entisys360

Contact name & e-mail: Abbie George, abbie.george@entisys360.com

What services will this vendor provide to KHS? Entisys360 will provide KHS with twelve (12) Nutanix NX-8155-G8 Nodes with Acropolis (AOS) Pro Software Licenses and Production Software (support included) for one year.

Description of Contract	
Type of Agreement: <u>Hardware</u> <input checked="" type="checkbox"/> Contract <input type="checkbox"/> Purchase <input checked="" type="checkbox"/> New agreement <input type="checkbox"/> Continuation of Agreement <input type="checkbox"/> Addendum <input type="checkbox"/> Amendment No. _____ <input type="checkbox"/> Retroactive Agreement	Background: <u>In 2019, KHS constructed a new building on Buck Owens Boulevard, to accommodate the current and future growth of the business and required Nutanix Hardware Platform as part of the procurement to occupy the facility. As outlined in the 2020 Capital Budget, IT will purchase additional Nutanix hardware to support the business' future growth.</u>  Brief Explanation: <u>Entisys360 will provide KHS with twelve (12) Nutanix NX-8155-G8 Nodes with Acropolis (AOS) Pro Software Licenses and Production Software (support included) for one year.</u>
<input checked="" type="checkbox"/> <b>Summary of Quotes and/or Bids attached.</b> <i>Pursuant to KHS Policy #8.11-1, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic (e-mail/fax) solicitation may be used for purchases of up to Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00) but must be documented on the RFQ form (Attachment A). Actual bid, sole or single source justification and/or cost price analysis documents are required for purchases over Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Fifty Thousand Dollars (\$50,000). Lowest bid price not accepted must be fully explained and justified in writing. All bids will be treated as a not to exceed amount with "change orders" used to track any changes. )</i>	
Brief vendor selection justification: _____ <input type="checkbox"/> Sole source – no competitive process can be performed.	
Brief reason for sole source: _____ <input type="checkbox"/> Conflict of Interest Form is required for this Contract <input type="checkbox"/> HIPAA Business Associate Agreement is required for this Contract	
Fiscal Impact	
KHS Governing Board previously approved this expense in KHS' FY 2021 Administrative Budget <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES	
Will this require additional funds? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES	
Capital project <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES	
Project type: _____	
Budgeted Cost Center <u>225</u> <span style="margin-left: 150px;">GL# <u>5403</u></span>	

Form updated 11/21/19







**To: KHS Finance Committee**

**From: Anita Martin, Chief Human Resources Officer**

**Date: December 10, 2021**

**Re: LinkedIn Learning**

---

**Background**

KHS has grown from 260 FTE's in 2014 to over 450 FTE's in 2020. Since implementing LinkedIn Learning from January 2020 through October 2020 KHS employees have accessed 2,404 courses and viewed 17,121 videos. Our employees are averaging over 3 hours and 44 minutes of online training per employee via LinkedIn Learning. This supplemental training helps us to keep employees engaged as well as supporting assigned performance improvement/development plans created in the Performance Module of Dayforce.

**Discussion**

LinkedIn Learning will provide online training courses for employees. Training includes leadership training, and over 13,000+ courses. LinkedIn Learning integrates with our Dayforce LMS module allowing us to track all employee training in our existing HRIS system.

**Financial Impact**

This agreement will not exceed \$178,950.00 per three years.

**Requested Action**

Approve; Refer to KHS Board of Directors.



# LinkedIn Learning

LinkedIn

Finance Committee  
December 10, 2021

Anita Martin  
Chief Human Resources Officer





# Agenda

---

- Background
- Benefits
- Recommendation
- Questions



## Background

---

- KHS has grown from 260 FTE's in 2014 to over 450 FTE's in 2020. Since implementing LinkedIn Learning from October 2019 through October 2021, KHS employees have accessed 2,404 courses and viewed 17,121 videos.
- Our employees are averaging over 3 hours and 44 minutes of online training per employee via LinkedIn Learning. This supplemental training helps us to keep employees engaged as well as supporting assigned performance improvement/development plans created in the Performance Module of Dayforce.



## Benefits

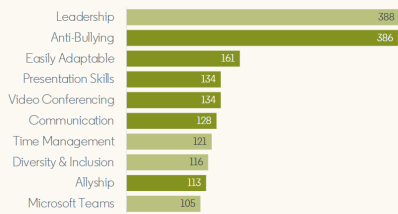
- LinkedIn Learning will provide online training courses for employees. Training includes leadership training, and over 13,000+ courses.
- LinkedIn Learning integrates with our Dayforce LMS module allowing us to track all employee training in our existing HRIS system.
- Employees can access LinkedIn Learning 24/7 from any computer or smart phone.
- Training courses from LinkedIn Learning can be assigned in the Dayforce LMS for integration into Development and Performance Improvement Plans.
- Internal promotions have increased from 13% in 2018 and 2019, to 19% in 2020 and 2021. This build morale and increases retention.
- In 2020 Career Development was at an all time high of 87.9% in the Employee Satisfaction Survey.



# LinkedIn Reporting Metrics

## What skills are learners developing?

Top Skills Learners are Developing:  
Kern Health Systems  
Function: (All)



## What content is engaging learners?

Top 5 Course Subjects	Total Hours Watched
Professional Development	354
Human Resources	213
Business Software and Tools	183
Leadership and Management	122
Other	30



## Recommendation

- Recommend a three (3) year contract to save \$5,188 per year or \$15,564 total.
- Request the Board of Directors to authorize the CEO to sign a three-year agreement with LinkedIn in the amount of \$178,950 for LinkedIn Learning Product.



## Questions

Please contact:

Anita Martin, Th.D., MBA, SHRM-SCP  
Chief Human Resources Officer  
661-664-5020  
[anita.martin@khs-net.com](mailto:anita.martin@khs-net.com)



**Proposed Administrative Contract over \$100,000, December 10, 2021**

1. Operational Agreement with LinkedIn

a. Recommended Action

Approve; Authorize Chief Executive Officer to Sign

b. Contact

Anita Martin; Chief Human Resources Officer

c. Background

KHS has grown from 260 FTE's in 2014 to over 450 FTE's in 2020. Since implementing LinkedIn Learning from January 2020 through October 2020 KHS employees have accessed 2,404 courses and viewed 17,121 videos. Our employees are averaging over 3 hours and 44 minutes of online training per employee via LinkedIn Learning. This supplemental training helps us to keep employees engaged as well as supporting assigned performance improvement/development plans created in the Performance Module of Dayforce.

d. Discussion

LinkedIn Learning will provide online training courses for employees. Training includes leadership training, and over 13,000+ courses. LinkedIn Learning integrates with our Dayforce LMS module allowing us to track all employee training in our existing HRIS system.

e. Fiscal Impact

This agreement will not exceed \$178,950.00 per three years.

f. Risk Assessment

As the primary source for on-demand training, LinkedIn Learning provides our staff with regulatory training such as anti-bullying

and professional development training for all disciplines across the organizations as well as training modules that are used for employees to complete development and performance improvement plans. In addition to the above, leadership training is provided for management that allows them the ability to grow and thrive at KHS. Absent the above items KHS would risk not being in compliant with state training requirements as well as offering professional development and growth for our employees that have been significant in our recruitment and retention.

g. Attachments

An Agreement at a Glance form is attached.

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

This contract is pending legal counsel approval.





# KERN HEALTH SYSTEMS

## AGREEMENT AT A GLANCE

Department Name: HR

Department Head: Anita Martin

Vendor Name: LinkedIn

Contact name & e-mail: Sam Kahane, skahane@linkedin.com

What services will this vendor provide to KHS? LinkedIn Learning will provide online training courses for employees. Training includes leadership training, and over 13,000+ courses. LinkedIn Learning integrates with our Dayforce LMS module allowing us to track all employee training in our existing HRIS system.

Description of Contract	
Type of Agreement: <u>Software</u> <input checked="" type="checkbox"/> Contract <input type="checkbox"/> Purchase <input type="checkbox"/> New agreement <input checked="" type="checkbox"/> Continuation of Agreement <input type="checkbox"/> Addendum <input type="checkbox"/> Amendment No. _____ <input type="checkbox"/> Retroactive Agreement	Background: <u>KHS has grown from 260 FTE's in 2014 to over 450 FTE's in 2020. Since implementing LinkedIn Learning from January 2020 through October 2020 KHS employees have accessed 2,404 courses and viewed 17,121 videos. Our employees are averaging over 3 hours and 44 minutes of online training per employee via LinkedIn Learning. This supplemental training helps us to keep employees engaged as well as supporting assigned performance improvement/development plans created in the Performance Module of Dayforce.</u>  Brief Explanation: <u>LinkedIn Learning will provide online training courses for employees. Training includes leadership training, and over 13,000+ courses. LinkedIn Learning integrates with our Dayforce LMS module allowing us to track all employee training in our existing HRIS system.</u>
<input type="checkbox"/> Summary of Quotes and/or Bids attached. <i>Pursuant to KHS Policy #8.11-1, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic (e-mail/fax) solicitation may be used for purchases of up to Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00) but must be documented on the RFQ form (Attachment A). Actual bid, sole or single source justification and/or cost price analysis documents are required for purchases over Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Fifty Thousand Dollars (\$50,000). Lowest bid price not accepted must be fully explained and justified in writing. All bids will be treated as a not to exceed amount with "change orders" used to track any changes. )</i>	
Brief vendor selection justification: <input checked="" type="checkbox"/> Sole source – no competitive process can be performed.	
Brief reason for sole source: <u>KHS currently holds an ongoing contract with vendor.</u>	
<input type="checkbox"/> Conflict of Interest Form is required for this Contract	
<input type="checkbox"/> HIPAA Business Associate Agreement is required for this Contract	
Fiscal Impact	
KHS Governing Board previously approved this expense in KHS' FY 2021 Administrative Budget	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES
Will this require additional funds?	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES
Capital project	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES

Form updated 11/21/19

Project type: \_\_\_\_\_

Budgeted Cost Center 510                      GL# 5065

Maximum cost of this agreement not to exceed: \$178,950.00 per three years

Notes: \$59,650.00 annually.

**Contract Terms and Conditions**

Effective date: 1/1/2022

Termination date: 12/31/2022

Explain extension provisions, termination conditions and required notice: \_\_\_\_\_

**Approvals**

**Compliance DMHC/DHCS Review:**

**Legal Review:**

Director of Compliance and Regulatory Affairs

Legal Counsel

Date

Date

**Contract Owner:**

**Purchasing:**

Approved by Amita Martin  
Department Head

Approved by Abonso Hurtado  
Director of Procurement and Facilities

per contract meeting "11/1/21"  
Date

per contract meeting "11/9/21"  
Date

**Reviewed as to Budget:**

**Recommended by the Executive Committee:**

Chief Financial Officer or Controller

Chief Operating Officer

Date

Date

**IT Approval:**

**Chief Executive Officer Approval:**

Approved by Richard Pruitt  
Chief Information Officer or IT Director

Chief Executive Officer

per contract meeting "11/9/21"  
Date

Date

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

\_\_\_\_\_  
KHS Board Chairman

\_\_\_\_\_  
Date



**To: KHS Finance Committee**

**From: Alonso Hurtado, Director of Procurement and Facilities**

**Date: December 10, 2021**

**Re: New Carport Solar PV Systems**

**Background**

During the June 2021 Finance Committee meeting a member of the Finance Committee requested an analysis of the current carport solar system in consideration for purchasing additional solar panels. The existing carport solar system produces approximately 11% of the electricity consumed by KHS at an estimated annual savings of \$41,000.

In August 2021 Management presented data supporting expanding our current carport solar system with the goal of producing 100% of our electricity consumption and was approved to initiate an RFP. Management enlisted Partner Engineering and Science, Inc. (PESI) engineering consulting firm and Burke, Williams & Sorensen, LLP legal counsel to help in this endeavor. PESI estimates a 675kW<sub>DC</sub> solar panel system and a 125kW battery energy storage system (BESS) are required to produce the remaining 89% of the electricity KHS consumes.

**Discussion**

KHS published an RFP on Friday, October 1<sup>st</sup>, 2021 KHS received proposals from California Solar Integrators, Inc. and A-C Electric Company on Monday, November 1<sup>st</sup>, 2021. These proposals were evaluated on the following factors:

<b>FACTORS</b>		<b>Maximum Points</b>
1.	Estimated Overall Project Price	40
2.	Preliminary Services Fee	10
3.	Technical Design and Construction Expertise	10
4.	Life-Cycle Costs over <b>20</b> Years	10
5.	Commissioning, Start-Up and Technical Support Services	10
6.	References	10
7.	Quality of Proposal / Presentation and Questions	10
<b>Total Maximum</b>		<b>100</b>

KHS RFP selection committee consisting of Alonso Hurtado (Director of Procurement and Facilities), Anthony Roberts (Facilities Superintendent), Anthony Merante (IT Operations Supervisor, and Pezhman Rahimi (PESI) reviewed, compared, and scored the two proposals and selected A-C Electric Company based on having the highest score in the above factors.

**Financial Impact**

This agreement will not exceed \$2,371,559 per project.

**Requested Action**

Approve; Refer to KHS Board of Directors

# Kern Health Systems

Solar Panels

Alonso Hurtado  
Director of Procurement and Facilities  
December 10, 2021



## Agenda

- Background
- Existing Carport Solar System
- RFP Process & Evaluation
- Scorecard
- Winning Contractor
- Recommendation
- Questions





## Background

During the June 2021 Finance Committee meeting a member of the Finance Committee requested an analysis of the current carport solar system in consideration for purchasing additional solar panels. The existing carport solar system produces approximately 11% of the electricity consumed by KHS at an estimated annual savings of \$41,000.

In August 2021 Management presented data supporting expanding our current carport solar system with the goal of producing 100% of our electricity consumption and was approved to initiate an RFP process. Management enlisted Partner Engineering and Science, Inc. (PESI) engineering consulting firm and Burke, Williams & Sorensen, LLP legal counsel to help in this endeavor. PESI estimates a 675kW<sub>DC</sub> solar panel system and a 125kW battery energy storage system (BESS) are required to produce the remaining 89% of the electricity KHS consumes.



## Existing Carport Solar System

- Cost of current System \$494,750
  - 62 covered spaces/420 Panels
  - Dec 2020 through Jan 2021: Total current savings \$41,000
  - Savings per year will increase based on increasing cost/kWh (Estimated increase 4% per year)
- Payback period of 12 years
- Current PG&E Cost: \$22,000/monthly (net of monthly savings \$3,400)
- Panels cover an estimated 11% of annual cost





## RFP Process & Evaluation

- RFP posted on October 2021
- KHS received two proposals:
  - California Solar Integrators, Inc.
  - A-C Electric Company
- Evaluation team:
  - Director of Procurement
  - Facilities Superintendent
  - IT Operations Supervisor
  - Partner Engineer and Science, Inc
- Evaluating factors:
  - Price
  - Technical Knowledge and Expertise
  - Payback period
  - Overall RFP response



## Scorecard

FACTORS	Maximum Points	CSI	CSI	A-C Elec	A-C Elec
1 Estimated Overall Project Price	40	\$2,476,789	39	\$2,371,559	40
2 Preliminary Services Fee	10	\$0	10	\$0	10
3 Technical Design and Construction Expertise	10		8		10
4 Life-Cycle Costs over 20 Years	10	\$3,027,045	5	\$2,529,585	10
5 Commissioning, Start-Up, and Technical Support Services	10		10		10
6 References	10		10		10
7 Quality of Proposal/Presentation and Questions	10		8		10
<b>Total Maximum</b>	<b>100</b>		<b>90</b>		<b>100</b>

\* Price deduction 1 point per \$100k



## Winning Contractor

### A-C Electric Company

- Price \$2,371,559
- Estimated Annual Savings \$209,048 (year 1, increase approx. 3% per year)
- Estimated Payback Period: 10.5 years
- Internal Rate of Return: 7.9%
- Return on Investment: 113.8%
- Estimated Annual Energy Production: 1.1MM kWh
- Estimated Completion Date: Sep 2022
- Covers 70% of open parking area



## Recommendation

Request the Board of Directors to authorize the CEO to sign a contract with A-C Electric, Inc., for the design and construction of a Carport Solar Panel System in the amount of \$2,371,559 in Capital Expense.



## Questions

Please contact:

**Alonso Hurtado**

Director of Procurement and Facilities

661-664-5000

[Alonso.Hurtado@khs-net.com](mailto:Alonso.Hurtado@khs-net.com)







**To: KHS Finance Committee**

**From: Robert Landis, CFO**

**Date: December 10, 2021**

**Re: September 30, 2021 Financial Results**

---

The September results reflect a \$938,656 Net Increase in Net Position which is a \$2,225,775 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$10.5 million favorable variance primarily due to:
  - A) \$7.2 million favorable variance primarily due to higher-than-expected budgeted membership.
  - B) \$.8 million favorable variance in Maternity Kick Premiums primarily due to higher-than-expected births over the last several months.
  - C) \$2.5 million favorable variance in Premium-Hospital Directed Payments primarily due to receiving updated rates for calendar year 2021 from DHCS and higher than expected membership offset against amounts included in 2E below.
- 2) Total Medical Costs reflect a \$7.5 million unfavorable variance primarily due to:
  - A) \$2.7 million unfavorable variance in Physician Services primarily due to higher-than-expected utilization of Primary Care, Specialty, and Urgent Care Services over the last several months.
  - B) \$1.9 million favorable variance in Emergency Room primarily due to lower-than-expected utilization over the last several months.
  - C) \$4.9 million unfavorable variance in Inpatient primarily due to higher-than-expected utilization.
  - D) \$.6 million favorable variance in Pharmacy primarily due from formulary modifications that capitalized on new generics that came to market and less costly brands within the same therapeutic class.
  - E) \$2.5 million unfavorable variance in Hospital Directed Payments primarily due to receiving updated rates for calendar year 2021 from DHCS and higher than expected membership offset against amounts included in 1C above.

The September Medical Loss Ratio is 90.7% which is favorable to the 93.3% budgeted amount. The September Administrative Expense Ratio is 5.6% which is favorable to the 6.7% budgeted amount.

The results for the 9 months ended September 30, 2021 reflect a Net Increase in Net Position of \$13,212,088. This is a \$18,159,425 favorable variance to budget and includes approximately \$2.3 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 92.8 % which is favorable to the 93.2% budgeted amount. The year-to-date Administrative Expense Ratio is 5.5% which is favorable to the 6.7% budgeted amount.



**Kern Health Systems  
Financial Packet  
September 2021**

**KHS – Medi-Cal Line of Business**

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

**KHS Group Health Plan – Healthy Families Line of Business**

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

**KHS Administrative Analysis and Other Reporting**

Monthly Member Count	Page 15
----------------------	---------

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF SEPTEMBER 30, 2021			
ASSETS	SEPTEMBER 2021	AUGUST 2021	INC(DEC)
<b>CURRENT ASSETS:</b>			
Cash and Cash Equivalents	\$ 101,678,464	\$ 101,079,711	\$ 598,753
Short-Term Investments	172,145,319	168,987,982	3,157,337
Premiums Receivable - Net	109,249,477	109,595,332	(345,855)
Premiums Receivable - Hospital Direct Payments	268,101,628	301,656,818	(33,555,190)
Interest Receivable	207,153	194,134	13,019
Provider Advance Payment	5,186,720	5,225,521	(38,801)
Other Receivables	1,181,088	1,326,074	(144,986)
Prepaid Expenses & Other Current Assets	2,962,488	3,154,865	(192,377)
<b>Total Current Assets</b>	<b>\$ 660,712,337</b>	<b>\$ 691,220,437</b>	<b>\$ (30,508,100)</b>
<b>CAPITAL ASSETS - NET OF ACCUM DEP:RE:</b>			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,710,295	1,756,636	(46,341)
Computer Hardware and Software - Net	12,649,295	12,953,613	(304,318)
Building and Building Improvements - Net	34,667,033	34,742,727	(75,694)
Capital Projects in Progress	14,759,866	14,326,024	433,842
<b>Total Capital Assets</b>	<b>\$ 67,877,195</b>	<b>\$ 67,869,706</b>	<b>\$ 7,489</b>
<b>LONG TERM ASSETS:</b>			
Restricted Investments	300,000	300,000	-
Officer Life Insurance Receivables	1,593,961	1,597,244	(3,283)
<b>Total Long Term Assets</b>	<b>\$ 1,893,961</b>	<b>\$ 1,897,244</b>	<b>\$ (3,283)</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 3,018,341</b>	<b>\$ 3,018,341</b>	<b>\$ -</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 733,501,834</b>	<b>\$ 764,005,728</b>	<b>\$ (30,503,894)</b>
<b>LIABILITIES AND NET POSITION</b>			
<b>CURRENT LIABILITIES:</b>			
Accrued Salaries and Employee Benefits	\$ 4,639,883	\$ 4,277,081	362,802
Accrued Other Operating Expenses	1,499,873	1,404,166	95,707
Accrued Taxes and Licenses	29,532,289	19,638,235	9,894,054
Claims Payable (Reported)	20,473,886	27,408,253	(6,934,367)
IBNR - Inpatient Claims	42,291,738	42,659,402	(367,664)
IBNR - Physician Claims	15,869,970	15,210,414	659,556
IBNR - Accrued Other Medical	21,037,779	22,345,096	(1,307,317)
Risk Pool and Withholds Payable	7,823,866	7,912,360	(88,494)
Statutory Allowance for Claims Processing Expense	2,157,367	2,157,367	-
Other Liabilities	73,888,459	74,090,096	(201,637)
Accrued Hospital Directed Payments	268,101,628	301,656,818	(33,555,190)
<b>Total Current Liabilities</b>	<b>\$ 487,316,738</b>	<b>\$ 518,759,288</b>	<b>\$ (31,442,550)</b>
<b>NONCURRENT LIABILITIES:</b>			
Net Pension Liability	5,800,140	5,800,140	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>\$ 5,800,140</b>	<b>\$ 5,800,140</b>	<b>\$ -</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 86,684</b>	<b>\$ 86,684</b>	<b>\$ -</b>
<b>NET POSITION:</b>			
Net Position - Beg. of Year	227,086,184	227,086,184	-
Increase (Decrease) in Net Position - Current Year	13,212,088	12,273,432	938,656
<b>Total Net Position</b>	<b>\$ 240,298,272</b>	<b>\$ 239,359,616</b>	<b>\$ 938,656</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 733,501,834</b>	<b>\$ 764,005,728</b>	<b>\$ (30,503,894)</b>

CURRENT MONTH MEMBERS			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED SEPTEMBER 30, 2021	YEAR-TO-DATE MEMBER MONTHS		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
192,077	184,600	7,477	Family Members	1,686,430	1,647,000	39,430
77,938	70,565	7,373	Expansion Members	671,923	635,085	36,838
15,775	15,230	545	SPD Members	144,763	137,070	7,693
8,882	7,000	1,882	Other Members	74,271	63,000	11,271
12,250	10,500	1,750	Kaiser Members	104,982	94,500	10,482
306,922	287,895	19,027	<b>Total Members - MCAL</b>	<b>2,682,369</b>	<b>2,576,655</b>	<b>105,714</b>
<b>REVENUES</b>						
35,961,464	32,197,771	3,763,693	Title XIX - Medicaid - Family and Other	310,990,683	288,296,378	22,694,305
29,932,046	26,523,701	3,408,345	Title XIX - Medicaid - Expansion Members	259,291,429	238,713,308	20,578,121
16,075,172	15,294,634	780,538	Title XIX - Medicaid - SPD Members	142,078,498	137,651,704	4,426,794
10,136,079	9,894,054	242,025	Premium - MCO Tax	88,862,488	83,110,055	5,752,433
16,554,814	14,082,143	2,472,671	Premium - Hospital Directed Payments	144,240,181	126,295,274	17,944,907
(59,079)	167,541	(226,620)	Investment Earnings And Other Income	332,986	1,495,278	(1,162,292)
-	80,445	(80,445)	Reinsurance Recoveries	-	719,825	(719,825)
5,709	-	5,709	Rate Adjustments - Hospital Directed Payments	49,163,695	-	49,163,695
122,473	-	122,473	Rate/Income Adjustments	3,059,485	-	3,059,485
108,728,678	98,240,288	10,488,390	<b>TOTAL REVENUES</b>	<b>998,019,445</b>	<b>876,281,821</b>	<b>121,737,624</b>
<b>EXPENSES</b>						
Medical Costs:						
17,895,535	15,199,441	(2,696,094)	Physician Services	141,295,386	136,216,291	(5,079,095)
4,347,759	4,734,425	386,666	Other Professional Services	42,357,761	42,515,979	158,218
3,735,609	5,587,729	1,852,120	Emergency Room	41,036,204	50,040,112	9,003,908
20,303,427	15,440,744	(4,862,683)	Inpatient	177,917,103	138,527,657	(39,389,446)
84,384	80,445	(3,939)	Reinsurance Expense	742,828	719,825	(23,003)
7,529,697	7,004,939	(524,758)	Outpatient Hospital	70,613,828	62,853,784	(7,760,044)
10,572,454	10,183,801	(388,653)	Other Medical	96,582,944	91,264,693	(5,318,251)
9,913,574	10,512,680	599,106	Pharmacy	87,640,303	94,374,796	6,734,493
-	527,051	527,051	Pay for Performance Quality Incentive	4,317,262	4,716,095	398,833
-	-	-	Risk Corridor Expense	-	-	-
16,554,814	14,082,143	(2,472,671)	Hospital Directed Payments	144,240,181	126,295,274	(17,944,907)
(132,637)	-	132,637	Hospital Directed Payment Adjustment	48,151,841	-	(48,151,841)
20,737	-	(20,737)	Non-Claims Expense Adjustment	953,907	-	(953,907)
14,595	-	(14,595)	IBNR, Incentive, Paid Claims Adjustment	1,065,666	-	(1,065,666)
90,839,948	83,353,396	(7,486,552)	<b>Total Medical Costs</b>	<b>856,915,214</b>	<b>747,524,506</b>	<b>(109,390,708)</b>
17,888,730	14,886,892	3,001,838	<b>GROSS MARGIN</b>	<b>141,104,231</b>	<b>128,757,315</b>	<b>12,346,916</b>
Administrative:						
2,791,543	2,856,030	64,487	Compensation	24,688,842	25,779,273	1,090,431
968,021	1,071,006	102,985	Purchased Services	8,306,214	9,639,054	1,332,840
(17,330)	133,106	150,436	Supplies	727,485	1,197,956	470,471
427,804	500,520	72,716	Depreciation	3,828,099	4,504,684	676,585
443,524	385,959	(57,565)	Other Administrative Expenses	2,292,405	3,473,633	1,181,228
3,540	-	(3,540)	Administrative Expense Adjustment	(265,108)	-	265,108
4,617,102	4,946,622	329,520	<b>Total Administrative Expenses</b>	<b>39,577,937</b>	<b>44,594,599</b>	<b>5,016,662</b>
95,457,050	88,300,019	(7,157,031)	<b>TOTAL EXPENSES</b>	<b>896,493,151</b>	<b>792,119,105</b>	<b>(104,374,046)</b>
13,271,628	9,940,269	3,331,359	<b>OPERATING INCOME (LOSS) BEFORE TAX</b>	<b>101,526,294</b>	<b>84,162,716</b>	<b>17,363,578</b>
9,894,054	9,894,054	-	<b>MCO TAX</b>	<b>83,137,853</b>	<b>83,110,055</b>	<b>(27,798)</b>
3,377,574	46,216	3,331,359	<b>OPERATING INCOME (LOSS) NET OF TAX</b>	<b>18,388,441</b>	<b>1,052,661</b>	<b>17,335,780</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>						
-	-	-	Gain on Sale of Assets	-	-	-
(2,355,306)	(1,166,667)	(1,188,639)	Provider Recruitment and Retention Grants	(4,538,535)	(4,499,999)	(38,536)
(83,612)	(166,667)	83,055	Health Home	(637,818)	(1,499,999)	862,181
(2,438,918)	(1,333,334)	(1,105,584)	<b>TOTAL NONOPERATING REVENUE (EXPENSE)</b>	<b>(5,176,353)</b>	<b>(5,999,998)</b>	<b>823,645</b>
938,656	(1,287,118)	2,225,775	<b>NET INCREASE (DECREASE) IN NET POSITION</b>	<b>13,212,088</b>	<b>(4,947,337)</b>	<b>18,159,425</b>
90.7%	93.3%	2.6%	<b>MEDICAL LOSS RATIO</b>	<b>92.8%</b>	<b>93.2%</b>	<b>0.3%</b>
5.6%	6.7%	1.0%	<b>ADMINISTRATIVE EXPENSE RATIO</b>	<b>5.5%</b>	<b>6.7%</b>	<b>1.2%</b>

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED SEPTEMBER 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
<b>ENROLLMENT</b>						
192,077	184,600	7,477	Family Members	1,686,430	1,647,000	39,430
77,938	70,565	7,373	Expansion Members	671,923	635,085	36,838
15,775	15,230	545	SPD Members	144,763	137,070	7,693
8,882	7,000	1,882	Other Members	74,271	63,000	11,271
12,250	10,500	1,750	Kaiser Members	104,982	94,500	10,482
306,922	287,895	19,027	<b>Total Members - MCAL</b>	2,682,369	2,576,655	105,714
<b>REVENUES</b>						
178.95	168.05	10.90	Title XIX - Medicaid - Family and Other	176.63	168.59	8.03
384.05	375.88	8.17	Title XIX - Medicaid - Expansion Members	385.89	375.88	10.02
1,019.03	1,004.24	14.78	Title XIX - Medicaid - SPD Members	981.46	1,004.24	(22.79)
34.40	35.67	(1.27)	Premium - MCO Tax	34.48	33.48	0.99
56.18	50.77	5.41	Premium - Hospital Directed Payments	55.96	50.88	5.08
(0.20)	0.60	(0.80)	Investment Earnings And Other Income	0.13	0.60	(0.47)
0.00	0.29	(0.29)	Reinsurance Recoveries	0.00	0.29	(0.29)
0.02	0.00	0.02	Rate Adjustments - Hospital Directed Payments	19.08	0.00	19.08
0.42	0.00	0.42	Rate/Income Adjustments	1.19	0.00	1.19
368.98	354.15	14.83	<b>TOTAL REVENUES</b>	387.22	353.03	34.19
<b>EXPENSES</b>						
Medical Costs:						
60.73	54.79	(5.94)	Physician Services	54.82	54.88	0.06
14.75	17.07	2.31	Other Professional Services	16.43	17.13	0.69
12.68	20.14	7.47	Emergency Room	15.92	20.16	4.24
68.90	55.66	(13.24)	Inpatient	69.03	55.81	(13.22)
0.29	0.29	0.00	Reinsurance Expense	0.29	0.29	0.00
25.55	25.25	(0.30)	Outpatient Hospital	27.40	25.32	(2.08)
35.88	36.71	0.83	Other Medical	37.47	36.77	(0.70)
33.64	37.90	4.26	Pharmacy	34.00	38.02	4.02
0.00	1.90	1.90	Pay for Performance Quality Incentive	1.68	1.90	0.22
0.00	0.00	0.00	Risk Corridor Expense	0.00	0.00	0.00
56.18	50.77	(5.41)	Hospital Directed Payments	55.96	50.88	(5.08)
(0.45)	0.00	0.45	Hospital Directed Payment Adjustment	18.68	0.00	(18.68)
0.07	0.00	(0.07)	Non-Claims Expense Adjustment	0.37	0.00	(0.37)
0.05	0.00	(0.05)	IBNR, Incentive, Paid Claims Adjustment	0.41	0.00	(0.41)
308.27	300.49	(7.79)	<b>Total Medical Costs</b>	332.47	301.16	(31.31)
60.71	53.67	7.04	<b>GROSS MARGIN</b>	54.75	51.87	2.87
Administrative:						
9.47	10.30	0.82	Compensation	9.58	10.39	0.81
3.29	3.86	0.58	Purchased Services	3.22	3.88	0.66
(0.06)	0.48	0.54	Supplies	0.28	0.48	0.20
1.45	1.80	0.35	Depreciation	1.49	1.81	0.33
1.51	1.39	(0.11)	Other Administrative Expenses	0.89	1.40	0.51
0.01	0.00	(0.01)	Administrative Expense Adjustment	(0.10)	0.00	0.10
15.67	17.83	2.16	<b>Total Administrative Expenses</b>	15.36	17.97	2.61
323.94	318.32	(5.62)	<b>TOTAL EXPENSES</b>	347.83	319.13	(28.70)
45.04	35.83	9.20	<b>OPERATING INCOME (LOSS) BEFORE TAX</b>	39.39	33.91	5.48
33.58	35.67	2.09	<b>MCO TAX</b>	32.26	33.48	1.23
11.46	0.17	11.30	<b>OPERATING INCOME (LOSS) NET OF TAX</b>	7.13	0.42	6.71
<b>NONOPERATING REVENUE (EXPENSE)</b>						
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00
(7.99)	(4.21)	(3.79)	Reserve Fund Projects/Community Grants	(1.76)	(1.81)	0.05
(0.28)	(0.60)	0.32	Health Home	(0.25)	(0.60)	0.36
(8.28)	(4.81)	(3.47)	<b>TOTAL NONOPERATING REVENUE (EXPENSE)</b>	(2.01)	(2.42)	0.41
3.19	(4.64)	7.83	<b>NET INCREASE (DECREASE) IN NET POSITION</b>	5.13	(1.99)	7.12
90.7%	93.3%	2.6%	<b>MEDICAL LOSS RATIO</b>	92.8%	93.2%	0.3%
5.6%	6.7%	1.0%	<b>ADMINISTRATIVE EXPENSE RATIO</b>	5.5%	6.7%	1.2%



# KHS Finance Committee Meeting, December 10, 2021

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH SEPTEMBER 30, 2021														SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	DECEMBER 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	13 MONTH TOTAL
<b>ENROLLMENT</b>																											
<b>Members - MCAL</b>																											
	278,100	272,481	275,080	277,452	278,517	276,880	282,972	284,587	287,199	289,309	290,980	292,271	294,672	3,680,500													
<b>REVENUES</b>																											
Title XIX - Medicaid - Family and Other	166.16	173.40	164.62	168.64	174.01	177.17	172.94	173.28	177.71	181.55	180.10	173.76	179.43	173.69													
Title XIX - Medicaid - Expansion Members	379.54	393.46	371.41	384.47	385.83	397.58	382.20	385.72	381.99	388.41	387.35	380.84	383.93	383.28													
Title XIX - Medicaid - SPD Members	972.22	945.03	1,012.68	989.03	957.28	816.21	1,005.21	978.42	1,017.24	1,020.90	1,029.14	1,023.27	1,017.48	980.46													
Premium - MCO Fee	29.96	33.64	30.61	31.83	34.39	34.88	34.47	34.45	34.39	34.43	34.45	34.45	34.40	33.59													
Premium - Hospital Directed Payments	32.77	36.53	33.86	35.10	34.29	55.01	45.76	51.78	51.57	76.52	56.15	55.98	56.18	49.55													
Investment Earnings And Other Income	(0.05)	0.56	0.61	0.53	0.02	0.42	(0.88)	0.72	0.68	(1.41)	(0.13)	1.94	(0.20)	0.21													
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00													
Rate Adjustments - Hospital Directed Payments	0.01	0.00	0.04	(0.01)	0.14	0.08	276.18	0.01	0.28	0.02	(100.18)	0.03	0.02	13.36													
Rate/Income Adjustments	0.25	(2.14)	0.46	0.82	2.87	2.15	5.40	0.94	2.07	(0.32)	(1.01)	(1.57)	0.42	0.79													
<b>TOTAL REVENUES</b>	<b>317.10</b>	<b>345.36</b>	<b>328.88</b>	<b>338.29</b>	<b>365.05</b>	<b>368.67</b>	<b>633.24</b>	<b>361.33</b>	<b>366.24</b>	<b>390.54</b>	<b>270.05</b>	<b>365.32</b>	<b>368.98</b>	<b>370.77</b>													
<b>EXPENSES</b>																											
<b>Medical Costs:</b>																											
Physician Services	52.19	51.96	50.41	45.63	53.52	53.21	53.22	54.96	54.82	55.96	52.60	54.13	60.73	53.39													
Other Professional Services	17.41	13.97	15.96	17.79	15.88	17.64	17.84	17.95	16.22	15.42	15.82	16.51	14.75	16.39													
Emergency Room	17.71	17.67	16.86	11.51	16.79	15.97	15.38	15.74	17.49	17.42	16.61	15.30	12.68	15.92													
Inpatient	64.29	62.89	62.57	69.14	71.28	69.78	62.12	64.72	71.65	71.69	70.60	70.42	68.90	67.74													
Reinsurance Expense	0.28	0.28	0.31	0.28	0.29	0.29	0.28	0.28	0.29	0.29	0.29	0.29	0.29	0.29													
Outpatient Hospital	24.47	24.42	22.58	23.66	25.52	23.87	25.30	30.51	30.79	30.42	27.28	27.18	25.55	26.31													
Other Medical	50.46	47.40	39.84	47.11	38.21	37.61	41.84	34.73	38.16	42.97	34.12	33.92	35.88	40.09													
Pharmacy	35.34	33.98	31.69	34.79	32.67	32.68	36.40	33.07	32.55	36.10	33.59	35.24	33.64	33.99													
Pay for Performance Quality Incentive	1.90	2.04	1.98	0.00	1.90	1.91	1.86	1.90	1.88	1.89	1.90	1.89	0.00	1.62													
Risk Corridor Expense	(9.71)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.73)													
Hospital Directed Payments	32.77	36.53	33.86	35.10	34.29	55.01	45.76	51.78	51.57	76.52	56.15	55.98	56.18	49.55													
Hospital Directed Payment Adjustment	0.02	0.00	0.02	(0.00)	0.14	0.08	273.37	0.01	0.00	0.01	(100.18)	0.03	(0.45)	13.09													
Non-Claims Expense Adjustment	(2.80)	0.02	(0.76)	0.01	1.03	0.84	0.75	0.25	0.20	0.16	(0.04)	0.12	0.07	(0.01)													
IBNR, Incentive, Paid Claims Adjustment	(15.53)	(0.02)	0.75	1.14	0.02	3.10	6.01	(0.30)	1.57	(7.70)	1.40	(0.19)	0.05	(0.74)													
<b>Total Medical Costs</b>	<b>268.81</b>	<b>291.15</b>	<b>276.06</b>	<b>286.15</b>	<b>311.55</b>	<b>311.99</b>	<b>580.14</b>	<b>305.61</b>	<b>317.21</b>	<b>341.14</b>	<b>210.13</b>	<b>310.81</b>	<b>308.27</b>	<b>316.90</b>													
<b>GROSS MARGIN</b>																											
	48.29	54.21	52.82	52.14	53.50	56.67	53.10	55.72	49.03	49.39	59.92	54.52	60.71	53.88													
<b>Administrative:</b>																											
Compensation	9.48	9.59	8.93	9.97	9.95	10.50	8.68	9.46	9.57	9.44	9.64	9.52	9.47	9.55													
Purchased Services	1.52	2.53	2.71	4.23	2.94	2.98	3.33	3.46	3.47	3.41	3.23	2.89	3.29	3.08													
Supplies	0.26	0.13	0.39	0.14	0.21	0.21	0.02	0.46	0.20	0.30	0.54	0.66	(0.06)	0.27													
Depreciation	1.51	1.54	1.53	1.52	1.52	1.53	1.51	1.50	1.47	1.47	1.46	1.46	1.45	1.50													
Other Administrative Expenses	1.07	0.51	0.88	1.27	1.00	0.97	0.36	0.87	0.80	0.81	0.94	0.73	1.51	0.90													
Administrative Expense Adjustment	0.00	0.00	0.00	5.07	0.07	(0.98)	0.20	(0.02)	(0.00)	(0.22)	(0.01)	(0.01)	0.01	0.31													
<b>Total Administrative Expenses</b>	<b>13.83</b>	<b>14.30</b>	<b>14.44</b>	<b>22.20</b>	<b>15.68</b>	<b>15.20</b>	<b>14.10</b>	<b>15.74</b>	<b>15.52</b>	<b>15.20</b>	<b>15.81</b>	<b>15.26</b>	<b>15.67</b>	<b>15.61</b>													
<b>TOTAL EXPENSES</b>	<b>282.64</b>	<b>305.45</b>	<b>290.50</b>	<b>308.34</b>	<b>327.23</b>	<b>327.19</b>	<b>594.24</b>	<b>321.35</b>	<b>332.73</b>	<b>356.35</b>	<b>225.94</b>	<b>326.07</b>	<b>323.94</b>	<b>332.51</b>													
<b>OPERATING INCOME (LOSS) BEFORE TAX</b>	<b>34.46</b>	<b>39.91</b>	<b>38.39</b>	<b>29.94</b>	<b>37.82</b>	<b>41.48</b>	<b>39.00</b>	<b>39.98</b>	<b>33.52</b>	<b>34.19</b>	<b>44.10</b>	<b>39.25</b>	<b>45.04</b>	<b>38.27</b>													
<b>MCO TAX</b>	<b>32.02</b>	<b>32.68</b>	<b>32.37</b>	<b>32.09</b>	<b>31.97</b>	<b>32.16</b>	<b>31.57</b>	<b>31.29</b>	<b>31.01</b>	<b>30.78</b>	<b>34.00</b>	<b>33.85</b>	<b>33.58</b>	<b>32.27</b>													
<b>OPERATING INCOME (LOSS) NET OF TAX</b>	<b>2.44</b>	<b>7.23</b>	<b>6.01</b>	<b>(2.15)</b>	<b>5.85</b>	<b>9.31</b>	<b>7.43</b>	<b>8.69</b>	<b>2.51</b>	<b>3.41</b>	<b>10.10</b>	<b>5.40</b>	<b>11.46</b>	<b>6.00</b>													
<b>TOTAL NONOPERATING REVENUE (EXPENSE)</b>	<b>(0.64)</b>	<b>(4.36)</b>	<b>(3.39)</b>	<b>5.16</b>	<b>(0.49)</b>	<b>(0.55)</b>	<b>(0.31)</b>	<b>(0.59)</b>	<b>(0.86)</b>	<b>(0.57)</b>	<b>(2.87)</b>	<b>(3.25)</b>	<b>(8.28)</b>	<b>(1.64)</b>													
<b>NET INCREASE (DECREASE) IN NET POSITION</b>	<b>1.81</b>	<b>2.87</b>	<b>2.63</b>	<b>3.01</b>	<b>5.36</b>	<b>8.77</b>	<b>7.12</b>	<b>8.10</b>	<b>1.65</b>	<b>2.84</b>	<b>7.24</b>	<b>2.15</b>	<b>3.19</b>	<b>4.36</b>													
<b>MEDICAL LOSS RATIO</b>	<b>92.8%</b>	<b>92.5%</b>	<b>91.6%</b>	<b>92.5%</b>	<b>93.1%</b>	<b>92.2%</b>	<b>94.3%</b>	<b>92.3%</b>	<b>94.9%</b>	<b>94.6%</b>	<b>90.9%</b>	<b>92.7%</b>	<b>90.7%</b>	<b>92.7%</b>													
<b>ADMINISTRATIVE EXPENSE RATIO</b>	<b>5.4%</b>	<b>5.2%</b>	<b>5.5%</b>	<b>8.2%</b>	<b>5.7%</b>	<b>5.5%</b>	<b>5.1%</b>	<b>5.7%</b>	<b>5.5%</b>	<b>5.4%</b>	<b>5.7%</b>	<b>5.6%</b>	<b>5.6%</b>	<b>5.7%</b>													

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED SEPTEMBER 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
<b>REVENUES</b>						
<b>Title XIX - Medicaid - Family &amp; Other</b>						
27,773,359	24,881,137	2,892,222	Premium - Medi-Cal	242,785,280	222,743,288	20,041,992
3,070,468	2,520,887	549,581	Premium - Maternity Kick	21,424,625	22,687,983	(1,263,358)
17,647	79,781	(62,134)	Premium - Hep C Kick	336,527	712,036	(375,509)
734,756	493,145	241,611	Premium - BHT Kick	5,641,806	4,401,245	1,240,561
195,615	178,369	17,246	Premium - Health Home Kick	1,503,317	1,591,916	(88,599)
3,716,806	3,505,252	211,554	Premium - Provider Enhancement	32,598,105	31,336,741	1,261,364
187,196	170,029	17,167	Premium - Ground Emergency Medical Transportation	1,636,821	1,522,195	114,626
153,195	277,284	(124,089)	Premium - Behavioral Health Integration Program	4,090,062	2,474,719	1,615,343
112,422	91,886	20,536	Other	974,140	826,254	147,886
35,961,464	32,197,771	3,763,693	<b>Total Title XIX - Medicaid - Family &amp; Other</b>	<b>310,990,683</b>	<b>288,296,378</b>	<b>22,694,305</b>
<b>Title XIX - Medicaid - Expansion Members</b>						
27,080,630	24,002,303	3,078,327	Premium - Medi-Cal	234,504,803	216,020,727	18,484,076
471,811	214,253	257,558	Premium - Maternity Kick	3,289,279	1,928,277	1,361,002
174,729	202,017	(27,288)	Premium - Hep C Kick	1,686,133	1,818,152	(132,019)
332,127	356,121	(23,994)	Premium - Health Home Kick	2,575,829	3,205,089	(629,260)
1,589,939	1,455,050	134,889	Premium - Provider Enhancement	13,769,736	13,095,450	674,286
190,904	165,235	25,669	Premium - Ground Emergency Medical Transportation	1,653,299	1,487,115	166,184
59,726	102,122	(42,396)	Premium - Behavioral Health Integration Program	1,533,633	919,098	614,535
32,180	26,600	5,580	Other	278,717	239,400	39,317
29,932,046	26,523,701	3,408,345	<b>Total Title XIX - Medicaid - Expansion Members</b>	<b>259,291,429</b>	<b>238,713,308</b>	<b>20,578,121</b>
<b>Title XIX - Medicaid - SPD Members</b>						
14,464,666	13,474,791	989,875	Premium - Medi-Cal	128,291,037	121,273,115	7,017,922
52,419	100,288	(47,869)	Premium - Hep C Kick	436,822	902,589	(465,767)
673,644	763,566	(89,922)	Premium - BHT Kick	5,411,656	6,872,092	(1,460,436)
266,090	351,842	(85,752)	Premium - Health Home Kick	2,215,650	3,166,578	(950,928)
470,113	454,632	15,481	Premium - Provider Enhancement	4,169,243	4,091,688	77,555
136,114	127,475	8,639	Premium - Ground Emergency Medical Transportation	1,207,141	1,147,275	59,866
12,126	22,041	(9,915)	Premium - Behavioral Health Integration Program	346,949	198,369	148,580
16,075,172	15,294,634	780,538	<b>Total Title XIX - Medicaid - SPD Members</b>	<b>142,078,498</b>	<b>137,651,705</b>	<b>4,426,793</b>

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED SEPTEMBER 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			<b>PHYSICIAN SERVICES</b>			
3,847,107	3,078,549	(768,558)	Primary Care Physician Services	31,388,030	27,557,257	(3,830,773)
11,970,037	10,604,663	(1,365,374)	Referral Specialty Services	97,409,254	95,094,142	(2,315,112)
2,069,391	1,507,230	(562,161)	Urgent Care & After Hours Advise	12,416,202	13,482,993	1,066,791
9,000	9,000	-	Hospital Admitting Team	81,900	81,900	-
<b>17,895,535</b>	<b>15,199,441</b>	<b>(2,696,094)</b>	<b>TOTAL PHYSICIAN SERVICES</b>	<b>141,295,386</b>	<b>136,216,291</b>	<b>(5,079,095)</b>
			<b>OTHER PROFESSIONAL SERVICES</b>			
305,529	296,367	(9,162)	Vision Service Capitation	2,689,549	2,651,945	(37,604)
221,627	212,115	(9,512)	221 - Business Intelligence	1,918,016	1,909,035	(8,981)
676,703	597,920	(78,783)	310 - Health Services - Utilization Management - UM Allocation *	5,522,054	5,381,280	(140,774)
135,328	189,152	53,824	311 - Health Services - Quality Improvement - UM Allocation *	1,261,758	1,702,368	440,610
126,475	123,337	(3,138)	312 - Health Services - Education - UM Allocation *	1,074,153	1,110,031	35,878
75,395	80,283	4,888	313 - Health Services - Pharmacy - UM Allocation *	680,549	722,547	41,998
156,150	210,465	54,315	314 - Health Homes - UM Allocation *	1,279,892	1,894,185	614,293
351,075	270,692	(80,383)	315 - Case Management - UM Allocation *	2,509,512	2,436,228	(73,284)
62,029	-	(62,029)	316 - Population Health Management - UM Allocation *	63,762	-	(63,762)
14,485	-	(14,485)	317 - In Lieu of Services - UM Allocation *	14,485	-	(14,485)
53,328	56,773	3,445	616 - Disease Management - UM Allocation *	533,486	510,957	(22,529)
1,080,856	1,256,711	175,855	Behavior Health Treatment	10,897,312	11,273,336	376,024
92,882	189,952	97,070	Mental Health Services	1,142,887	1,704,124	561,237
995,897	1,250,658	254,761	Other Professional Services	12,770,346	11,219,943	(1,550,403)
<b>4,347,759</b>	<b>4,734,425</b>	<b>386,666</b>	<b>TOTAL OTHER PROFESSIONAL SERVICES</b>	<b>42,357,761</b>	<b>42,515,979</b>	<b>158,218</b>
3,735,609	5,587,729	1,852,120	EMERGENCY ROOM	41,036,204	50,040,112	9,003,908
20,303,427	15,440,744	(4,862,683)	INPATIENT HOSPITAL	177,917,103	138,527,657	(39,389,446)
84,384	80,445	(3,939)	REINSURANCE EXPENSE PREMIUM	742,828	719,825	(23,003)
7,529,697	7,004,939	(524,758)	OUTPATIENT HOSPITAL SERVICES	70,613,828	62,853,784	(7,760,044)
			<b>OTHER MEDICAL</b>			
1,451,342	1,555,695	104,353	Ambulance and NEMT	11,998,760	13,938,820	1,940,060
595,101	426,682	(168,419)	Home Health Services & CBAS	6,300,172	3,828,480	(2,471,692)
404,807	491,325	86,518	Utilization and Quality Review Expenses	3,599,001	4,421,925	822,924
1,619,759	1,302,167	(317,592)	Long Term/SNF/Hospice	12,224,055	11,699,636	(524,419)
263,420	395,719	132,299	Health Home Capitation & Incentive	2,403,337	3,550,101	1,146,764
5,498,898	5,148,026	(350,872)	Provider Enhancement Expense - Prop. 56	48,104,069	46,076,962	(2,027,107)
514,078	462,739	(51,339)	Provider Enhancement Expense - GEMT	4,157,005	4,156,585	(420)
-	-	-	Provider COVID-19 Expenses	2,125,900	-	(2,125,900)
225,049	401,447	176,398	Behavioral Health Integration Program	5,770,645	3,592,185	(2,178,460)
<b>10,572,454</b>	<b>10,183,801</b>	<b>(388,653)</b>	<b>TOTAL OTHER MEDICAL</b>	<b>96,582,944</b>	<b>91,264,693</b>	<b>(5,318,251)</b>
			<b>PHARMACY SERVICES</b>			
8,903,588	9,392,400	488,812	RX - Drugs & OTC	78,695,115	84,315,600	5,620,485
258,446	382,086	123,640	RX - HEP-C	2,424,999	3,432,777	1,007,778
761,862	771,580	9,718	Rx - DME	7,498,101	6,926,136	(571,965)
(10,322)	(33,386)	(23,064)	RX - Pharmacy Rebates	(977,912)	(299,717)	(678,195)
9,913,574	10,512,680	599,106	<b>TOTAL PHARMACY SERVICES</b>	<b>87,640,303</b>	<b>94,374,796</b>	<b>6,734,493</b>
-	527,051	527,051	PAY FOR PERFORMANCE QUALITY INCENTIVE	4,317,262	4,716,095	398,833
-	-	-	RISK CORRIDOR EXPENSE	-	-	-
16,554,814	14,082,143	(2,472,671)	HOSPITAL DIRECTED PAYMENTS	144,240,181	126,295,274	(17,944,907)
(132,637)	-	132,637	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	48,151,841	-	(48,151,841)
20,737	-	(20,737)	NON-CLAIMS EXPENSE ADJUSTMENT	953,907	-	(953,907)
14,595	-	(14,595)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	1,065,666	-	(1,065,666)
<b>90,839,948</b>	<b>83,353,396</b>	<b>(7,486,552)</b>	<b>Total Medical Costs</b>	<b>856,915,214</b>	<b>747,524,506</b>	<b>(109,390,708)</b>

\* Medical costs per DMHC regulations



CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED SEPTEMBER 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
13.06	11.10	(1.96)	PHYSICIAN SERVICES	12.18	11.10	(1.08)
40.62	38.23	(2.39)	Primary Care Physician Services	37.79	38.31	0.52
7.02	5.43	(1.59)	Referral Specialty Services	4.82	5.43	0.61
0.03	0.03	0.00	Urgent Care & After Hours Advise	0.03	0.03	0.00
60.73	54.79	(5.94)	Hospital Admitting Team	54.82	54.88	0.06
			TOTAL PHYSICIAN SERVICES			
			OTHER PROFESSIONAL SERVICES			
1.04	1.07	0.03	Vision Service Capitation	1.04	1.07	0.02
0.75	0.76	0.01	221 - Business Intelligence	0.74	0.77	0.02
2.30	2.16	(0.14)	310 - Health Services - Utilization Management - UM Allocation *	2.14	2.17	0.03
0.46	0.68	0.22	311 - Health Services - Quality Improvement - UM Allocation *	0.49	0.69	0.20
0.43	0.44	0.02	312 - Health Services - Education - UM Allocation *	0.42	0.45	0.03
0.26	0.29	0.03	313 - Health Services - Pharmacy - UM Allocation *	0.26	0.29	0.03
0.53	0.76	0.23	314 - Health Homes - UM Allocation *	0.50	0.76	0.27
1.19	0.98	(0.22)	315 - Case Management - UM Allocation *	0.97	0.98	0.01
0.21	0.00	(0.21)	316 - Population Health Management - UM Allocation *	0.02	0.00	(0.02)
0.05	0.00	(0.05)	317 - In Lieu of Services - UM Allocation *	0.01	0.00	(0.01)
0.18	0.20	0.02	616 - Disease Management - UM Allocation *	0.21	0.21	(0.00)
3.67	4.53	0.86	Behavior Health Treatment	4.23	4.54	0.31
0.32	0.68	0.37	Mental Health Services	0.44	0.69	0.24
3.38	4.51	1.13	Other Professional Services	4.95	4.52	(0.43)
14.75	17.07	2.31	TOTAL OTHER PROFESSIONAL SERVICES	16.43	17.13	0.69
12.68	20.14	7.47	EMERGENCY ROOM	15.92	20.16	4.24
68.90	55.66	(13.24)	INPATIENT HOSPITAL	69.03	55.81	(13.22)
0.29	0.29	0.00	REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.00
25.55	25.25	(0.30)	OUTPATIENT HOSPITAL SERVICES	27.40	25.32	(2.08)
			OTHER MEDICAL			
4.93	5.61	0.68	Ambulance and NEMT	4.66	5.62	0.96
2.02	1.54	(0.48)	Home Health Services & CBAS	2.41	1.54	(0.86)
1.37	1.77	0.40	Utilization and Quality Review Expenses	1.40	1.78	0.39
5.50	4.69	(0.80)	Long Term/SNF/Hospice	4.74	4.71	(0.03)
0.89	1.43	0.53	Health Home Capitation & Incentive	0.93	1.43	0.50
18.66	18.56	(0.10)	Provider Enhancement Expense - Prop. 56	18.66	18.56	(0.10)
1.74	1.67	(0.08)	Provider Enhancement Expense - GEMT	1.61	1.67	0.06
0.00	0.00	0.00	Provider COVID-19 Expenses	0.82	0.00	(0.82)
0.76	1.45	0.68	Behavioral Health Integration Program	2.24	1.45	(0.79)
35.88	36.71	0.83	TOTAL OTHER MEDICAL	37.47	36.77	(0.70)
			PHARMACY SERVICES			
30.22	33.86	3.64	RX - Drugs & OTC	30.53	33.97	3.44
0.88	1.38	0.50	RX - HEP-C	0.94	1.38	0.44
2.59	2.78	0.20	Rx - DME	2.91	2.79	(0.12)
(0.04)	(0.12)	(0.09)	RX - Pharmacy Rebates	(0.38)	(0.12)	0.26
33.64	37.90	4.26	TOTAL PHARMACY SERVICES	34.00	38.02	4.02
	1.90	1.90	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.68	1.90	0.22
0.00	0.00	0.00	RISK CORRIDOR EXPENSE	0.00	0.00	0.00
56.18	50.77	(5.41)	HOSPITAL DIRECTED PAYMENTS	55.96	50.88	(5.08)
(0.45)	0.00	0.45	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	18.68	0.00	(18.68)
0.05	0.00	(0.07)	NON-CLAIMS EXPENSE ADJUSTMENT	0.37	0.00	(0.37)
0.05	0.00	(0.05)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.41	0.00	(0.41)
308.27	300.49	(7.79)	Total Medical Costs	332.47	301.16	(31.31)

\* Medical costs per DMHC regulations

KHS Finance Committee Meeting, December 10, 2021

KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH SEPTEMBER 30, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	YEAR TO DATE 2021
<b>PHYSICIAN SERVICES</b>										
Primary Care Physician Services	2,962,264	2,963,060	3,567,494	3,563,867	3,699,457	3,720,742	3,239,377	3,824,662	3,847,107	31,388,030
Referral Specialty Services	10,512,215	10,171,851	9,997,168	11,114,617	11,103,264	11,178,950	10,801,894	10,559,258	11,970,037	97,409,254
Urgent Care & After Hours Advise	1,423,381	1,588,229	1,484,832	954,611	932,687	1,282,025	1,254,796	1,426,250	2,069,391	12,416,202
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	9,000	9,300	9,300	9,000	81,900
<b>TOTAL PHYSICIAN SERVICES</b>	<b>14,907,160</b>	<b>14,731,540</b>	<b>15,058,794</b>	<b>15,642,095</b>	<b>15,744,708</b>	<b>16,190,717</b>	<b>15,305,367</b>	<b>15,819,470</b>	<b>17,895,535</b>	<b>141,295,386</b>
<b>OTHER PROFESSIONAL SERVICES</b>										
Vision Service Capitation	294,054	292,442	292,443	289,005	305,213	298,817	304,301	307,745	305,529	2,689,549
221 - Business Intelligence	210,663	222,415	197,310	217,207	221,546	203,314	200,446	223,488	221,627	1,918,016
310 - Health Services - Utilization Management - UM Allocation *	595,003	563,907	605,345	602,798	602,089	619,127	626,829	630,253	676,703	5,522,054
311 - Health Services - Quality Improvement - UM Allocation *	138,388	123,443	154,295	136,098	147,314	146,837	148,762	131,293	135,328	1,261,758
312 - Health Services - Education - UM Allocation *	120,621	124,149	95,259	119,982	120,314	125,926	121,160	120,267	126,475	1,074,153
313 - Health Services - Pharmacy - UM Allocation *	75,046	75,369	75,552	75,945	76,277	74,167	76,519	76,279	75,395	680,549
314 - Health Homes - UM Allocation *	120,170	119,317	173,098	121,413	138,809	140,463	139,741	170,731	156,150	1,279,892
315 - Case Management - UM Allocation *	270,657	261,834	281,125	260,034	269,323	261,708	293,801	259,955	351,075	2,509,512
316 - Population Health Management - UM Allocation *	-	-	-	-	-	-	-	1,733	62,029	63,762
317 - In Lieu of Services - UM Allocation *	-	-	-	-	-	-	-	-	14,485	14,485
616 - Disease Management - UM Allocation *	62,998	58,064	72,219	57,851	56,419	55,347	58,576	58,684	53,328	533,486
Behavior Health Treatment	867,517	947,944	1,407,309	1,506,149	1,204,226	1,186,572	1,269,876	1,426,863	1,080,856	10,897,312
Mental Health Services	292,517	181,749	96,618	153,559	43,140	72,194	95,878	114,350	92,882	1,142,887
Other Professional Services	1,373,918	1,913,308	1,598,054	1,567,152	1,473,713	1,275,979	1,268,554	1,303,771	995,897	12,770,346
<b>TOTAL OTHER PROFESSIONAL SERVICES</b>	<b>4,421,552</b>	<b>4,883,941</b>	<b>5,048,627</b>	<b>5,107,193</b>	<b>4,658,383</b>	<b>4,460,451</b>	<b>4,604,443</b>	<b>4,825,412</b>	<b>4,347,759</b>	<b>42,357,761</b>
<b>EMERGENCY ROOM</b>	<b>4,676,327</b>	<b>4,420,437</b>	<b>4,353,449</b>	<b>4,480,205</b>	<b>5,023,372</b>	<b>5,040,670</b>	<b>4,833,831</b>	<b>4,472,304</b>	<b>3,735,609</b>	<b>41,036,204</b>
<b>INPATIENT HOSPITAL</b>	<b>19,853,180</b>	<b>19,321,533</b>	<b>17,577,565</b>	<b>18,419,878</b>	<b>20,578,157</b>	<b>20,739,625</b>	<b>20,542,490</b>	<b>20,581,248</b>	<b>20,303,427</b>	<b>177,917,103</b>
<b>REINSURANCE EXPENSE PREMIUM</b>	<b>81,215</b>	<b>80,770</b>	<b>80,461</b>	<b>80,129</b>	<b>84,297</b>	<b>82,530</b>	<b>84,045</b>	<b>84,997</b>	<b>84,384</b>	<b>742,828</b>
<b>OUTPATIENT HOSPITAL SERVICES</b>	<b>7,108,674</b>	<b>6,610,422</b>	<b>7,160,111</b>	<b>8,681,740</b>	<b>8,842,725</b>	<b>8,800,023</b>	<b>7,937,455</b>	<b>7,942,981</b>	<b>7,529,697</b>	<b>70,613,828</b>
<b>OTHER MEDICAL</b>										
Ambulance and NEMT	1,400,971	1,208,039	1,444,178	1,338,929	1,314,492	1,189,224	1,328,439	1,323,146	1,451,342	11,998,760
Home Health Services & CBAS	490,933	582,371	853,147	657,817	707,296	964,318	749,534	599,655	595,101	6,200,172
Utilization and Quality Review Expenses	228,696	372,499	688,633	430,683	359,626	509,705	373,641	230,711	404,807	3,599,001
Long Term/SNF/Hospice	1,616,577	1,132,832	1,933,711	1,041,624	1,114,812	1,301,188	1,204,596	1,258,956	1,619,759	12,224,055
Health Home Capitation & Incentive	211,140	294,005	334,675	299,855	228,752	341,280	162,780	267,430	263,420	2,403,337
Provider Enhancement Expense - Prop. 56	5,190,164	5,226,990	5,265,692	5,318,961	5,342,952	5,386,833	5,433,266	5,440,313	5,498,898	48,104,069
Provider Enhancement Expense - GEMT	456,380	456,381	265,311	423,904	494,669	527,330	449,942	569,010	514,078	4,157,005
Provider COVID-19 Expenses	674,580	767,440	683,880	-	-	-	-	-	-	2,125,900
Behavioral Health Integration Program	371,672	371,672	371,672	371,672	1,398,038	2,210,773	225,049	225,048	225,049	5,770,645
<b>TOTAL OTHER MEDICAL</b>	<b>10,641,113</b>	<b>10,412,229</b>	<b>11,840,899</b>	<b>9,883,445</b>	<b>10,960,637</b>	<b>12,430,651</b>	<b>9,927,247</b>	<b>9,914,269</b>	<b>10,572,454</b>	<b>96,582,944</b>
<b>PHARMACY SERVICES</b>										
RX - Drugs & OTC	8,174,252	8,080,594	9,316,542	8,462,224	8,518,642	9,049,899	8,878,267	9,311,107	8,903,588	78,695,115
RX - HEP-C	245,144	264,815	249,449	260,020	290,418	365,687	239,266	251,754	258,446	2,424,999
Rx - DME	815,963	839,212	868,236	825,453	690,067	1,035,049	791,678	870,581	761,862	7,498,101
RX - Pharmacy Rebates	(135,000)	(135,000)	(135,000)	(135,000)	(149,643)	(7,947)	(135,000)	(135,000)	(10,322)	(977,912)
<b>TOTAL PHARMACY SERVICES</b>	<b>9,100,359</b>	<b>9,049,621</b>	<b>10,299,227</b>	<b>9,412,697</b>	<b>9,349,484</b>	<b>10,442,688</b>	<b>9,774,211</b>	<b>10,298,442</b>	<b>9,913,574</b>	<b>87,640,303</b>
<b>PAY FOR PERFORMANCE QUALITY INCENTIVE</b>	<b>529,182</b>	<b>529,183</b>	<b>526,070</b>	<b>540,715</b>	<b>540,715</b>	<b>545,673</b>	<b>552,862</b>	<b>552,862</b>	<b>-</b>	<b>4,317,262</b>
<b>RISK CORRIDOR EXPENSE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>HOSPITAL DIRECTED PAYMENTS</b>	<b>15,121,903</b>	<b>15,230,282</b>	<b>12,949,303</b>	<b>14,734,613</b>	<b>14,811,759</b>	<b>22,138,233</b>	<b>16,337,330</b>	<b>16,361,944</b>	<b>16,554,814</b>	<b>144,240,181</b>
<b>HOSPITAL DIRECTED PAYMENT ADJUSTMENT</b>	<b>39,990</b>	<b>21,878</b>	<b>77,356,953</b>	<b>3,134</b>	<b>597</b>	<b>3,943</b>	<b>(29,149,382)</b>	<b>7,365</b>	<b>(132,637)</b>	<b>48,151,841</b>
<b>NON-CLAIMS EXPENSE ADJUSTMENT</b>	<b>287,063</b>	<b>233,372</b>	<b>212,564</b>	<b>71,855</b>	<b>58,763</b>	<b>46,953</b>	<b>(11,833)</b>	<b>34,433</b>	<b>20,737</b>	<b>953,907</b>
<b>IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT</b>	<b>4,787</b>	<b>858,658</b>	<b>1,700,070</b>	<b>(85,946)</b>	<b>449,838</b>	<b>(2,226,487)</b>	<b>406,066</b>	<b>(55,915)</b>	<b>14,595</b>	<b>1,065,666</b>
<b>Total Medical Costs</b>	<b>86,772,505</b>	<b>86,383,866</b>	<b>164,164,093</b>	<b>86,971,753</b>	<b>91,103,435</b>	<b>98,695,670</b>	<b>61,144,132</b>	<b>90,839,812</b>	<b>90,839,948</b>	<b>856,915,214</b>

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH SEPTEMBER 30, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	YEAR TO DATE 2021
<b>PHYSICIAN SERVICES</b>										
Primary Care Physician Services	10.64	10.70	12.61	12.52	12.88	12.86	11.13	13.09	13.06	12.18
Referral Specialty Services	37.74	36.74	35.33	39.06	38.66	38.64	37.12	36.13	40.62	37.79
Urgent Care & After Hours Advise	5.11	5.74	5.25	3.35	3.25	4.43	4.31	4.88	7.02	4.82
Hospital Admitting Team	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
<b>TOTAL PHYSICIAN SERVICES</b>	<b>53.52</b>	<b>53.21</b>	<b>53.22</b>	<b>54.96</b>	<b>54.82</b>	<b>55.96</b>	<b>52.60</b>	<b>54.13</b>	<b>60.73</b>	<b>54.82</b>
<b>OTHER PROFESSIONAL SERVICES</b>										
Vision Service Capitation	1.06	1.06	1.03	1.02	1.06	1.03	1.05	1.05	1.04	1.04
221 - Business Intelligence	0.76	0.80	0.70	0.76	0.77	0.70	0.69	0.76	0.75	0.74
310 - Health Services - Utilization Management - UM Allocation *	2.14	2.04	2.14	2.12	2.10	2.14	2.15	2.16	2.30	2.14
311 - Health Services - Quality Improvement - UM Allocation *	0.50	0.45	0.55	0.48	0.51	0.51	0.51	0.45	0.46	0.49
312 - Health Services - Education - UM Allocation *	0.43	0.45	0.34	0.42	0.42	0.44	0.42	0.41	0.43	0.42
313 - Health Services - Pharmacy - UM Allocation *	0.27	0.27	0.27	0.27	0.27	0.26	0.26	0.26	0.26	0.26
314 - Health Homes - UM Allocation *	0.43	0.43	0.61	0.43	0.48	0.49	0.48	0.58	0.53	0.50
315 - Case Management - UM Allocation *	0.97	0.95	0.99	0.91	0.94	0.90	1.01	0.89	1.19	0.97
316 - Population Health Management - UM Allocation *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.21	0.02
317 - In Lieu of Services - UM Allocation *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.01
616 - Disease Management - UM Allocation *	0.23	0.21	0.26	0.20	0.20	0.19	0.20	0.20	0.18	0.21
Behavior Health Treatment	3.11	3.42	4.97	5.29	4.19	4.10	4.36	4.88	3.67	4.23
Mental Health Services	1.05	0.66	0.34	0.54	0.15	0.25	0.33	0.39	0.32	0.44
Other Professional Services	4.93	6.91	5.65	5.51	5.13	4.41	4.36	4.46	3.38	4.95
<b>TOTAL OTHER PROFESSIONAL SERVICES</b>	<b>15.88</b>	<b>17.64</b>	<b>17.84</b>	<b>17.95</b>	<b>16.22</b>	<b>15.42</b>	<b>15.82</b>	<b>16.51</b>	<b>14.75</b>	<b>16.43</b>
<b>EMERGENCY ROOM</b>	<b>16.79</b>	<b>15.97</b>	<b>15.38</b>	<b>15.74</b>	<b>17.49</b>	<b>17.42</b>	<b>16.61</b>	<b>15.30</b>	<b>12.68</b>	<b>15.92</b>
INPATIENT HOSPITAL	71.28	69.78	62.12	64.72	71.65	71.69	70.60	70.42	68.90	69.03
REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.28	0.28	0.29	0.29	0.29	0.29	0.29	0.29
OUTPATIENT HOSPITAL SERVICES	25.52	23.87	25.30	30.51	30.79	30.42	27.28	27.18	25.55	27.40
<b>OTHER MEDICAL</b>										
Ambulance and NEMT	5.03	4.36	5.10	4.70	4.58	4.11	4.57	4.53	4.93	4.66
Home Health Services & CBAS	1.76	2.10	3.01	2.31	2.46	3.33	2.58	2.05	2.02	2.41
Utilization and Quality Review Expenses	0.82	1.35	2.43	1.51	1.25	1.76	1.38	0.79	1.37	1.40
Long Term/SNF/Hospice	5.80	4.09	6.83	3.66	3.88	4.50	4.14	4.31	5.50	4.74
Health Home Capitation & Incentive	0.76	1.06	1.18	1.05	0.80	1.18	0.56	0.92	0.89	0.93
Provider Enhancement Expense - Prop. 56	18.63	18.88	18.61	18.69	18.60	18.62	18.67	18.61	18.66	18.66
Provider Enhancement Expense - GEMT	1.64	1.65	0.94	1.49	1.72	1.82	1.55	1.95	1.74	1.61
Provider COVID-19 Expenses	2.42	2.77	2.42	0.00	0.00	0.00	0.00	0.00	0.00	0.82
Behavioral Health Integration Program	1.33	1.34	1.31	1.31	4.87	7.64	0.77	0.77	0.76	2.24
<b>TOTAL OTHER MEDICAL</b>	<b>38.21</b>	<b>37.61</b>	<b>41.84</b>	<b>34.73</b>	<b>38.16</b>	<b>42.97</b>	<b>34.12</b>	<b>33.92</b>	<b>35.88</b>	<b>37.47</b>
<b>PHARMACY SERVICES</b>										
RX - Drugs & OTC	29.35	29.18	32.92	29.74	29.66	31.28	30.51	31.86	30.22	30.53
RX - HEP-C	0.88	0.96	0.88	0.91	1.01	1.26	0.82	0.86	0.88	0.94
Rx - DME	2.93	3.03	3.07	2.90	2.40	3.58	2.72	2.98	2.59	2.91
RX - Pharmacy Rebates	(0.48)	(0.49)	(0.48)	(0.47)	(0.52)	(0.03)	(0.46)	(0.46)	(0.04)	(0.38)
<b>TOTAL PHARMACY SERVICES</b>	<b>32.67</b>	<b>32.68</b>	<b>36.40</b>	<b>33.07</b>	<b>32.55</b>	<b>36.10</b>	<b>33.59</b>	<b>35.24</b>	<b>33.64</b>	<b>34.00</b>
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.90	1.91	1.86	1.90	1.88	1.89	1.90	1.89	0.00	1.68
RISK CORRIDOR EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HOSPITAL DIRECTED PAYMENTS	54.29	55.01	45.76	51.78	51.57	76.52	56.15	55.98	56.18	55.96
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	0.14	0.08	273.37	0.01	0.00	0.01	(100.18)	0.03	(0.45)	18.68
NON-CLAIMS EXPENSE ADJUSTMENT	1.03	0.84	0.75	0.25	0.20	0.16	(0.04)	0.12	0.07	0.37
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.02	3.10	6.01	(0.30)	1.57	(7.70)	1.40	(0.19)	0.05	0.41
<b>Total Medical Costs</b>	<b>311.55</b>	<b>311.99</b>	<b>580.14</b>	<b>305.61</b>	<b>317.21</b>	<b>341.14</b>	<b>210.13</b>	<b>310.81</b>	<b>308.27</b>	<b>332.47</b>

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED SEPTEMBER 30, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
484,965	377,031	(107,934)	110 - Executive	3,437,855	3,468,280	30,425
196,234	212,651	16,417	210 - Accounting	1,747,604	1,913,860	166,256
328,212	362,443	34,231	220 - Management Information Systems	3,229,652	3,261,989	32,337
11,602	64,468	52,866	221 - Business Intelligence	120,295	580,212	459,917
261,069	281,931	20,862	222 - Enterprise Development	2,207,405	2,537,378	329,973
374,951	448,524	73,573	225 - Infrastructure	3,495,346	4,036,713	541,367
653,741	576,323	(77,418)	230 - Claims	4,943,082	5,186,908	243,826
93,857	149,779	55,922	240 - Project Management	1,129,408	1,348,014	218,606
111,276	101,775	(9,501)	310 - Health Services - Utilization Management	961,400	915,974	(45,426)
19,122	27,902	8,780	311 - Health Services - Quality Improvement	172,764	251,119	78,355
-	55	55	312 - Health Services - Education	59	495	436
155,452	142,146	(13,306)	313- Pharmacy	1,336,428	1,279,312	(57,116)
35	6,642	6,607	314 - Health Homes	4,260	59,775	55,515
31,573	22,357	(9,216)	315 - Case Management	219,264	201,211	(18,053)
27,472	29,325	1,853	616 - Disease Management	274,842	263,927	(10,915)
294,114	323,502	29,388	320 - Provider Network Management	2,503,443	2,911,522	408,079
614,787	656,475	41,688	330 - Member Services	5,259,181	5,908,277	649,096
514,089	702,275	188,186	340 - Corporate Services	5,196,171	6,320,474	1,124,303
39,743	66,363	26,620	360 - Audit & Investigative Services	510,236	597,266	87,030
97,203	69,250	(27,953)	410 - Advertising Media	574,738	623,250	48,512
56,141	73,950	17,809	420 - Sales/Marketing/Public Relations	493,887	665,547	171,660
247,924	251,455	3,531	510 - Human Resources	2,025,725	2,263,096	237,371
3,540	-	(3,540)	Administrative Expense Adjustment	(265,108)	-	265,108
4,617,102	4,946,622	329,520	Total Administrative Expenses	39,577,937	44,594,599	5,016,662

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED SEPTEMBER 30, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	YEAR TO DATE 2021
110 - Executive	353,943	483,744	293,288	272,219	482,689	358,282	361,179	347,546	484,965	3,437,855
210 - Accounting	203,619	198,129	146,511	287,032	86,601	198,636	202,043	228,799	196,234	1,747,604
220 - Management Information Systems (MIS)	340,212	345,719	394,230	384,019	349,136	376,280	325,601	386,243	328,212	3,229,652
221 - Business Intelligence	-	-	-	12,308	46,180	24,115	14,545	11,545	11,602	120,295
222 - Enterprise Development	250,306	269,236	185,800	249,199	261,073	252,105	253,485	225,132	261,069	2,207,405
225 - Infrastructure	365,340	337,172	345,070	407,880	459,371	352,463	459,826	393,273	374,951	3,495,346
230 - Claims	550,124	558,095	460,086	554,302	542,410	526,593	539,331	558,400	653,741	4,943,082
240 - Project Management	99,808	119,159	128,304	121,381	127,251	189,626	160,413	89,609	93,857	1,129,408
310 - Health Services - Utilization Management	103,641	120,732	82,239	113,686	116,283	100,257	91,643	121,643	111,276	961,400
311 - Health Services - Quality Improvement	18,870	16,833	21,040	18,597	20,088	27,421	25,067	5,726	19,122	172,764
312 - Health Services - Education	-	-	-	59	-	-	-	-	-	59
313 - Pharmacy	141,859	137,379	151,340	147,394	145,687	151,338	150,515	155,464	155,452	1,336,428
314 - Health Homes	-	-	4,225	-	-	-	-	-	35	4,260
315 - Case Management	23,536	22,769	24,444	22,612	23,420	22,757	25,548	22,605	31,573	219,264
616 - Disease Management	32,453	29,912	37,220	29,802	29,065	28,513	30,175	30,230	27,472	274,842
320 - Provider Network Management	304,995	273,211	231,758	274,082	295,300	262,297	286,715	280,971	294,114	2,503,443
330 - Member Services	567,625	586,939	545,846	622,842	566,155	559,817	624,470	570,700	614,787	5,259,181
340 - Corporate Services	561,450	559,640	535,874	586,682	567,567	540,444	620,533	709,892	514,089	5,196,171
360 - Audit & Investigative Services	68,976	83,366	38,089	60,406	61,212	61,445	68,450	28,549	39,743	510,236
410 - Advertising Media	27,368	39,637	81,326	55,258	21,513	152,571	88,385	11,477	97,203	574,738
420 - Sales/Marketing/Public Relations	53,401	69,703	46,252	65,999	51,803	57,056	37,987	55,545	56,141	493,887
510 - Human Resources	281,636	228,332	179,367	198,772	203,371	220,199	236,479	229,645	247,924	2,025,725
Total Department Expenses	4,349,162	4,479,707	3,932,309	4,484,531	4,456,175	4,462,215	4,602,390	4,462,994	4,613,562	39,843,045
ADMINISTRATIVE EXPENSE ADJUSTMENT	18,296	(271,318)	57,294	(5,010)	(215)	(63,654)	(1,674)	(2,367)	3,540	(265,108)
Total Administrative Expenses	4,367,458	4,208,389	3,989,603	4,479,521	4,455,960	4,398,561	4,600,716	4,460,627	4,617,102	39,577,937

<b>KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF SEPTEMBER 30, 2021</b>			
<b>ASSETS</b>	<b>SEPTEMBER 2021</b>	<b>AUGUST 2021</b>	<b>INC(DEC)</b>
<b>CURRENT ASSETS:</b>			
Cash and Cash Equivalents	\$ 1,137,662	\$ 1,137,662	-
Interest Receivable	690	600	90
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 1,138,352</b>	<b>\$ 1,138,262</b>	<b>\$ 90</b>
<b>LIABILITIES AND NET POSITION</b>			
<b>CURRENT LIABILITIES:</b>			
Other Liabilities	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET POSITION:</b>			
Net Position- Beg. of Year	1,138,066	1,138,066	-
Increase (Decrease) in Net Position - Current Year	286	196	90
<b>Total Net Position</b>	<b>\$ 1,138,352</b>	<b>\$ 1,138,262</b>	<b>\$ 90</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 1,138,352</b>	<b>\$ 1,138,262</b>	<b>\$ 90</b>

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED SEPTEMBER 30, 2021			YEAR-TO-DATE		
<b>ENROLLMENT</b>								
-	-	-	Members			-	-	-
<b>REVENUES</b>								
-	-	-	Premium			-	-	-
90	-	90	Interest			2,849	-	2,849
-	-	-	Other Investment Income			(2,563)	-	(2,563)
90	-	90	TOTAL REVENUES			286	-	286
<b>EXPENSES</b>								
-	-	-	Medical Costs			-	-	-
-	-	-	IBNR and Paid Claims Adjustment			-	-	-
-	-	-	Total Medical Costs			-	-	-
90	-	90	GROSS MARGIN			286	-	286
<b>Administrative</b>								
-	-	-	Management Fee Expense and Other Admin Exp			-	-	-
-	-	-	Total Administrative Expenses			-	-	-
-	-	-	TOTAL EXPENSES			-	-	-
90	-	90	OPERATING INCOME (LOSS)			286	-	286
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)			-	-	-
90	-	90	NET INCREASE (DECREASE) IN NET POSITION			286	-	286
0%	0%	0%	MEDICAL LOSS RATIO			0%	0%	0%
0%	0%	0%	ADMINISTRATIVE EXPENSE RATIO			0%	0%	0%

<b>KERN HEALTH SYSTEMS</b>													
<b>MONTHLY MEMBERS COUNT</b>													
<b>KERN HEALTH SYSTEMS</b>													
<b>MEDI-CAL</b>	<b>2021 MEMBER MONTHS</b>	<b>JAN'21</b>	<b>FEB'21</b>	<b>MAR'21</b>	<b>APR'21</b>	<b>MAY'21</b>	<b>JUN'21</b>	<b>JUL'21</b>	<b>AUG'21</b>	<b>SEP'21</b>	<b>OCT'21</b>	<b>NOV'21</b>	<b>DEC'21</b>
<b>ADULT AND FAMILY</b>													
ADULT	487,758	51,548	53,449	52,941	53,378	54,092	54,867	55,250	55,691	56,542	0	0	0
CHILD	1,198,672	131,669	126,764	133,240	133,228	133,944	134,540	134,904	134,848	135,535	0	0	0
<b>SUB-TOTAL ADULT &amp; FAMILY</b>	<b>1,686,430</b>	<b>183,217</b>	<b>180,213</b>	<b>186,181</b>	<b>186,606</b>	<b>188,036</b>	<b>189,407</b>	<b>190,154</b>	<b>190,539</b>	<b>192,077</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OTHER MEMBERS</b>													
PARTIAL DUALS - FAMILY	5,246	403	523	529	576	563	576	594	673	809	0	0	0
PARTIAL DUALS - CHILD	-1	0	-1	0	0	0	0	0	0	0	0	0	0
PARTIAL DUALS - BCCTP	26	2	2	2	2	2	4	4	4	4	0	0	0
BCCTP - TABACCO SETTLEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FULL DUALS (SPD)</b>													
SPD FULL DUALS	69,000	7,484	7,591	7,505	7,523	7,635	7,640	7,814	7,739	8,069	0	0	0
<b>SUBTOTAL OTHER MEMBERS</b>	<b>74,271</b>	<b>7,889</b>	<b>8,115</b>	<b>8,036</b>	<b>8,101</b>	<b>8,200</b>	<b>8,220</b>	<b>8,412</b>	<b>8,416</b>	<b>8,882</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL FAMILY &amp; OTHER</b>	<b>1,760,701</b>	<b>191,106</b>	<b>188,328</b>	<b>194,217</b>	<b>194,707</b>	<b>196,236</b>	<b>197,627</b>	<b>198,566</b>	<b>198,955</b>	<b>200,959</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SPD</b>													
SPD (AGED AND DISABLED)	144,763	16,011	18,829	15,328	15,870	15,756	15,645	15,800	15,749	15,775	0	0	0
<b>MEDI-CAL EXPANSION</b>													
ACA Expansion Adult-Citizen	663,579	70,649	69,251	72,532	73,089	74,161	74,905	75,451	76,525	77,016	0	0	0
ACA Expansion Duals	8,344	751	472	895	921	1,046	1,132	1,163	1,042	922	0	0	0
<b>SUB-TOTAL MED-CAL EXPANSION</b>	<b>671,923</b>	<b>71,400</b>	<b>69,723</b>	<b>73,427</b>	<b>74,010</b>	<b>75,207</b>	<b>76,037</b>	<b>76,614</b>	<b>77,567</b>	<b>77,938</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL KAISER</b>	<b>104,982</b>	<b>11,047</b>	<b>11,196</b>	<b>11,349</b>	<b>11,505</b>	<b>11,692</b>	<b>11,852</b>	<b>11,983</b>	<b>12,108</b>	<b>12,250</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL MEDI-CAL MEMBERS</b>	<b>2,682,369</b>	<b>289,564</b>	<b>288,076</b>	<b>294,321</b>	<b>296,092</b>	<b>298,891</b>	<b>301,161</b>	<b>302,963</b>	<b>304,379</b>	<b>306,922</b>	<b>0</b>	<b>0</b>	<b>0</b>





**To: KHS Finance Committee**

**From: Robert Landis, CFO**

**Date: December 10, 2021**

**Re: October 31, 2021 Financial Results**

---

The October results reflect a \$932,183 Net Increase in Net Position which is a \$2,239,072 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$12.2 million favorable variance primarily due to:
  - A) \$8.1 million favorable variance primarily due to higher-than-expected budgeted membership.
  - B) \$1.3 million favorable variance in funds earned from the Covid-19 KHS Vaccination Response Plan submitted to DHCS to improve the vaccination rate with our members. Under this Plan, KHS has offered incentives to Providers to perform significantly expanded outreach to KHS members that are based on achieving specified outcomes. Additionally, there are Member Incentives (not to exceed \$50 per member) for our members that get vaccinated.
  - C) \$2.6 million favorable variance in Premium-Hospital Directed Payments primarily due to receiving updated rates for calendar year 2021 from DHCS and higher than expected membership offset against amounts included in 2D below.
- 2) Total Medical Costs reflect a \$10.7 million unfavorable variance primarily due to:
  - A) \$2.3 million unfavorable variance in Physician Services primarily due to higher-than-expected utilization Specialty and Urgent Care Services over the last several months.
  - B) \$1.1 million favorable variance in Emergency Room primarily due to lower-than-expected utilization over the last several months.
  - C) \$7.8 million unfavorable variance in Inpatient primarily due to higher-than-expected utilization.
  - D) \$2.6 million unfavorable variance in Hospital Directed Payments primarily due to receiving updated rates for calendar year 2021 from DHCS and higher than expected membership offset against amounts included in 1C above.
  - E) \$.9 million favorable IBNR, Incentive, Paid Claims Adjustment primarily from lower-than-expected P4P payouts relating to the prior year.

The October Medical Loss Ratio is 92.6% which is favorable to the 93.3% budgeted amount. The October Administrative Expense Ratio is 5.5% which is favorable to the 6.7% budgeted amount.

The results for the 10 months ended October 31, 2021 reflect a Net Increase in Net Position of \$14,144,271. This is a \$20,398,497 favorable variance to budget and includes approximately \$3.3 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 92.8 % which is favorable to the 93.2% budgeted amount. The year-to-date Administrative Expense Ratio is 5.5% which is favorable to the 6.7% budgeted amount.

**Kern Health Systems  
Financial Packet  
October 2021**

**KHS – Medi-Cal Line of Business**

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

**KHS Group Health Plan – Healthy Families Line of Business**

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

**KHS Administrative Analysis and Other Reporting**

Monthly Member Count	Page 15
----------------------	---------

<b>KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF OCTOBER 31, 2021</b>			
<b>ASSETS</b>	<b>OCTOBER 2021</b>	<b>SEPTEMBER 2021</b>	<b>INC(DEC)</b>
<b>CURRENT ASSETS:</b>			
Cash and Cash Equivalents	\$ 112,022,947	\$ 101,678,464	\$ 10,344,483
Short-Term Investments	146,132,207	172,145,319	(26,013,112)
Premiums Receivable - Net	109,116,929	109,249,477	(132,548)
Premiums Receivable - Hospital Direct Payments	284,832,595	268,101,628	16,730,967
Interest Receivable	90,191	207,153	(116,962)
Provider Advance Payment	5,166,656	5,186,720	(20,064)
Other Receivables	772,288	1,181,088	(408,800)
Prepaid Expenses & Other Current Assets	2,683,400	2,962,488	(279,088)
<b>Total Current Assets</b>	<b>\$ 660,817,213</b>	<b>\$ 660,712,337</b>	<b>\$ 104,876</b>
<b>CAPITAL ASSETS - NET OF ACCUM DEPREE:</b>			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,668,151	1,710,295	(42,144)
Computer Hardware and Software - Net	12,346,824	12,649,295	(302,471)
Building and Building Improvements - Net	34,591,339	34,667,033	(75,694)
Capital Projects in Progress	15,133,452	14,759,866	373,586
<b>Total Capital Assets</b>	<b>\$ 67,830,472</b>	<b>\$ 67,877,195</b>	<b>\$ (46,723)</b>
<b>LONG TERM ASSETS:</b>			
Restricted Investments	300,000	300,000	-
Officer Life Insurance Receivables	1,593,961	1,593,961	-
<b>Total Long Term Assets</b>	<b>\$ 1,893,961</b>	<b>\$ 1,893,961</b>	<b>\$ -</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 3,018,341</b>	<b>\$ 3,018,341</b>	<b>\$ -</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 733,559,987</b>	<b>\$ 733,501,834</b>	<b>\$ 58,153</b>
<b>LIABILITIES AND NET POSITION</b>			
<b>CURRENT LIABILITIES:</b>			
Accrued Salaries and Employee Benefits	\$ 4,379,517	\$ 4,639,883	(260,366)
Accrued Other Operating Expenses	1,542,264	1,499,873	42,391
Accrued Taxes and Licenses	9,744,181	29,532,289	(19,788,108)
Claims Payable (Reported)	22,032,450	20,473,886	1,558,564
IBNR - Inpatient Claims	43,141,224	42,291,738	849,486
IBNR - Physician Claims	15,903,083	15,869,970	33,113
IBNR - Accrued Other Medical	21,386,468	21,037,779	348,689
Risk Pool and Withholds Payable	6,423,866	7,823,866	(1,400,000)
Statutory Allowance for Claims Processing Expense	2,157,367	2,157,367	-
Other Liabilities	74,899,693	73,888,459	1,011,234
Accrued Hospital Directed Payments	284,832,595	268,101,628	16,730,967
<b>Total Current Liabilities</b>	<b>\$ 486,442,708</b>	<b>\$ 487,316,738</b>	<b>\$ (874,030)</b>
<b>NONCURRENT LIABILITIES:</b>			
Net Pension Liability	5,800,140	5,800,140	-
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>\$ 5,800,140</b>	<b>\$ 5,800,140</b>	<b>\$ -</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 86,684</b>	<b>\$ 86,684</b>	<b>\$ -</b>
<b>NET POSITION:</b>			
Net Position - Beg. of Year	227,086,184	227,086,184	-
Increase (Decrease) in Net Position - Current Year	14,144,271	13,212,088	932,183
<b>Total Net Position</b>	<b>\$ 241,230,455</b>	<b>\$ 240,298,272</b>	<b>\$ 932,183</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 733,559,987</b>	<b>\$ 733,501,834</b>	<b>\$ 58,153</b>

			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED OCTOBER 31, 2021					
CURRENT MONTH MEMBERS						YEAR-TO-DATE MEMBER MONTHS		
ACTUAL	BUDGET	VARIANCE				ACTUAL	BUDGET	VARIANCE
193,820	185,000	8,820	Family Members			1,880,250	1,832,000	48,250
78,579	70,565	8,014	Expansion Members			750,502	705,650	44,852
15,915	15,230	685	SPD Members			160,678	152,300	8,378
8,009	7,000	1,009	Other Members			82,280	70,000	12,280
12,417	10,500	1,917	Kaiser Members			117,399	105,000	12,399
308,740	288,295	20,445	Total Members - MCAL			2,991,109	2,864,950	126,159
<b>REVENUES</b>								
37,040,845	32,238,981	4,801,864	Title XIX - Medicaid - Family and Other			348,031,528	320,535,359	27,496,169
30,140,656	26,523,701	3,616,955	Title XIX - Medicaid - Expansion Members			289,432,085	265,237,009	24,195,076
16,206,131	15,294,634	911,497	Title XIX - Medicaid - SPD Members			158,284,629	152,946,338	5,338,291
10,229,218	9,894,054	335,164	Premium - MCO Tax			99,091,706	93,004,109	6,087,597
16,726,476	14,094,476	2,632,000	Premium - Hospital Directed Payments			160,966,657	140,389,750	20,576,907
131,645	167,891	(36,246)	Investment Earnings And Other Income			464,631	1,663,169	(1,198,538)
-	80,561	(80,561)	Reinsurance Recoveries			-	800,386	(800,386)
4,491	-	4,491	Rate Adjustments - Hospital Directed Payments			49,168,186	-	49,168,186
52,871	-	52,871	Rate/Income Adjustments			3,112,356	-	3,112,356
110,532,333	98,294,297	12,238,036	TOTAL REVENUES			1,108,551,778	974,576,119	133,975,659
<b>EXPENSES</b>								
Medical Costs:								
17,549,058	15,215,516	(2,333,542)	Physician Services			158,844,444	151,431,807	(7,412,637)
4,846,005	4,737,031	(108,974)	Other Professional Services			47,203,766	47,253,010	49,244
4,506,067	5,594,658	1,088,591	Emergency Room			45,542,271	55,634,770	10,092,499
23,207,054	15,452,940	(7,754,114)	Inpatient			201,124,157	153,980,597	(47,143,560)
85,133	80,561	(4,572)	Reinsurance Expense			827,961	800,386	(27,576)
7,080,379	7,010,235	(70,144)	Outpatient Hospital			77,694,207	69,864,019	(7,830,188)
10,784,127	10,194,621	(589,506)	Other Medical			107,367,071	101,459,314	(5,907,757)
10,236,384	10,519,328	282,944	Pharmacy			97,876,687	104,894,124	7,017,437
-	527,811	527,811	Pay for Performance Quality Incentive			4,317,262	5,243,905	926,643
16,726,476	14,094,476	(2,632,000)	Hospital Directed Payments			160,966,657	140,389,750	(20,576,907)
4,491	-	(4,491)	Hospital Directed Payment Adjustment			48,156,332	-	(48,156,332)
8,907	-	(8,907)	Non-Claims Expense Adjustment			962,814	-	(962,814)
(924,120)	-	924,120	IBNR, Incentive, Paid Claims Adjustment			141,546	-	(141,546)
94,109,961	83,427,176	(10,682,785)	Total Medical Costs			951,025,175	830,951,682	(120,073,493)
16,422,372	14,867,122	1,555,250	GROSS MARGIN			157,526,603	143,624,437	13,902,166
Administrative:								
2,746,218	2,856,030	109,812	Compensation			27,435,060	28,635,303	1,200,243
991,178	1,071,006	79,828	Purchased Services			9,297,392	10,710,060	1,412,668
58,257	133,106	74,849	Supplies			785,742	1,331,062	545,320
424,376	500,520	76,144	Depreciation			4,252,475	5,005,204	752,729
348,575	385,959	37,384	Other Administrative Expenses			2,640,980	3,859,592	1,218,612
300	-	(300)	Administrative Expense Adjustment			(264,808)	-	264,808
4,568,904	4,946,622	377,718	Total Administrative Expenses			44,146,841	49,541,222	5,394,381
98,678,865	88,373,798	(10,305,067)	TOTAL EXPENSES			995,172,016	880,492,903	(114,679,113)
11,853,468	9,920,499	1,932,969	OPERATING INCOME (LOSS) BEFORE TAX			113,379,762	94,083,215	19,296,547
9,894,054	9,894,054	-	MCO TAX			93,031,907	93,004,109	(27,798)
1,959,414	26,445	1,932,969	OPERATING INCOME (LOSS) NET OF TAX			20,347,855	1,079,106	19,268,749
<b>NONOPERATING REVENUE (EXPENSE)</b>								
-	-	-	Gain on Sale of Assets			-	-	-
(884,737)	(1,166,667)	281,930	Provider Recruitment and Retention Grants			(5,423,272)	(5,666,666)	243,394
(142,494)	(166,667)	24,173	Health Home			(780,312)	(1,666,666)	886,354
(1,027,231)	(1,333,334)	306,103	TOTAL NONOPERATING REVENUE (EXPENSE)			(6,203,584)	(7,333,332)	1,129,748
932,183	(1,306,889)	2,239,072	NET INCREASE (DECREASE) IN NET POSITION			14,144,271	(6,254,226)	20,398,497
92.6%	93.3%	0.7%	MEDICAL LOSS RATIO			92.8%	93.2%	0.4%
5.5%	6.7%	1.2%	ADMINISTRATIVE EXPENSE RATIO			5.5%	6.7%	1.2%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED OCTOBER 31, 2021			YEAR-TO-DATE		
<b>ENROLLMENT</b>								
193,820	185,000	8,820	Family Members	1,880,250	1,832,000	48,250		
78,579	70,565	8,014	Expansion Members	750,502	705,650	44,852		
15,915	15,230	685	SPD Members	160,678	152,300	8,378		
8,009	7,000	1,009	Other Members	82,280	70,000	12,280		
12,417	10,500	1,917	Kaiser Members	117,399	105,000	12,399		
308,740	288,295	20,445	<b>Total Members - MCAL</b>	2,991,109	2,864,950	126,159		
<b>REVENUES</b>								
183.53	167.91	15.61	Title XIX - Medicaid - Family and Other	177.34	168.53	8.81		
383.57	375.88	7.70	Title XIX - Medicaid - Expansion Members	385.65	375.88	9.78		
1,018.29	1,004.24	14.05	Title XIX - Medicaid - SPD Members	985.10	1,004.24	(19.14)		
34.52	35.62	(1.10)	Premium - MCO Tax	34.48	33.70	0.78		
56.45	50.74	5.71	Premium - Hospital Directed Payments	56.01	50.87	5.15		
0.44	0.60	(0.16)	Investment Earnings And Other Income	0.16	0.60	(0.44)		
0.00	0.29	(0.29)	Reinsurance Recoveries	0.00	0.29	(0.29)		
0.02	0.00	0.02	Rate Adjustments - Hospital Directed Payments	17.11	0.00	17.11		
0.18	0.00	0.18	Rate/Income Adjustments	1.08	0.00	1.08		
373.01	353.84	19.18	<b>TOTAL REVENUES</b>	385.76	353.11	32.64		
<b>EXPENSES</b>								
Medical Costs:								
59.22	54.77	(4.45)	Physician Services	55.28	54.87	(0.41)		
16.35	17.05	0.70	Other Professional Services	16.43	17.12	0.69		
15.21	20.14	4.93	Emergency Room	15.85	20.16	4.31		
78.32	55.63	(22.69)	Inpatient	69.99	55.79	(14.20)		
0.29	0.29	0.00	Reinsurance Expense	0.29	0.29	0.00		
23.89	25.24	1.34	Outpatient Hospital	27.04	25.31	(1.72)		
36.39	36.70	0.31	Other Medical	37.36	36.76	(0.60)		
34.54	37.87	3.32	Pharmacy	34.06	38.01	3.95		
0.00	1.90	1.90	Pay for Performance Quality Incentive	1.50	1.90	0.40		
56.45	50.74	(5.71)	Hospital Directed Payments	56.01	50.87	(5.15)		
0.02	0.00	(0.02)	Hospital Directed Payment Adjustment	16.76	0.00	(16.76)		
0.03	0.00	(0.03)	Non-Claims Expense Adjustment	0.34	0.00	(0.34)		
(3.12)	0.00	3.12	IBNR, Incentive, Paid Claims Adjustment	0.05	0.00	(0.05)		
317.59	300.32	(17.27)	<b>Total Medical Costs</b>	330.94	301.07	(29.86)		
55.42	53.52	1.90	<b>GROSS MARGIN</b>	54.82	52.04	2.78		
Administrative:								
9.27	10.28	1.01	Compensation	9.55	10.38	0.83		
3.34	3.86	0.51	Purchased Services	3.24	3.88	0.65		
0.20	0.48	0.28	Supplies	0.27	0.48	0.21		
1.43	1.80	0.37	Depreciation	1.48	1.81	0.33		
1.18	1.39	0.21	Other Administrative Expenses	0.92	1.40	0.48		
0.00	0.00	(0.00)	Administrative Expense Adjustment	(0.09)	0.00	0.09		
15.42	17.81	2.39	<b>Total Administrative Expenses</b>	15.36	17.95	2.59		
333.01	318.13	(14.89)	<b>TOTAL EXPENSES</b>	346.30	319.02	(27.28)		
40.00	35.71	4.29	<b>OPERATING INCOME (LOSS) BEFORE TAX</b>	39.45	34.09	5.37		
33.39	35.62	2.23	<b>MCO TAX</b>	32.37	33.70	1.32		
6.61	0.10	6.52	<b>OPERATING INCOME (LOSS) NET OF TAX</b>	7.08	0.39	6.69		
<b>NONOPERATING REVENUE (EXPENSE)</b>								
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00		
(2.99)	(4.20)	1.21	Reserve Fund Projects/Community Grants	(1.89)	(2.05)	0.17		
(0.48)	(0.60)	0.12	Health Home	(0.27)	(0.60)	0.33		
(3.47)	(4.80)	1.33	<b>TOTAL NONOPERATING REVENUE (EXPENSE)</b>	(2.16)	(2.66)	0.50		
3.15	(4.70)	7.85	<b>NET INCREASE (DECREASE) IN NET POSITION</b>	4.92	(2.27)	7.19		
92.6%	93.3%	0.7%	<b>MEDICAL LOSS RATIO</b>	92.8%	93.2%	0.4%		
5.5%	6.7%	1.2%	<b>ADMINISTRATIVE EXPENSE RATIO</b>	5.5%	6.7%	1.2%		







CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED OCTOBER 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
<b>REVENUES</b>						
<b>Title XIX - Medicaid - Family &amp; Other</b>						
29,087,445	24,881,137	4,206,308	Premium - Medi-Cal	271,872,725	247,624,425	24,248,300
2,899,385	2,520,887	378,498	Premium - Maternity Kick	24,324,010	25,208,870	(884,860)
35,295	79,781	(44,486)	Premium - Hep C Kick	371,822	791,817	(419,995)
637,804	493,145	144,659	Premium - BHT Kick	6,279,610	4,894,390	1,385,220
167,359	178,369	(11,010)	Premium - Health Home Kick	1,670,676	1,770,285	(99,609)
3,758,058	3,505,252	252,806	Premium - Provider Enhancement	36,356,163	34,841,993	1,514,170
189,643	170,029	19,614	Premium - Ground Emergency Medical Transportation	1,826,464	1,692,224	134,240
151,423	277,284	(125,861)	Premium - Behavioral Health Integration Program	4,241,485	2,752,003	1,489,482
114,433	91,886	22,547	Other	1,088,573	918,140	170,433
37,040,845	32,197,771	4,843,074	<b>Total Title XIX - Medicaid - Family &amp; Other</b>	<b>348,031,528</b>	<b>320,494,148</b>	<b>27,537,380</b>
<b>Title XIX - Medicaid - Expansion Members</b>						
27,572,386	24,002,303	3,570,083	Premium - Medi-Cal	262,077,189	240,023,030	22,054,159
225,649	214,253	11,396	Premium - Maternity Kick	3,514,928	2,142,530	1,372,398
148,519	202,017	(53,498)	Premium - Hep C Kick	1,834,652	2,020,169	(185,517)
306,413	356,121	(49,708)	Premium - Health Home Kick	2,882,242	3,561,210	(678,968)
1,599,810	1,455,050	144,760	Premium - Provider Enhancement	15,369,546	14,550,500	819,046
192,073	165,235	26,838	Premium - Ground Emergency Medical Transportation	1,845,372	1,652,350	193,022
63,394	102,122	(38,728)	Premium - Behavioral Health Integration Program	1,597,027	1,021,220	575,807
32,412	26,600	5,812	Other	311,129	266,000	45,129
30,140,656	26,523,701	3,616,955	<b>Total Title XIX - Medicaid - Expansion Members</b>	<b>289,432,085</b>	<b>265,237,009</b>	<b>24,195,076</b>
<b>Title XIX - Medicaid - SPD Members</b>						
14,626,911	13,474,791	1,152,120	Premium - Medi-Cal	142,917,948	134,747,906	8,170,042
96,101	100,288	(4,187)	Premium - Hep C Kick	532,923	1,002,877	(469,954)
618,289	763,566	(145,277)	Premium - BHT Kick	6,029,945	7,635,658	(1,605,713)
244,516	351,842	(107,326)	Premium - Health Home Kick	2,460,166	3,518,420	(1,058,254)
473,103	454,632	18,471	Premium - Provider Enhancement	4,642,346	4,546,320	96,026
136,979	127,475	9,504	Premium - Ground Emergency Medical Transportation	1,344,120	1,274,750	69,370
10,232	22,041	(11,809)	Premium - Behavioral Health Integration Program	357,181	220,410	136,771
16,206,131	15,294,634	911,497	<b>Total Title XIX - Medicaid - SPD Members</b>	<b>158,284,629</b>	<b>152,946,340</b>	<b>5,338,289</b>

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED OCTOBER 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
<b>PHYSICIAN SERVICES</b>						
2,864,591	3,082,706	218,115	Primary Care Physician Services	34,252,621	30,639,963	(3,612,658)
12,050,898	10,614,325	(1,436,573)	Referral Specialty Services	109,460,152	105,708,467	(3,751,685)
2,624,269	1,509,184	(1,115,085)	Urgent Care & After Hours Advise	15,040,471	14,992,177	(48,294)
9,300	9,300	-	Hospital Admitting Team	91,200	91,200	-
17,549,058	15,215,516	(2,333,542)	<b>TOTAL PHYSICIAN SERVICES</b>	<b>158,844,444</b>	<b>151,431,807</b>	<b>(7,412,637)</b>
<b>OTHER PROFESSIONAL SERVICES</b>						
293,626	296,793	3,167	Vision Service Capitation	2,983,175	2,948,738	(34,437)
207,250	212,115	4,865	221 - Business Intelligence - UM Allocation *	2,125,266	2,121,150	(4,116)
591,381	597,920	6,539	310 - Health Services - Utilization Management - UM Allocation *	6,113,435	5,979,200	(134,235)
155,141	189,152	34,011	311 - Health Services - Quality Improvement - UM Allocation *	1,416,899	1,891,520	474,621
184,683	123,337	(61,346)	312 - Health Services - Education - UM Allocation *	1,258,836	1,233,368	(25,468)
75,939	80,283	4,344	313 - Health Services - Pharmacy - UM Allocation *	756,488	802,830	46,342
145,433	210,465	65,032	314 - Health Homes - UM Allocation *	1,425,325	2,104,650	679,325
(111,537)	270,692	382,229	315 - Case Management - UM Allocation *	2,397,975	2,706,920	308,945
385,653	-	(385,653)	316 - Population Health Management - UM Allocation *	449,415	-	(449,415)
18,866	-	(18,866)	317 - In Lieu of Services - UM Allocation *	33,351	-	(33,351)
(27,194)	56,773	83,967	616 - Disease Management - UM Allocation *	506,292	567,730	61,438
1,287,709	1,257,741	(29,968)	Behavior Health Treatment	12,185,021	12,531,077	346,056
144,341	190,103	45,762	Mental Health Services	1,287,228	1,894,227	606,999
1,494,714	1,251,657	(243,057)	Other Professional Services	14,265,060	12,471,600	(1,793,460)
4,846,005	4,737,031	(108,974)	<b>TOTAL OTHER PROFESSIONAL SERVICES</b>	<b>47,203,766</b>	<b>47,253,010</b>	<b>49,244</b>
<b>EMERGENCY ROOM</b>						
4,506,067	5,594,658	1,088,591		45,542,271	55,634,770	10,092,499
<b>INPATIENT HOSPITAL</b>						
23,207,054	15,452,940	(7,754,114)		201,124,157	153,980,597	(47,143,560)
<b>REINSURANCE EXPENSE PREMIUM</b>						
85,133	80,561	(4,572)		827,961	800,386	(27,576)
<b>OUTPATIENT HOSPITAL SERVICES</b>						
7,080,379	7,010,235	(70,144)		77,694,207	69,864,019	(7,830,188)
<b>OTHER MEDICAL</b>						
1,175,141	1,557,430	382,289	Ambulance and NEMT	13,173,901	15,496,249	2,322,348
788,457	427,006	(361,451)	Home Health Services & CBAS	6,988,629	4,255,486	(2,733,143)
585,896	491,325	(94,571)	Utilization and Quality Review Expenses	4,184,897	4,913,250	728,353
1,708,929	1,302,719	(406,210)	Long Term/SNF/Hospice	13,932,984	13,002,355	(930,629)
256,195	396,035	139,840	Health Home Capitation & Incentive	2,659,532	3,946,136	1,286,604
5,550,393	5,155,341	(395,052)	Provider Enhancement Expense - Prop. 56	53,654,462	51,232,303	(2,422,159)
494,068	462,739	(31,329)	Provider Enhancement Expense - GEMT	4,651,073	4,619,324	(31,749)
-	-	-	Provider COVID-19 Expenses	2,125,900	-	(2,125,900)
225,048	402,026	176,978	Behavioral Health Integration Program	5,995,693	3,994,211	(2,001,482)
10,784,127	10,194,621	(589,506)	<b>TOTAL OTHER MEDICAL</b>	<b>107,367,071</b>	<b>101,459,314</b>	<b>(5,907,757)</b>
<b>PHARMACY SERVICES</b>						
9,249,348	9,398,400	149,052	RX - Drugs & OTC	87,944,463	93,714,000	5,769,537
251,056	382,252	131,196	RX - HEP-C	2,676,055	3,815,029	1,138,974
854,331	772,083	(82,248)	Rx - DME	8,352,432	7,698,219	(654,213)
(118,351)	(33,407)	84,944	RX - Pharmacy Rebates	(1,096,263)	(333,123)	763,140
10,236,384	10,519,328	282,944	<b>TOTAL PHARMACY SERVICES</b>	<b>97,876,687</b>	<b>104,894,124</b>	<b>7,017,437</b>
-	527,811	527,811	<b>PAY FOR PERFORMANCE QUALITY INCENTIVE</b>	<b>4,317,262</b>	<b>5,243,905</b>	<b>926,643</b>
16,726,476	14,094,476	(2,632,000)	<b>HOSPITAL DIRECTED PAYMENTS</b>	<b>160,966,657</b>	<b>140,389,750</b>	<b>(20,576,907)</b>
4,491	-	(4,491)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	48,156,332	-	(48,156,332)
8,907	-	(8,907)	NON-CLAIMS EXPENSE ADJUSTMENT	962,814	-	(962,814)
(924,120)	-	924,120	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	141,546	-	(141,546)
94,109,961	83,427,176	(10,682,785)	<b>Total Medical Costs</b>	<b>951,025,175</b>	<b>830,951,682</b>	<b>(120,073,493)</b>

\* Medical costs per DMHC regulations

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED OCTOBER 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
<b>PHYSICIAN SERVICES</b>						
9.67	11.10	1.43	Primary Care Physician Services	11.92	11.10	(0.82)
40.67	38.21	(2.46)	Referral Specialty Services	38.09	38.30	0.21
8.86	5.43	(3.42)	Urgent Care & After Hours Advise	5.23	5.43	0.20
0.03	0.03	0.00	Hospital Admitting Team	0.03	0.03	0.00
59.22	54.77	(4.45)	<b>TOTAL PHYSICIAN SERVICES</b>	55.28	54.87	(0.41)
<b>OTHER PROFESSIONAL SERVICES</b>						
0.99	1.07	0.08	Vision Service Capitation	1.04	1.07	0.03
0.70	0.76	0.06	221 - Business Intelligence - UM Allocation *	0.74	0.77	0.03
2.00	2.15	0.16	310 - Health Services - Utilization Management - UM Allocation *	2.13	2.17	0.04
0.52	0.68	0.16	311 - Health Services - Quality Improvement - UM Allocation *	0.49	0.69	0.19
0.62	0.44	(0.18)	312 - Health Services - Education - UM Allocation *	0.44	0.45	0.01
0.26	0.29	0.03	313 - Health Services - Pharmacy - UM Allocation *	0.26	0.29	0.03
0.49	0.76	0.27	314 - Health Homes - UM Allocation *	0.50	0.76	0.27
(0.38)	0.97	1.35	315 - Case Management - UM Allocation *	0.83	0.98	0.15
1.30	0.00	(1.30)	316 - Population Health Management - UM Allocation *	0.16	0.00	(0.16)
0.06	0.00	(0.06)	317 - In Lieu of Services - UM Allocation *	0.01	0.00	(0.01)
(0.09)	0.20	0.30	616 - Disease Management - UM Allocation *	0.18	0.21	0.03
4.35	4.53	0.18	Behavior Health Treatment	4.24	4.54	0.30
0.49	0.68	0.20	Mental Health Services	0.45	0.69	0.24
5.04	4.51	(0.54)	Other Professional Services	4.96	4.52	(0.45)
16.35	17.05	0.70	<b>TOTAL OTHER PROFESSIONAL SERVICES</b>	16.43	17.12	0.69
15.21	20.14	4.93	<b>EMERGENCY ROOM</b>	15.85	20.16	4.31
78.32	55.63	(22.69)	<b>INPATIENT HOSPITAL</b>	69.99	55.79	(14.20)
0.29	0.29	0.00	REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.00
23.89	25.24	1.34	<b>OUTPATIENT HOSPITAL SERVICES</b>	27.04	25.31	(1.72)
<b>OTHER MEDICAL</b>						
3.97	5.61	1.64	Ambulance and NEMT	4.58	5.61	1.03
2.66	1.54	(1.12)	Home Health Services & CBAS	2.43	1.54	(0.89)
1.98	1.77	(0.21)	Utilization and Quality Review Expenses	1.46	1.78	0.32
5.77	4.69	(1.08)	Long Term/SNF/Hospice	4.85	4.71	(0.14)
0.86	1.43	0.56	Health Home Capitation & Incentive	0.93	1.43	0.50
18.73	18.56	(0.17)	Provider Enhancement Expense - Prop. 56	18.67	18.56	(0.11)
1.67	1.67	(0.00)	Provider Enhancement Expense - GEMT	1.62	1.67	0.06
0.00	0.00	0.00	Provider COVID-19 Expenses	0.74	0.00	(0.74)
0.76	1.45	0.69	Behaviorial Health Integration Program	2.09	1.45	(0.64)
36.39	36.70	0.31	<b>TOTAL OTHER MEDICAL</b>	37.36	36.76	(0.60)
<b>PHARMACY SERVICES</b>						
31.21	33.83	2.62	RX - Drugs & OTC	30.60	33.95	3.35
0.85	1.38	0.53	RX - HEP-C	0.93	1.38	0.45
2.88	2.78	(0.10)	Rx - DME	2.91	2.79	(0.12)
(0.40)	(0.12)	0.28	RX - Pharmacy Rebates	(0.38)	(0.12)	0.26
34.54	37.87	3.32	<b>TOTAL PHARMACY SERVICES</b>	34.06	38.01	3.95
-	1.90	1.90	<b>PAY FOR PERFORMANCE QUALITY INCENTIVE</b>	1.50	1.90	0.40
56.45	50.74	(5.71)	<b>HOSPITAL DIRECTED PAYMENTS</b>	56.01	50.87	(5.15)
0.02	0.00	(0.02)	<b>HOSPITAL DIRECTED PAYMENT ADJUSTMENT</b>	16.76	0.00	(16.76)
0.03	0.00	(0.03)	<b>NON-CLAIMS EXPENSE ADJUSTMENT</b>	0.34	0.00	(0.34)
(3.12)	0.00	3.12	<b>IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT</b>	0.05	0.00	(0.05)
317.59	300.32	(17.27)	<b>Total Medical Costs</b>	330.94	301.07	(29.86)

\* Medical costs per DMHC regulations





CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED OCOTBER 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
482,602	377,031	(105,571)	110 - Executive	3,920,457	3,845,312	(75,145)
213,569	212,651	(918)	210 - Accounting	1,961,173	2,126,511	165,338
342,882	362,443	19,561	220 - Management Information Systems	3,572,534	3,624,432	51,898
11,794	64,468	52,674	221 - Business Intelligence	132,089	644,680	512,591
244,312	281,931	37,619	222 - Enterprise Development	2,451,717	2,819,309	367,592
372,602	448,524	75,922	225 - Infrastructure	3,867,948	4,485,236	617,288
510,500	576,323	65,823	230 - Claims	5,453,582	5,763,231	309,649
96,574	149,779	53,205	240 - Project Management	1,225,982	1,497,793	271,811
112,888	101,775	(11,113)	310 - Health Services - Utilization Management	1,074,288	1,017,749	(56,539)
85,753	27,902	(57,851)	311 - Health Services - Quality Improvement	258,517	279,021	20,504
-	55	55	312 - Health Services - Education	59	550	491
157,190	142,146	(15,044)	313- Pharmacy	1,493,618	1,421,458	(72,160)
-	6,642	6,642	314 - Health Homes	4,260	66,417	62,157
(9,699)	22,357	32,056	315 - Case Management	209,565	223,568	14,003
(14,009)	29,325	43,334	616 - Disease Management	260,833	293,252	32,419
284,682	323,502	38,820	320 - Provider Network Management	2,788,125	3,235,025	446,900
628,618	656,475	27,857	330 - Member Services	5,887,799	6,564,753	676,954
586,016	702,275	116,259	340 - Corporate Services	5,782,187	7,022,749	1,240,562
61,247	66,363	5,116	360 - Audit & Investigative Services	571,483	663,629	92,146
(10,998)	69,250	80,248	410 - Advertising Media	563,740	692,500	128,760
67,695	73,950	6,255	420 - Sales/Marketing/Public Relations	561,582	739,496	177,914
344,386	251,455	(92,931)	510 - Human Resources	2,370,111	2,514,551	144,440
300	-	(300)	Administrative Expense Adjustment	(264,808)	-	264,808
4,568,904	4,946,622	377,718	Total Administrative Expenses	44,146,841	49,541,222	5,394,381

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED OCTOBER 31, 2021	JANUARY 2021	FEBRUARY 2021	MARCH 2021	APRIL 2021	MAY 2021	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	YEAR TO DATE 2021
110 - Executive	353,943	483,744	293,288	272,219	482,689	358,282	361,179	347,546	484,965	482,602	3,920,457
210 - Accounting	203,619	198,129	146,511	287,032	86,601	198,636	202,043	228,799	196,234	213,569	1,961,173
220 - Management Information Systems (MIS)	340,212	345,719	394,230	384,019	349,136	376,280	325,601	386,243	328,212	342,882	3,572,534
221 - Business Intelligence	-	-	-	12,308	46,180	24,115	14,545	11,545	11,602	11,794	132,089
222 - Enterprise Development	250,306	269,236	185,800	249,199	261,073	252,105	253,485	225,132	261,069	244,312	2,451,717
225 - Infrastructure	365,340	337,172	345,070	407,880	459,371	352,463	459,826	393,273	374,951	372,602	3,867,948
230 - Claims	550,124	558,095	460,086	554,302	542,410	526,593	539,331	558,400	653,741	510,500	5,453,582
240 - Project Management	99,808	119,159	128,304	121,381	127,251	189,626	160,413	89,609	93,857	96,574	1,225,982
310 - Health Services - Utilization Management	103,641	120,732	82,239	113,686	116,283	100,257	91,643	121,643	111,276	112,888	1,074,288
311 - Health Services - Quality Improvement	18,870	16,833	21,040	18,597	20,088	27,421	25,067	5,726	19,122	85,753	258,517
312 - Health Services - Education	-	-	-	59	-	-	-	-	-	-	59
313 - Pharmacy	141,859	137,379	151,340	147,394	145,687	151,338	150,515	155,464	155,452	157,190	1,493,618
314 - Health Homes	-	-	4,225	-	-	-	-	-	35	-	4,260
315 - Case Management	23,536	22,769	24,444	22,612	23,420	22,757	25,548	22,605	31,573	(9,699)	209,565
616 - Disease Management	32,453	29,912	37,220	29,802	29,065	28,513	30,175	30,230	27,472	(14,009)	260,833
320 - Provider Network Management	304,995	273,211	231,758	274,082	295,300	262,297	286,715	280,971	294,114	284,682	2,788,125
330 - Member Services	567,625	586,939	545,846	622,842	566,155	559,817	624,470	570,700	614,787	628,618	5,887,799
340 - Corporate Services	561,450	559,640	535,874	586,682	567,567	540,444	620,533	709,892	514,089	586,016	5,782,187
360 - Audit & Investigative Services	68,976	83,366	38,089	60,406	61,212	61,445	68,450	28,549	39,743	61,247	571,483
410 - Advertising Media	27,368	39,637	81,326	55,258	21,513	152,571	88,385	11,477	97,203	(10,998)	563,740
420 - Sales/Marketing/Public Relations	53,401	69,703	46,252	65,999	51,803	57,056	37,987	55,545	56,141	67,695	561,582
510 - Human Resources	281,636	228,332	179,367	198,772	203,371	220,199	236,479	229,645	247,924	344,386	2,370,111
<b>Total Department Expenses</b>	<b>4,349,162</b>	<b>4,479,707</b>	<b>3,932,309</b>	<b>4,484,531</b>	<b>4,456,175</b>	<b>4,462,215</b>	<b>4,602,390</b>	<b>4,462,994</b>	<b>4,613,562</b>	<b>4,568,604</b>	<b>44,411,649</b>
<b>ADMINISTRATIVE EXPENSE ADJUSTMENT</b>	<b>18,296</b>	<b>(271,318)</b>	<b>57,294</b>	<b>(5,010)</b>	<b>(215)</b>	<b>(63,654)</b>	<b>(1,674)</b>	<b>(2,367)</b>	<b>3,540</b>	<b>300</b>	<b>(264,808)</b>
<b>Total Administrative Expenses</b>	<b>4,367,458</b>	<b>4,208,389</b>	<b>3,989,603</b>	<b>4,479,521</b>	<b>4,455,960</b>	<b>4,398,561</b>	<b>4,600,716</b>	<b>4,460,627</b>	<b>4,617,102</b>	<b>4,568,904</b>	<b>44,146,841</b>

<b>KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF OCTOBER 31, 2021</b>			
<b>ASSETS</b>	<b>OCTOBER 2021</b>	<b>SEPTEMBER 2021</b>	<b>INC(DEC)</b>
<b>CURRENT ASSETS:</b>			
Cash and Cash Equivalents	\$ 1,138,351	\$ 1,137,662	689
Interest Receivable	280	690	(410)
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 1,138,631</b>	<b>\$ 1,138,352</b>	<b>\$ 279</b>
<b>LIABILITIES AND NET POSITION</b>			
<b>CURRENT LIABILITIES:</b>			
Other Liabilities	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET POSITION:</b>			
Net Position- Beg. of Year	1,138,066	1,138,066	-
Increase (Decrease) in Net Position - Current Year	565	286	279
<b>Total Net Position</b>	<b>\$ 1,138,631</b>	<b>\$ 1,138,352</b>	<b>\$ 279</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 1,138,631</b>	<b>\$ 1,138,352</b>	<b>\$ 279</b>



CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED OCTOBER 31, 2021	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
<b>ENROLLMENT</b>						
-	-	-	Members	-	-	-
<b>REVENUES</b>						
-	-	-	Premium	-	-	-
279	-	279	Interest	3,128	-	3,128
-	-	-	Other Investment Income	(2,563)	-	(2,563)
279	-	279	<b>TOTAL REVENUES</b>	565	-	565
<b>EXPENSES</b>						
-	-	-	Medical Costs	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-
-	-	-	<b>Total Medical Costs</b>	-	-	-
279	-	279	<b>GROSS MARGIN</b>	565	-	565
<b>Administrative</b>						
-	-	-	Management Fee Expense and Other Admin Exp	-	-	-
-	-	-	<b>Total Administrative Expenses</b>	-	-	-
-	-	-	<b>TOTAL EXPENSES</b>	-	-	-
279	-	279	<b>OPERATING INCOME (LOSS)</b>	565	-	565
-	-	-	<b>TOTAL NONOPERATING REVENUE (EXPENSES)</b>	-	-	-
279	-	279	<b>NET INCREASE (DECREASE) IN NET POSITION</b>	565	-	565
0%	0%	0%	<b>MEDICAL LOSS RATIO</b>	0%	0%	0%
0%	0%	0%	<b>ADMINISTRATIVE EXPENSE RATIO</b>	0%	0%	0%

<b>KERN HEALTH SYSTEMS</b>													
<b>MONTHLY MEMBERS COUNT</b>													
<b>KERN HEALTH SYSTEMS</b>													
<b>MEDI-CAL</b>	<b>2021 MEMBER MONTHS</b>	<b>JAN'21</b>	<b>FEB'21</b>	<b>MAR'21</b>	<b>APR'21</b>	<b>MAY'21</b>	<b>JUN'21</b>	<b>JUL'21</b>	<b>AUG'21</b>	<b>SEP'21</b>	<b>OCT'21</b>	<b>NOV'21</b>	<b>DEC'21</b>
<b>ADULT AND FAMILY</b>													
ADULT	544,079	51,548	53,449	52,941	53,378	54,092	54,867	55,250	55,691	56,542	56,321	0	0
CHILD	1,336,171	131,669	126,764	133,240	133,228	133,944	134,540	134,904	134,848	135,535	137,499	0	0
<b>SUB-TOTAL ADULT &amp; FAMILY</b>	<b>1,880,250</b>	<b>183,217</b>	<b>180,213</b>	<b>186,181</b>	<b>186,606</b>	<b>188,036</b>	<b>189,407</b>	<b>190,154</b>	<b>190,539</b>	<b>192,077</b>	<b>193,820</b>	<b>0</b>	<b>0</b>
<b>OTHER MEMBERS</b>													
PARTIAL DUALS - FAMILY	6,055	403	523	529	576	563	576	594	673	809	809	0	0
PARTIAL DUALS - CHILD	-1	0	-1	0	0	0	0	0	0	0	0	0	0
PARTIAL DUALS - BCCTP	30	2	2	2	2	2	4	4	4	4	4	0	0
BCCTP - TABACCO SETTLEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FULL DUALS (SPD)</b>													
SPD FULL DUALS	76,196	7,484	7,591	7,505	7,523	7,635	7,640	7,814	7,739	8,069	7,196	0	0
<b>SUBTOTAL OTHER MEMBERS</b>	<b>82,280</b>	<b>7,889</b>	<b>8,115</b>	<b>8,036</b>	<b>8,101</b>	<b>8,200</b>	<b>8,220</b>	<b>8,412</b>	<b>8,416</b>	<b>8,882</b>	<b>8,009</b>	<b>0</b>	<b>0</b>
<b>TOTAL FAMILY &amp; OTHER</b>	<b>1,962,530</b>	<b>191,106</b>	<b>188,328</b>	<b>194,217</b>	<b>194,707</b>	<b>196,236</b>	<b>197,627</b>	<b>198,566</b>	<b>198,955</b>	<b>200,959</b>	<b>201,829</b>	<b>0</b>	<b>0</b>
<b>SPD</b>													
SPD (AGED AND DISABLED)	160,678	16,011	18,829	15,328	15,870	15,756	15,645	15,800	15,749	15,775	15,915	0	0
<b>MEDI-CAL EXPANSION</b>													
ACA Expansion Adult-Citizen	740,931	70,649	69,251	72,532	73,089	74,161	74,905	75,451	76,525	77,016	77,352	0	0
ACA Expansion Duals	9,571	751	472	895	921	1,046	1,132	1,163	1,042	922	1,227	0	0
<b>SUB-TOTAL MED-CAL EXPANSION</b>	<b>750,502</b>	<b>71,400</b>	<b>69,723</b>	<b>73,427</b>	<b>74,010</b>	<b>75,207</b>	<b>76,037</b>	<b>76,614</b>	<b>77,567</b>	<b>77,938</b>	<b>78,579</b>	<b>0</b>	<b>0</b>
<b>TOTAL KAISER</b>	<b>117,399</b>	<b>11,047</b>	<b>11,196</b>	<b>11,349</b>	<b>11,505</b>	<b>11,692</b>	<b>11,852</b>	<b>11,983</b>	<b>12,108</b>	<b>12,250</b>	<b>12,417</b>	<b>0</b>	<b>0</b>
<b>TOTAL MEDI-CAL MEMBERS</b>	<b>2,991,109</b>	<b>289,564</b>	<b>288,076</b>	<b>294,321</b>	<b>296,092</b>	<b>298,891</b>	<b>301,161</b>	<b>302,963</b>	<b>304,379</b>	<b>306,922</b>	<b>308,740</b>	<b>0</b>	<b>0</b>





September AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5022	SVAM INTERNATIONAL INC	34,890.00	245,786.00	AUG. 2021 PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T4733	UNITED STAFFING ASSOCIATES	32,866.95	190,688.54	AUG. & SEPT. 2021 TEMPORARY HELP - (2) MS; (1) HHP; (1) HE	VARIOUS
T5337	CAZADOR CONSULTING GROUP INC	31,289.93	160,429.54	AUG./SEPT. 2021 TEMPORARY HELP - (10) MS	VARIOUS
T2584	UNITED STATES POSTAL SVC.-HASLER****	30,000.00	180,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T4699	ZEOMEGA ****	29,475.00	98,128.47	JUL. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T2167	PG&E	27,479.36	211,748.75	AUG. & SEPT 2021 USAGE / UTILITIES	CORPORATE SERVICES
T2509	USPS****	27,289.84	28,798.14	FUND MAILING PERMIT #88	CORPORATE SERVICES
T5322	MANINDER KHALSA	26,351.00	73,430.50	AUG. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	24,653.16	188,280.16	AUG. 2021 EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4038	POLYCLINIC MEDICAL CENTER, INC****	22,841.29	22,841.29	SEPT. 2021/2022 PROVIDER GRANT	COMMUNITY GRANTS
T4657	DAPONDE SIMPSON ROWE PC****	22,589.50	103,487.00	JUL. 2021 LEGAL FEES	VARIOUS
T3011	OFFICE ALLY, INC	21,114.25	168,020.50	AUG. 2021 EDI CLAIM PROCESSING	CLAIMS
T4902	CHANGE HEALTHCARE SOLUTIONS, LLC****	20,741.60	48,655.20	MAY, JUN., JUL., AUG., 2021 EDI CLAIM PROCESSING (RELAY HEALTH)	CLAIMS
T4460	PAYSPAN, INC	19,412.11	142,085.63	AUG. 2021 ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T3449	CDW GOVERNMENT****	18,050.26	91,341.31	OPTICAL TRANCEIVER MODULES & ADOBE LICENSES	MIS INFRASTRUCTURE
T5145	CCS ENGINEERING FRESNO INC	17,882.14	142,311.26	SEPT. 2021 JANITORIAL & ADDITIONAL DAY PORTER	CORPORATE SERVICES

# KERN·HEALTH SYSTEMS

**September AP Vendor Report**

**Amounts over \$10,000.00**

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1861	CERIDIAN HCM, INC.	17,842.22	183,159.08	JUL., AUG. & SEPT. 2021 MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T5005	CRAYON SOFTWARE EXPERTS LLC	17,112.78	778,629.21	AUG. 2021 ESD AZURE COVERAGE	MIS INFRASTRUCTURE
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	16,770.00	159,510.00	AUG. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T5109	RAND EMPLOYMENT SOLUTIONS	13,760.46	332,804.70	AUG. & SEPT. 2021 TEMPORARY HELP - (1) MS; (1) HHP; (1) HE	VARIOUS
T5185	HOUSING AUTHORITY COUNTY OF KERN	13,100.00	117,200.00	JUN. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4261	KAISER FOUNDATION HEALTH PLAN-TX PPO	12,968.80	9,520.24	SEPT. 2021 EMPLOYEE PPO HEALTH BENEFITS PREMIUM	VARIOUS
T4501	ALLIED UNIVERSAL SECURITY SERVICES	12,705.35	127,810.21	AUG. & SEPT. 2021 ONSITE SECURITY	CORPORATE SERVICES
T2458	HEALTHCARE FINANCIAL, INC.***	12,500.00	299,500.00	JUL. 2021 PROFESSIONAL SERVICES	ADMINISTRATION
T1005	COLONIAL LIFE & ACCIDENT	11,873.52	108,184.67	SEPT. 2021 LIFE INSURANCE PREMIUM	VARIOUS
T5386	PARTNER ENGINEERING AND SCIENCE, INC****	11,150.00	11,150.00	CARPORT SOLAR PROFESSIONAL SERVICES	CORPORATE SERVICES
T3092	LINKS FOR LIFE, INC****	10,000.00	15,450.00	LACEN IT UP SPONSORSHIP	MARKETING
		<b><u>6,747,911.11</u></b>			
	TOTAL VENDORS OVER \$10,000	6,747,911.11			
	TOTAL VENDORS UNDER \$10,000	235,690.70			
	TOTAL VENDOR EXPENSES- SEPTEMBER	<b><u>\$ 6,983,601.81</u></b>			

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



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	3,899,985.64	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T1001	KERN MEDICAL CENTER****	3,730,673.49	2019/2020 PROVIDER QUALITY CARE GRANT & 2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4350	COMPUTER ENTERPRISE INC.	1,990,277.92	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT
T2704	MCG HEALTH LLC	1,648,909.88	HEALTH CARE MANAGEMENT & SOFTWARE LICENSE 8/5/2021 - 08/04/2022	UTILIZATION MANAGEMENT
T4982	NGC US, LLC	1,382,245.88	PREFUND HEALTH EDUCATION MEMBER INCENTIVES	HEALTH EDUCATION
T2686	ALLIANT INSURANCE SERVICES INC.	1,210,766.90	ANNUAL INSURANCE & ACIP CRIME PREMIUMS	ADMINISTRATION
T3130	OPTUMINSIGHT, INC.	1,043,176.00	ANNUAL LICENSED SOFTWARE EASYGROUP & INCREMENTAL LICENSE	MIS INFRASTRUCTURE
T2726	DST PHARMACY SOLUTIONS, INC.	1,035,206.26	PHARMACY CLAIMS	PHARMACY
T4237	FLUIDEDGE CONSULTING, INC.	894,745.10	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	VARIOUS
T4391	OMNI FAMILY HEALTH	860,848.60	HEALTH HOMES AND PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T5005	CRAYON SOFTWARE EXPERTS LLC	778,629.21	ANNUAL SOFTWARE LICENSE AND ESD AZURE COVERAGE	MIS INFRASTRUCTURE
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	621,555.95	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE PREMIUM	VARIOUS
T1180	LANGUAGE LINE SERVICES INC.	436,476.19	INTERPRETATION SERVICES	MEMBER SERVICES
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	385,432.95	PROFESSIONAL SERVICES	VARIOUS

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4582	HEALTHX, INC.	382,184.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T5109	RAND EMPLOYMENT SOLUTIONS	322,835.32	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T1845	DEPARTMENT OF MANAGED HEALTH CARE	310,874.85	2021-2022 MCAL ANNUAL ASSESSMENT	ADMINISTRATION
T5111	ENTISYS 360	306,584.94	ANNUAL DISASTER RECOVERY CONTINUITY PROJECT	CAPITAL PROJECT/MIS INFRASTRUCTURE
T2458	HEALTHCARE FINANCIAL, INC.	299,500.00	PROFESSIONAL SERVICES	ADMINISTRATION
T5022	SVAM INTERNATIONAL INC	245,786.00	PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T5317	PRESIDIO NETWORKED SOLUTIONS GROUP LLC.	241,910.78	NUTANIX HARDWARE & SOFTWARE - SECURITY PROGRAM ASSESSMENT	MIS INFRASTRUCTURE
T4193	STRIA LLC	221,320.46	OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS
T5229	DIGNITY HEALTH MEDICAL GROUP - BAKERSFIELD	217,442.81	HEALTH HOME GRANT	COMMUNITY GRANTS
T2167	PG&E	211,748.75	USAGE/UTILITIES	CORPORATE SERVICES
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	211,555.53	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4483	INFUSION AND CLINICAL SERVICES, INC.	193,235.72	HEALTH HOMES GRANT	COMMUNITY GRANT
T4733	UNITED STAFFING ASSOCIATES	190,688.54	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T1861	CERIDIAN HCM, INC.	183,159.08	MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T2584	UNITED STATES POSTAL SVC.-HASLER	180,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T3011	OFFICE ALLY, INC.	168,020.50	EDI CLAIM PROCESSING	CLAIMS
T5337	CAZADOR CONSULTING GROUP INC	160,429.54	TEMPORARY HELP	VARIOUS
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	159,510.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4967	ADMINISTRATIVE SOLUTIONS, INC.	159,028.03	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T4460	PAYSPAN, INC	153,470.48	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T4165	SHI INTERNATIONAL CO.	144,711.52	SOFTWARE LICENSES	MIS INFRASTRUCTURE
T5145	CCS ENGINEERING FRESNO INC.,	142,311.26	JANITORIAL SERVICES	CORPORATE SERVICES
T3448	SYNERGY HEALTHCARE, INC.	141,500.00	ASTHMA PROGRAM GRANT	COMMUNITY GRANTS
T5344	SIGNATURE STAFF RESOURCES LLC	129,444.00	PROJECT MANAGEMENT CONSULTING	PROJECT MANAGEMENT
T4501	ALLIED UNIVERSAL SECURITY SERVICES	127,810.21	ONSITE SECURITY	CORPORATE SERVICES
T5319	CITIUSTECH INC.	125,000.00	CITIUS TECH'S FAST AND IMPLEMENTATION FEES	MIS INFRASTRUCTURE
T5185	HOUSING AUTHORITY COUNTY OF KERN	117,200.00	2020 HOUSING AUTHORITY GRANT	UTILIZATION MANAGEMENT - UM WELLNESS
T2850	QUEST SOFTWARE INC.	109,598.00	SQL LICENSE / SPOTLIGHT SOFTWARE	MIS INFRASTRUCTURE
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING	108,184.67	EMPLOYEE PREMIUM - ACCIDENT & CRITICAL ILLNESS	VARIOUS



# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4657	DAPONDE SIMPSON ROWE PC	103,487.00	LEGAL FEES	VARIOUS
T1960	LOCAL HEALTH PLANS OF CALIFORNIA	100,916.70	2021 ANNUAL DUE ASSESSMENT & TRAINING REGISTRATION	VARIOUS
T4699	ZeOMEGA, INC.	98,128.47	PROFESSIONAL SERVICES AND TRAVEL EXP.	UTILIZATION MANAGEMENT
T1408	DELL MARKETING L.P.	98,070.09	HARDWARE & COMPUTER EQUIPMENT	MIS INFRASTRUCTURE
T3449	CDW GOVERNMENT	90,710.54	ANNUAL ADOBE TEAM LICENSING	MIS INFRASTRUCTURE
T1128	HALL LETTER SHOP, INC.	90,688.56	NEW MEMBER LETTER/ENVELOPES, MEMBER HANDBOOKS, CLINICAL CARE MANUAL FOR HH, NEW MEMBER PACKETS & POSTERS	VARIOUS
T4261	KAISER FOUNDATION HEALTH PLAN -TX PPO	90,520.24	TX,PPO EMPLOYEE HEALTH BENEFITS	VARIOUS
T4353	TWE SOLUTIONS, INC.	87,518.01	ANNUAL TECHNICAL SUPPORT AND MAINTENANCE FOR NIMBLE STORAGE SOLUTIONS	MIS INFRASTRUCTURE
T4396	KAISER FOUNDATION HEALTH-DHMO	84,462.05	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4963	LINKEDIN CORPORATION	78,275.00	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES
T4813	ADVENTIST HEALTH TEHACHAPI VALLEY	77,925.82	2020 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T1189	APPLE ONE INC. EMPLOYMENT SERVICES	76,420.13	TEMPORARY HELP	MIS ADMINISTRATION
T5322	MANINDER KHALSA	73,430.50	2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T1272	COFFEY COMMUNICATIONS INC.	72,051.44	MEMBER NEWSLETTER/ WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4217	CONTEXT 4 HEALTHCARE, INC****	69,630.00	AMA ROYALTY FEE & CPT RENEWAL	MIS INFRASTRUCTURE
T4960	ZELIS CLAIMS INTEGRITY, LLC	67,536.96	POST EDITING SYSTEMS FOR CLAIMS PROCESSING	CLAIMS
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	65,000.00	2021 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5121	TPx COMMUNICATIONS	63,212.57	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T1022	UNUM LIFE INSURANCE CO.	61,013.60	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T5329	RELAY NETWORK, LLC	60,000.03	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T4563	SPH ANALYTICS	59,988.80	PROVIDER AND MEMBER SATISFACTION SURVEYS	VARIOUS
T5132	TIME WARNER CABLE LLC	58,393.71	INTERNET SERVICES	MIS INFRASTRUCTURE
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	54,735.75	2021-2022 OUTDOOR ADVERTISING	MARKETING
T1957	FRIENDS OF MERCY FOUNDATION	54,000.00	COVID VACCINE CAMPAIGN SPONSORSHIP	MARKETING
T4785	COMM GAP	52,430.00	INTERPRETATION SERVICES	HEALTH EDUCATION
T4792	KP LLC	51,416.46	PROVIDER DIRECTORIES & FORMULARY (SUPPORT/MAINT.)	PHARMACY/PROVIDER RELATIONS
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	49,950.00	2020 AUDIT FEES	FINANCE
T4182	THE LAMAR COMPANIES	49,760.00	OUTDOOR ADVERTISEMENT-BILLBOARDS	ADVERTISING
T4503	VISION SERVICE PLAN	49,681.20	EMPLOYEE HEALTH BENEFITS	VARIOUS

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	48,665.20	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4781	EDRINGTON HEALTH CONSULTING, LLC	48,600.00	CONSULTING SERVICES	ADMINISTRATION
T2961	SOLUTION BENCH, LLC	46,414.59	M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE
T1183	MILLIMAN USA	45,672.75	CY2019/2020 RDT & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T3986	JACQUELYN S. JANS	44,600.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/MARKETING
T2413	TREK IMAGING INC	41,769.51	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTHED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T5015	SENTINEL ENGINEERING	40,380.00	JUNIPER ANNUAL SUPPORT RENEWAL	MIS INFRASTRUCTURE
T5346	TURNKEY ENERGY	40,352.00	EV CHARGING STATIONS	CORPORATE SERVICES
T2446	AT&T MOBILITY	38,860.24	CELLULAR PHONE / INTERNET USAGE	MIS INFRASTRUCTURE
T5340	GARTNER INC	38,500.00	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T2441	LAURA J. BREZINSKI	38,060.00	MARKETING MATERIALS	MARKETING
T5107	CITRIX SYSTEMS, INC.	37,350.00	ANNUAL LICENSE AND SUPPORT FEES	MIS INFRASTRUCTURE
T5292	ALL'S WELL HEALTH CARE SERVICES	37,179.00	TEMPORARY HELP	VARIOUS
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	36,199.00	2021 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T2407	KAISER FOUNDATION HEALTH -COBRA	36,197.22	COBRA EMPLOYEE HEALTH BENEFITS	VARIOUS



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T2941	KERN PRINT SERVICES INC.	34,257.75	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T2969	AMERICAN BUSINESS MACHINES INC	34,178.13	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	33,333.36	COMMUNITY SPONSORSHIP	ADMINISTRATION
T5201	JAC SERVICES, INC.	33,148.00	AC MAINTENANCE & SERVICE	CORPORATE SERVICES
T5325	WADE A MCNAIR	32,995.00	LEADABILITY PROGRAM FACILITATION-CONSULTING SERVICES/ONSITE TRAINING	HUMAN RESOURCES
T4607	AGILITY RECOVERY SOLUTIONS INC.	30,416.00	PROFESSIONAL SERVICES	ADMINISTRATION
T2509	USPS ****	28,788.14	REPLENISH POSTAGE (PERMIT) FUNDS	CORPORATE SERVICES
T4575	SCHNEIDER ELECTRIC IT CORPORATION	26,791.50	APC COOLING UNITS - ANNUAL MAINTENANCE	CORPORATE SERVICES
T4216	NEXSTAR BROADCASTING INC	26,610.00	ADVERTISEMENT - MEDIA	MARKETING
T5269	KERN COMMUNITY FOUNDATION	26,311.00	ANNUAL CONTRIBUTION - KERN CONNECTED COMMUNITY NETWORK MGMT FEE	UTILIZATION MANAGEMENT-OUTREACH
T2135	BAKERSFIELD CITY SCHOOL DISTRICT	26,205.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T1655	KERN,KXXX,KISV,KGEO,KGFM,KEBT,KZOZ,KKJG,KVEC,KSTT,KRQK,KPAT,	26,000.00	DIGITAL ADS	MARKETING
T5298	TOTALMED, INC.	25,591.00	DIRECT PLACEMENT FEES	HUMAN RESOURCES
T2918	STINSON'S	25,490.30	2021 OFFICE SUPPLIES	VARIOUS
T4731	LOGMEIN USA, INC.	25,202.25	INTERNET SERVICES	MIS INFRASTRUCTURE

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4663	DEVELOPMENT DIMENSIONS INTERNATIONAL, INC.	25,000.00	LEADERSHIP FOUNDATION LICENSE	HUMAN RESOURCES
T5376	KCHCC	25,000.00	COVID TASK FORCE SPONSORSHIP	MARKETING
T5119	PACIFIC WEST SOUND PROFESSIONAL AUDIO & DESIGN INC.	24,075.03	HARDWARE BOARD ROOM REMOTE VIDEO CONFERENCING	MIS INFRASTRUCTURE
T5334	PACIFIC INTERPRETERS, INCORPORATED	21,443.57	INTERPRETATION SERVICES	HEALTH EDUCATION
T2933	SIERRA PRINTERS, INC.	23,701.64	PRINTING OF MEMBER EDUCATION MATERIAL/PROVIDER DIRECTORY/BUSINESS CARDS	VARIOUS
T5345	DEVVIO INC	23,250.00	ANNUAL SOFTWARE & HARDWARE DEV/TRACE WEARABLES & GATEWAYS - CONTRACT TRACING	MIS INFRASTRUCTURE/CAPITAL PROJECT
T4873	L5 HEALTHCARE SOLUTIONS, INC.	23,115.00	ANNUAL LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	CLAIMS
T4038	POLYCLINIC MEDICAL CENTER, INC****	22,841.29	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T1152	MICHAEL K. BROWN LANDSCAPE & MAINTENANCE CO., INC.	20,745.45	2021 BUILDING MAINTENANCE	CORPORATE SERVICE
T4605	KERNVILLE UNION SCHOOL DISTRICT	19,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T1326	WALKER-LEWIS RENTS	19,231.99	COVID-19 TESTING SITE EQUIPMENT	MARKETING
T1097	NCQA	19,230.75	HEDIS, VOL 2 PLUS QUALITY COMPASS AND POPULATION HEALTH PROGRAM ACCREDITATION	QUALITY IMPROVEMENT
T4514	A.J. KLEIN, INC. T. DENATALE, B. GOLDNER	18,193.50	LEGAL FEES	ADMINISTRATION
T4228	THE SSI GROUP, LLC.	18,239.80	EDI CLAIM PROCESSING	CLAIMS
T5128	STANDARD SCHOOL DISTRICT	18,000.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T5159	AT&T CORP	17,902.07	INTERNET SERVICES	MIS INFRASTRUCTURE
T3084	KERN COUNTY-COUNTY COUNSEL	17,697.30	LEGAL FEES	ADMINISTRATION
T4585	DELANO UNION SCHOOL DISTRICT	17,500.00	2019/2021 SCHOOL WELLNESS PROGRAM GRANT- FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T4802	KERN COUNTY SUPERINTENDENT OF SCHOOLS	17,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC	17,440.00	COVID-19 TESTING	HUMAN RESOURCES
T5161	INTEGRATED HEALTHCARE ASSOCIATION	17,405.00	ADVERTISEMENT - FILMING SERVICES	MARKETING
T4523	BERKSHIRE LIFE INSURANCE COMPANY OF AMERICA	17,173.78	EMPLOYEE PREMIUM	ADMINISTRATION
T5013	ELIZA CORPORATION	17,110.00	202 DATA MANAGEMENT FEE	CASE MANAGEMENT
T4962	LIBERTY DATA, INC.	17,000.00	PROFESSIONAL SERVICES ANNUAL RENEWAL	MIS INFRASTRUCTURE
T4016	FIRST DATABANK, INC	16,620.00	SOFTWARE LICENSE	MIS INFRASTRUCTURE
T5333	CENTRAL CALIFORNIA ASTHMA COLLABORATIVE	16,042.50	2021 CENTRAL CALIFORNIA ASTHMA COLLAB. GRANT	HE WELLNESS
T4708	HEALTH MANAGEMENT ASSOCIATES, INC.	15,936.00	CONSULTING SERVICES	ADMINISTRATION
T2787	SAGE SOFTWARE, INC	15,819.93	2020-21 SAGE300 ERP SILVER BUSINESS ANNUAL LICENSE	FINANCE
T4993	LEGALSHIELD	15,382.36	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION
T5336	TEAMDYNAMIX SOLUTIONS LLC	15,200.00	SOFTWARE LICENSE	MIS INFRASTRUCTURE

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T2851	SINCLAIR TELEVISION OF BAKERSFIELD, LLC	15,025.00	ADVERTISEMENT - TELEVISION	MARKETING
T2578	AMERICAN HEART ASSOCIATION - KERN COUNTY	15,000.00	COMMUNITY ACTIVITIES-SPONSORSHIP	ADMINISTRATION
T4195	SCRIPPS MEDIA, INC. DBA KERO-TV	14,935.00	ADVERTISEMENT - TELEVISION	MARKETING
T1347	ADVANCED DATA STORAGE	14,522.90	STORAGE AND SHREDDING SERVICES	CORPORATE SERVICES
T4389	EXACT STAFF, INC.	13,988.52	TEMPORARY HELP	VARIOUS
T3092	LINKS FOR LIFE, INC****	13,450.00	2021 EVENT SPONSORSHIP	MARKETING
T2790	KERN COUNTY DEPT OF PUBLIC HEALTH	12,915.00	INFLUENZA VACCINATION SPONSORSHIP	MARKETING
T1650	UNIVISION TELEVISION GROUP	12,750.00	ADVERTISEMENT - TELEVISION	MARKETING
T4466	SMOOTH MOVE USA ****	12,348.60	2021 MOVING EXPENSES	CORPORATE SERVICES
T2938	SAP AMERICA, INC	12,308.32	SAP BUSINESS OBJECTS SOFTWARE ANNUAL MAINTENANCE FEE	BUSINESS INTELLIGENCE
T5215	RICHARD GARCIA	12,075.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4577	LA CAMPESINA, KBDS, KUFW, KMYX, KSEA, KBHH, KYLI, KCEC, KNAI	12,000.00	ADVERTISEMENT - RADIO	MARKETING
T4934	APPLE INC****	11,673.29	2021 SERVICE AWARDS & CELL PHONES	VARIOUS
T5386	PARTNER ENGINEERING AND SCIENCE, INC****	11,150.00	PROFESSIONAL SERVICES	CORPORATE SERVICES
T2955	DELTA ELECTRIC INC.	11,010.00	BUILDING MAINTENANCE	CORPORATE SERVICES



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T5099	PROGRESS SOFTWARE CORPORATION	10,988.02	SOFTWARE LICENSE	MIS INFRASTRUCTURE
T2840	ATALASOFT, INC.	10,254.00	ANNUAL DOTIMAGE DOCUMENT IMAGING MAINTENANCE	MIS INFRASTRUCTURE
T4932	SPECTRUM REACH (MEDIA)	10,200.00	ADVERTISEMENT - TELEVISION	MARKETING
T4920	OTIS ELEVATOR COMPANY****	10,001.80	2021 ELEVATOR MAINTENANCE SERVICES	CORPORATE SERVICES
T2869	COMMUNITY ACTION PARTNERSHIP OF KERN	10,000.00	COMMUNITY GRANTS	MARKETING
		<u>29,547,317.94</u>		
	TOTAL VENDORS OVER \$10,000	29,547,317.94		
	TOTAL VENDORS UNDER \$10,000	645,224.23		
	TOTAL VENDOR EXPENSES - SEPTEMBER	<u>\$30,192,542.17</u>		

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





October AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	435,759.19	3,899,985.64	OCT., 2021 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4982	NGC US, LLC	294,024.99	1,382,245.88	PREFUND HEALTH HOMES INCENTIVES & HEALTH EDUCATION MEMBER & DISEASE MANAGEMENT & QUALITY IMPROVEMENT INCENTIVES	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	275,675.01	1,990,277.92	SEPT, 2021 PROFESSIONAL SERVICES / CONSULTING SERVICES	VARIOUS
T4237	FLUIDEDGE CONSULTING, INC.	152,474.40	894,745.10	SEP. & OCT. 2021 CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING-CALAIM EXPANSION	VARIOUS
T4331	COTIVITI, INC ***	152,237.24	152,237.24	CALIFORNIA MEDI-CAL MEDICAID MEASURES & ANNUAL LICENSE FEE	QUALITY IMPROVEMENT
T1071	CLINICA SIERRA VISTA ****	138,973.30	142,973.30	APR., MAY, JUN., JUL., & AUG. 2021 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2726	DST PHARMACY SOLUTIONS, INC.	123,140.18	1,035,206.26	SEPT. 2021 PHARMACY CLAIMS	PHARMACY
T3446	WITT/KIEFFER INC ****	95,091.19	95,091.19	RECRUITMENT FEES-CEO SEARCH	HUMAN RESOURCES
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	69,413.01	621,555.95	OCT. 2021 VOLUNTARY LIFE, AD&D, DENTAL INSURANCE	VARIOUS
T5401	KERN MEDICAL SUPPLY, LLC ****	65,546.02	65,546.02	JUL., & AUG. 2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T1180	LANGUAGE LINE SERVICES INC.	62,029.27	436,476.19	SEPT. 2021 INTERPRETATION SERVICES	UTILIZATION MANAGEMENT - HE
T1408	DELL MARKETING L.P. ****	61,925.48	159,995.57	HARDWARE - 50 INTEL WI-FI 6 AX201 & 25 DELL THUNDERBOLT	MIS INFRASTRUCTURE/CAPITAL PROJECTS
T4944	CENTRAL VALLEY FARMWORKER FOUNDATION ****	56,528.25	56,528.25	COVID 19 VACCINATION INCENTIVE PROVIDER GRANT PROGRAM	PROVIDER NETWORK MANAGEMENT

# KERN·HEALTH SYSTEMS

October AP Vendor Report  
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5396	NYMI INC ***	43,000.00	43,000.00	WEARABLE BIO-AUTHENTICATION TRACING DEVICES	CAPITAL PROJECT
T4582	HEALTHX, INC.	41,576.00	423,760.00	OCT. 2021 MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	40,151.75	425,584.70	SEPT. 2021 PROFESSIONAL SERVICES	VARIOUS
T4193	STRIA LLC ***	38,778.07	260,098.53	AUG., SEPT. & OCT. 2021 OCR SERVICES AND PROFESSIONAL SERVICES	VARIOUS
T1272	COFFEY COMMUNICATIONS INC. ****	38,194.19	110,245.63	FALL 2021 MEMBER NEWSLETTER & OCT. 2021 WEBSITE MAINTENANCE	HEALTH EDUCATION/ MARKETING
T2413	TREK IMAGING INC ***	35,435.81	77,205.32	COVID 19 VACCINATION MEMBER INCENTIVE ITEMS	MARKETING
T2458	HEALTHCARE FINANCIAL, INC.	30,500.00	299,500.00	AUG. 2021 PROFESSIONAL SERVICES	ADMINISTRATION
T5022	SVAM INTERNATIONAL INC	29,370.00	275,156.00	SEPT. 2021 PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T4657	DAPONDE SIMPSON ROWE PC	28,002.00	131,489.00	AUG. 2021 LEGAL FEES	VARIOUS
T5337	CAZADOR CONSULTING GROUP INC	25,741.14	186,170.68	SEPT./OCT. 2021 TEMPORARY HELP - (8) MS	VARIOUS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	25,216.46	188,843.46	SEPT. 2021 EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T5325	WADE A MCNAIR ***	23,179.00	56,174.00	HEALTH SERVICES UNIT - OCM PROGRAM	HUMAN RESOURCES
T4424	GUROCK SOFTWARE GmbH ****	23,100.00	23,100.00	TESTRAIL RENEWAL	MIS INFRASTRUCTURE
T5346	TURNKEY ENERGY ***	23,026.00	63,378.00	EV CHARGING STATIONS-FINAL PAYMENT	CORPORATE SERVICES
T4708	HEALTH MANAGEMENT ASSOCIATES, INC ****	21,306.25	37,242.25	JUL. & AUG. 2021 CONSULTING SERVICES	ADMINISTRATION
T2167	PG&E	21,166.92	232,915.67	SEPT. & OCT. 2021 USAGE / UTILITIES	CORPORATE SERVICES



October AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4460	PAYSPAN, INC	20,941.50	174,411.98	SEPT. 2021 ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T3011	OFFICE ALLY, INC	20,742.25	188,762.75	SEPT. 2021 EDI CLAIM PROCESSING	CLAIMS
T4038	POLYCLINIC MEDICAL CENTER, INC	20,277.68	43,118.97	AUG. 2021/2022 PROVIDER GRANT	COMMUNITY GRANTS
T2933	SIERRA PRINTERS, INC ****	19,776.81	43,478.45	MEMBER VACCINE POSTCARDS & FLYERS	VARIOUS
T4261	KAISER FOUNDATION HEALTH PLAN-TX PPO	19,450.20	109,970.44	OCT. 2021 EMPLOYEE PPO HEALTH BENEFITS PREMIUM	VARIOUS
T5145	CCS ENGINEERING FRESNO INC	18,250.00	160,561.26	OCT. 2021 JANITORIAL & ADDITIONAL DAY PORTER	CORPORATE SERVICES
T1861	CERIDIAN HCM, INC.	17,789.18	200,948.26	SEPT. & OCT. 2021 MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T5005	CRAYON SOFTWARE EXPERTS LLC	17,766.37	796,395.58	AUG. 2021 ESD AZURE COVERAGE	MIS INFRASTRUCTURE
T4733	UNITED STAFFING ASSOCIATES	17,260.40	207,948.94	SEPT. & OCT. 2021 TEMPORARY HELP - (6) MS; (1) HHP; (1) HE; (1) UM	VARIOUS
T5322	MANINDER KHALSA	17,160.00	90,590.50	SEPT. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4165	SHI INTERNATIONAL CO. ****	16,765.72	161,477.24	SOLARWINDS MAINTENANCE 2021/2022	MIS INFRASTRUCTURE
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP INC ***	16,000.00	33,440.00	AUG. & SEPT. 2021 COVID-19 TESTING	HUMAN RESOURCES
T4501	ALLIED UNIVERSAL SECURITY SERVICES	15,931.86	143,742.07	SEPT. & OCT. 2021 ONSITE SECURITY	CORPORATE SERVICES
T5387	NAVIA BENEFITS SOLUTIONS, INC. ****	15,034.02	21,861.46	SEPT. & OCT. 2021 FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T5076	MERIDIAN HEALTH SYSTEMS, P. C.	14,430.00	173,940.00	SEPT. 2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5109	RAND EMPLOYMENT SOLUTIONS	13,533.55	332,804.70	SEPT. & OCT. 2021 TEMPORARY HELP - (1) MS; (1) HHP; (1) HE	VARIOUS
T4686	CENTRIC HEALTH ***	13,060.08	13,060.08	JUL. 2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4496	VOX NETWORK SOLUTIONS, INC ****	12,716.60	14,703.39	WORKFORCE MANAGEMENT ADVANCED LICENSE ANNUAL REVIEW	MIS INFRASTRUCTURE
T1005	COLONIAL LIFE & ACCIDENT	11,855.62	120,040.29	SEPT. 2021 LIFE INSURANCE PREMIUM	VARIOUS
		<u>2,789,302.96</u>			
	TOTAL VENDORS OVER \$10,000	2,789,302.96			
	TOTAL VENDORS UNDER \$10,000	237,713.74			
	TOTAL VENDOR EXPENSES- OCTOBER	<u>\$ 3,027,016.70</u>			

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

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	4,335,744.83	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T1001	KERN MEDICAL CENTER	3,730,673.49	2019/2020 PROVIDER QUALITY CARE GRANT & 2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4350	COMPUTER ENTERPRISE INC.	2,285,952.93	PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECT
T4982	NGC US, LLC	1,676,270.87	PREFUND HEALTH EDUCATION MEMBER INCENTIVES	HEALTH EDUCATION
T2704	MCG HEALTH LLC	1,648,909.88	HEALTH CARE MANAGEMENT & SOFTWARE LICENSE 8/5/2021 - 08/04/2022	UTILIZATION MANAGEMENT
T2686	ALLIANT INSURANCE SERVICES INC.	1,210,766.90	ANNUAL INSURANCE & ACIP CRIME PREMIUMS	ADMINISTRATION
T2726	DST PHARMACY SOLUTIONS, INC.	1,158,346.44	PHARMACY CLAIMS	PHARMACY
T4237	FLUIDEDGE CONSULTING, INC.	1,047,219.50	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	VARIOUS
T3130	OPTUMINSIGHT, INC.	1,043,176.00	ANNUAL LICENSED SOFTWARE EASYGROUP & INCREMENTAL LICENSE	MIS INFRASTRUCTURE
T4391	OMNI FAMILY HEALTH	860,848.60	HEALTH HOMES AND PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T5005	CRAYON SOFTWARE EXPERTS LLC	796,395.58	ANNUAL SOFTWARE LICENSE AND ESD AZURE COVERAGE	MIS INFRASTRUCTURE
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	690,968.96	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE PREMIUM	VARIOUS
T1180	LANGUAGE LINE SERVICES INC.	498,505.46	INTERPRETATION SERVICES	MEMBER SERVICES
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	425,584.70	PROFESSIONAL SERVICES	VARIOUS



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4582	HEALTHX, INC.	423,760.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T5109	RAND EMPLOYMENT SOLUTIONS	336,368.87	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T2458	HEALTHCARE FINANCIAL, INC.	330,000.00	PROFESSIONAL SERVICES	ADMINISTRATION
T1845	DEPARTMENT OF MANAGED HEALTH CARE	310,874.85	2021-2022 MCAL ANNUAL ASSESSMENT	ADMINISTRATION
T5111	ENTISYS 360	306,584.94	ANNUAL DISASTER RECOVERY CONTINUITY PROJECT	CAPITAL PROJECT/MIS INFRASTRUCTURE
T5022	SVAM INTERNATIONAL INC	275,156.00	PROFESSIONAL SERVICES/UPDATE TO STANDARD BUSINESS REPORTING	IT BUSINESS INTELLIGENCE
T4193	STRIA LLC	260,098.53	OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS
T5317	PRESIDIO NETWORKED SOLUTIONS GROUP LLC.	241,910.78	NUTANIX HARDWARE & SOFTWARE - SECURITY PROGRAM ASSESSMENT	MIS INFRASTRUCTURE
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	236,771.99	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T2167	PG&E	232,915.67	USAGE/UTILITIES	CORPORATE SERVICES
T5229	DIGNITY HEALTH MEDICAL GROUP - BAKERSFIELD	217,442.81	HEALTH HOME GRANT	COMMUNITY GRANTS
T4733	UNITED STAFFING ASSOCIATES	207,948.94	TEMPORARY HELP & ACA INSURANCE	VARIOUS
T1861	CERIDIAN HCM, INC.	200,948.26	MONTHLY SUBSCRIPTION FEES/ PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4483	INFUSION AND CLINICAL SERVICES, INC.	193,235.72	HEALTH HOMES GRANT	COMMUNITY GRANT
T3011	OFFICE ALLY, INC.	188,762.75	EDI CLAIM PROCESSING	CLAIMS

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T5337	CAZADOR CONSULTING GROUP INC	186,170.68	TEMPORARY HELP	VARIOUS
T2584	UNITED STATES POSTAL SVC.-HASLER	180,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T4460	PAYSPAN, INC	174,411.98	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	173,940.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4165	SHI INTERNATIONAL CO.	161,477.24	SOFTWARE LICENSES	MIS INFRASTRUCTURE
T5145	CCS ENGINEERING FRESNO INC.,	160,561.26	JANITORIAL SERVICES	CORPORATE SERVICES
T1408	DELL MARKETING L.P.	159,995.57	HARDWARE & COMPUTER EQUIPMENT	MIS INFRASTRUCTURE
T4967	ADMINISTRATIVE SOLUTIONS, INC.	159,028.03	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T4331	COTIVITI, INC ****	152,237.24	CALIFORNIA MEDI-CAL MEDICAID MEASURES & ANNUAL LICENSE FEE	QUALITY IMPROVEMENT
T4501	ALLIED UNIVERSAL SECURITY SERVICES	143,742.07	ONSITE SECURITY	CORPORATE SERVICES
T1071	CLINICA SIERRA VISTA ****	142,973.30	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T3448	SYNERGY HEALTHCARE, INC.	141,500.00	ASTHMA PROGRAM GRANT	COMMUNITY GRANTS



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4657	DAPONDE SIMPSON ROWE PC	131,489.00	LEGAL FEES	VARIOUS
T5344	SIGNATURE STAFF RESOURCES LLC	129,444.00	PROJECT MANAGEMENT CONSULTING	PROJECT MANAGEMENT
T5319	CITIUSTECH INC.	125,000.00	CITIUS TECH'S FAST AND IMPLEMENTATION FEES	MIS INFRASTRUCTURE
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING	120,040.29	EMPLOYEE PREMIUM - ACCIDENT & CRITICAL ILLNESS	VARIOUS
T5185	HOUSING AUTHORITY COUNTY OF KERN	117,200.00	2020 HOUSING AUTHORITY GRANT	UTILIZATION MANAGEMENT - UM WELLNESS
T1272	COFFEY COMMUNICATIONS INC.	110,245.63	MEMBER NEWSLETTER/ WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE
T4261	KAISER FOUNDATION HEALTH PLAN -TX PPO	109,970.44	TX-PPO EMPLOYEE HEALTH BENEFITS	VARIOUS
T2850	QUEST SOFTWARE INC.	109,598.00	SQL LICENSE / SPOTLIGHT SOFTWARE	MIS INFRASTRUCTURE
T1960	LOCAL HEALTH PLANS OF CALIFORNIA	100,916.70	2021 ANNUAL DUE ASSESSMENT & TRAINING REGISTRATION	VARIOUS
T4699	ZeOMEGA, INC.	98,728.47	PROFESSIONAL SERVICES AND TRAVEL EXP.	UTILIZATION MANAGEMENT
T1128	HALL LETTER SHOP, INC.	98,407.80	NEW MEMBER LETTER/ENVELOPES, MEMBER HANDBOOKS, CLINICAL CARE MANUAL FOR HH, NEW MEMBER PACKETS & POSTERS	VARIOUS
T3446	WITT/KIEFFER INC ****	95,091.19	RECRUITMENT FEES	HUMAN RESOURCES
T4396	KAISER FOUNDATION HEALTH-DHMO	92,589.34	EMPLOYEE HEALTH BENEFITS	VARIOUS



# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T3449	CDW GOVERNMENT	90,915.37	ANNUAL ADOBE TEAM LICENSING	MIS INFRASTRUCTURE
T5322	MANINDER KHALSA	90,590.50	2021 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4353	TWE SOLUTIONS, INC.	87,518.01	ANNUAL TECHNICAL SUPPORT AND MAINTENANCE FOR NIMBLE STORAGE SOLUTIONS	MIS INFRASTRUCTURE
T1189	APPLE ONE INC, EMPLOYMENT SERVICES	85,565.09	TEMPORARY HELP	MIS ADMINISTRATION
T4963	LINKEDIN CORPORATION	78,275.00	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES
T4813	ADVENTIST HEALTH TEHACHAPI VALLEY	77,925.82	2020 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T2413	TREK IMAGING INC	77,205.32	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T5121	TPX COMMUNICATIONS	70,307.54	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T4217	CONTEXT 4 HEALTHCARE, INC	69,630.00	AMA ROYALTY FEE & CPT RENEWAL	MIS INFRASTRUCTURE
T1022	UNUM LIFE INSURANCE CO.	68,466.00	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T4960	ZELIS CLAIMS INTEGRITY, LLC	67,536.96	POST EDITING SYSTEMS FOR CLAIMS PROCESSING	CLAIMS
T5329	RELAY NETWORK, LLC	66,666.70	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T5401	KERN MEDICAL SUPPLY, LLC ****	65,546.02	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	65,000.00	2021 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T5132	TIME WARNER CABLE LLC	64,881.98	INTERNET SERVICES	MIS INFRASTRUCTURE



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T5346	TURNKEY ENERGY	63,378.00	EY CHARGING STATIONS	CORPORATE SERVICES
T4563	SPH ANALYTICS	59,988.80	PROVIDER AND MEMBER SATISFACTION SURVEYS	VARIOUS
T4785	COMMGAP	57,227.50	INTERPRETATION SERVICES	HEALTH EDUCATION
T4944	CENTRAL VALLEY FARMWORKER FOUNDATION ****	56,528.25	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5325	WADE A MCNAIR	56,174.00	LEADABILITY PROGRAM FACILITATION-CONSULTING SERVICES/ONSITE TRAINING	HUMAN RESOURCES
T4503	VISION SERVICE PLAN	55,239.08	EMPLOYEE HEALTH BENEFITS	VARIOUS
T2580	GOLDEN EMPIRE TRANSIT DISTRICT	54,735.75	2021-2022 OUTDOOR ADVERTISING	MARKETING
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	54,673.08	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4792	KP LLC	54,039.57	PROVIDER DIRECTORIES & FORMULARY (SUPPORT/MAINT.)	PHARMACY/PROVIDER RELATIONS
T1957	FRIENDS OF MERCY FOUNDATION	54,000.00	COVID VACCINE CAMPAIGN SPONSORSHIP	MARKETING
T4182	THE LAMAR COMPANIES	52,575.00	OUTDOOR ADVERTISEMENT-BILLBOARDS	ADVERTISING
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	49,950.00	2020 AUDIT FEES	FINANCE
T3986	JACQUELYN S. JANS	49,600.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING
T4781	EDRINGTON HEALTH CONSULTING, LLC	48,600.00	CONSULTING SERVICES	ADMINISTRATION
T2961	SOLUTION BENCH, LLC	46,414.59	M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1183	MILLIMAN USA	45,672.75	CY2019/2020 RDT & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T2933	SIERRA PRINTERS, INC.	43,478.45	PRINTING OF MEMBER EDUCATION MATERIAL/PROVIDER DIRECTORY/BUSINESS CARDS	VARIOUS
T4038	POLYCLINIC MEDICAL CENTER, INC	43,118.97	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2446	AT&T MOBILITY	43,010.92	CELLULAR PHONE / INTERNET USAGE	MIS INFRASTRUCTURE
T5396	NYMI INC ****	43,000.00	CONTRACT TRACING DEVICES	CORPORATE SERVICES
T2441	LAURA J. BREZINSKI	41,900.00	MARKETING MATERIALS	MARKETING
T5201	JAC SERVICES, INC.	41,794.00	AC MAINTENANCE & SERVICE	CORPORATE SERVICES
T5015	SENTINEL ENGINEERING	40,380.00	JUNIPER ANNUAL SUPPORT RENEWAL	MIS INFRASTRUCTURE
T2969	AMERICAN BUSINESS MACHINES INC	38,969.19	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T2407	KAISER FOUNDATION HEALTH-COBRA	38,874.53	COBRA EMPLOYEE HEALTH BENEFITS	VARIOUS
T5340	GARTNER INC	38,500.00	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T5107	CITRIX SYSTEMS, INC.	37,350.00	ANNUAL LICENSE AND SUPPORT FEES	MIS INFRASTRUCTURE
T4708	HEALTH MANAGEMENT ASSOCIATES, INC.	37,242.25	CONSULTING SERVICES	ADMINISTRATION
T5292	ALL'S WELL HEALTH CARE SERVICES	37,179.00	TEMPORARY HELP	VARIOUS
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	36,199.00	2021 ANNUAL DUES ASSESSMENT	ADMINISTRATION



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T2135	BAKERSFIELD CITY SCHOOL DISTRICT	35,965.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T2941	KERN PRINT SERVICES INC.	34,257.75	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T4607	AGILITY RECOVERY SOLUTIONS INC.	34,203.00	PROFESSIONAL SERVICES	ADMINISTRATION
T4731	LOGMEIN USA, INC.	33,535.60	INTERNET SERVICES	MIS INFRASTRUCTURE
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC	33,440.00	COVID-19 TESTING	HUMAN RESOURCES
T2918	STINSON'S	30,031.07	2021 OFFICE SUPPLIES	VARIOUS
T2509	USPS	28,798.14	REPLENISH POSTAGE (PERMIT) FUNDS	CORPORATE SERVICES
T1152	MICHAEL K. BROWN LANDSCAPE & MAINTENANCE CO., INC.	27,603.47	2021 BUILDING MAINTENANCE	CORPORATE SERVICE
T4575	SCHNEIDER ELECTRIC IT CORPORATION	26,791.50	APC COOLING UNITS - ANNUAL MAINTENANCE	CORPORATE SERVICES
T4216	NEXSTAR BROADCASTING INC	26,610.00	ADVERTISEMENT - MEDIA	MARKETING
T5269	KERN COMMUNITY FOUNDATION	26,311.00	ANNUAL CONTRIBUTION - KERN CONNECTED COMMUNITY NETWORK MGMT FEE	UTILIZATION MANAGEMENT- OUTREACH
T1655	KERN,KXX,KISV,KGEO,KGFM,KEBT,KZOZ,KKJG,KVEC,KSTT,KRQK,KPAT,	26,000.00	DIGITAL ADS	MARKETING
T5298	TOTALMED, INC.	25,591.00	DIRECT PLACEMENT FEES	HUMAN RESOURCES
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	25,000.01	COMMUNITY SPONSORSHIP	ADMINISTRATION
T5376	KCHCC	25,000.00	COVID TASK FORCE SPONSORSHIP	MARKETING

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T4663	DEVELOPMENT DIMENSIONS INTERNATIONAL, INC.	25,000.00	LEADERSHIP FOUNDATION LICENSE	HUMAN RESOURCES
T5119	PACIFIC WEST SOUND PROFESSIONAL AUDIO & DESIGN INC.	24,075.03	HARDWARE BOARD ROOM REMOTE VIDEO CONFERENCING	MIS INFRASTRUCTURE
T5345	DEVVIO INC	23,250.00	ANNUAL SOFTWARE & HARDWARE DEVVTRACE WEARABLES & GATEWAYS - CONTRACT TRACING	MIS INFRASTRUCTURE/CAPITAL PROJECT
T4873	L5 HEALTHCARE SOLUTIONS, INC.	23,115.00	ANNUAL LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	CLAIMS
T4424	GUROCK SORTWARE GmbH ****	23,100.00	TESTRAIL RENEWAL	MIS INFRASTRUCTURE
T5387	NAVIA BENEFITS SOLUTIONS, INC ****	21,861.46	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T5334	PACIFIC INTERPRETERS, INCORPORATED	21,443.57	INTERPRETATION SERVICES	HEALTH EDUCATION
T5333	CENTRAL CALIFORNIA ASTHMA COLLABORATIVE	21,390.00	2021 CENTRAL CALIFORNIA ASTHMA COLLAB. GRANT	HE WELLNESS
T4228	THE SSI GROUP, LLC.	20,695.20	EDI CLAIM PROCESSING	CLAIMS
T5159	AT&T CORP	19,691.92	INTERNET SERVICES	MIS INFRASTRUCTURE
T4605	KERNVILLE UNION SCHOOL DISTRICT	19,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T3084	KERN COUNTY-COUNTY COUNSEL	19,378.10	LEGAL FEES	ADMINISTRATION
T5161	INTEGRATED HEALTHCARE ASSOCIATION	19,341.29	ADVERTISEMENT - FILMING SERVICES	MARKETING
T1326	WALKER-LEWIS RENTS	19,279.51	COVID-19 TESTING SITE EQUIPMENT	MARKETING



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T1097	NCQA	19,230.75	HEDIS, VOL 2 PLUS QUALITY COMPASS AND POPULATION HEALTH PROGRAM ACCREDITATION	QUALITY IMPROVEMENT
T4523	BERKSHIRE LIFE INSURANCE COMPANY OF AMERICA	19,086.70	EMPLOYEE PREMIUM	ADMINISTRATION
T4514	A.J. KLEIN, INC. T. DENATALE, B. GOLDNER	18,193.50	LEGAL FEES	ADMINISTRATION
T5128	STANDARD SCHOOL DISTRICT	18,000.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T4802	KERN COUNTY SUPERINTENDENT OF SCHOOLS	17,500.00	2019/2020 SCHOOL WELLNESS PROGRAM GRANT - FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T4585	DELANO UNION SCHOOL DISTRICT	17,500.00	2019/2021 SCHOOL WELLNESS PROGRAM GRANT- FINAL PAYMENT	UTILIZATION MANAGEMENT - HE WELLNESS
T3092	LINKS FOR LIFE, INC	17,460.00	2021 EVENT SPONSORSHIP	MARKETING
T5013	ELIZA CORPORATION	17,110.00	202 DATA MANAGEMENT FEE	CASE MANAGEMENT
T4993	LEGALSHIELD	17,083.81	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION
T4962	LIBERTY DATA, INC.	17,000.00	PROFESSIONAL SERVICES ANNUAL RENEWAL	MIS INFRASTRUCTURE
T4934	APPLE INC	16,770.55	2021 SERVICE AWARDS & CELL PHONES	VARIOUS
T4016	FIRST DATABANK, INC	16,620.00	SOFTWARE LICENSE	MIS INFRASTRUCTURE
T1347	ADVANCED DATA STORAGE	16,065.70	STORAGE AND SHREDDING SERVICES	CORPORATE SERVICES
T2787	SAGE SOFTWARE, INC	15,819.93	2020-21 SAGE300 ERP SILVER BUSINESS ANNUAL LICENSE	FINANCE
T5336	TEAMDYNAMIX SOLUTIONS LLC	15,200.00	SOFTWARE LICENSE	MIS INFRASTRUCTURE

# KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T2851	SINCLAIR TELEVISION OF BAKERSFIELD, LLC	15,025.00	ADVERTISEMENT - TELEVISION	MARKETING
T2578	AMERICAN HEART ASSOCIATION - KERN COUNTY	15,000.00	COMMUNITY ACTIVITIES-SPONSORSHIP	ADMINISTRATION
T4195	SCRIPPS MEDIA, INC. DBA KERO-TV	14,935.00	ADVERTISEMENT - TELEVISION	MARKETING
T4496	VOX NETWORK SOLUTIONS, INC ****	14,703.39	WORKFORCE MANAGEMENT ADVANCED LICENSE ANNUAL RENEWAL	MIS INFRASTRUCTURE
T4389	EXACT STAFF, INC.	13,988.52	TEMPORARY HELP	VARIOUS
T4686	CENTRIC HEALTH ****	13,060.08	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2790	KERN COUNTY DEPT OF PUBLIC HEALTH	12,915.00	INFLUENZA VACCINATION SPONSORSHIP	MARKETING
T1650	UNIVISION TELEVISION GROUP	12,750.00	ADVERTISEMENT - TELEVISION	MARKETING
T4466	SMOOTH MOVE USA	12,738.60	2021 MOVING EXPENSES	CORPORATE SERVICES
T2938	SAP AMERICA, INC	12,308.32	SAP BUSINESS OBJECTS SOFTWARE ANNUAL MAINTENANCE FEE	BUSINESS INTELLIGENCE
T2955	DELTA ELECTRIC INC.	12,225.00	BUILDING MAINTENANCE	CORPORATE SERVICES
T5215	RICHARD GARCIA	12,075.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4577	LA CAMPESINA, KBDS, KUFW, KMYX, KSEA, KBHH, KYLI, KCEC, KNAI	12,000.00	ADVERTISEMENT - RADIO	MARKETING
T5386	PARTNER ENGINEERING AND SCIENCE, INC	11,150.00	PROFESSIONAL SERVICES	CORPORATE SERVICES
T5099	PROGRESS SOFTWARE CORPORATION	10,968.02	SOFTWARE LICENSE	MIS INFRASTRUCTURE



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

Vendor No.	Vendor Name	Year-to Date	Description	Department
T2840	ATALASOFT, INC.	10,254.00	ANNUAL DOTIMAGE DOCUMENT IMAGING MAINTENANCE	MIS INFRASTRUCTURE
T4932	SPECTRUM REACH (MEDIA)	10,200.00	ADVERTISEMENT - TELEVISION	MARKETING
T4920	OTIS ELEVATOR COMPANY	10,001.80	2021 ELEVATOR MAINTENANCE SERVICES	CORPORATE SERVICES
T2869	COMMUNITY ACTION PARTNERSHIP OF KERN	10,000.00	COMMUNITY GRANTS	MARKETING
		<u>32,507,902.76</u>		
	TOTAL VENDORS OVER \$10,000	32,507,902.76		
	TOTAL VENDORS UNDER \$10,000	711,656.11		
	TOTAL VENDOR EXPENSES - OCTOBER	<u>\$33,219,558.87</u>		

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



Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
<b>January</b>							
Poppyrock Designs	\$46,200.00	Yes	MRK	Louie Iturriria	Graphic design of KHS-KFHC member & provider MKT materials	1/1/2021	12/31/2021
Synplr/Cactus	\$35,700.00	Yes	IT	Richard Pruitt	Annual SaaS Application manager, & the DEA State license monitor	1/6/2021	1/5/2022
HD Dynamics	\$50,000.00	Yes	PR	Emily Duran	Consulting Services	1/1/2021	12/31/2021
LinkedIn	\$52,000.00	Yes	HR	Anita Martin	Online training for managed learners	1/1/2021	12/31/2021
Jacquelyn Jans	\$60,000.00	Yes	MRK	Louie Iturriria	Marketing and Corporate Image Consulting	1/1/2021	12/31/2021
<b>February</b>							
CDW-G	\$54,287.48	Yes	IT	Richard Pruitt	Deal 5420 (25) laptops and (25) Dockbolt stations	2/24/2021	2/24/2025
SPH Analytics	\$87,010.00	Yes	PR	Emily Duran	Custom provider satisfaction survey	2/11/2021	12/31/2021
Lanar	\$41,595.00	Yes	MRK	Louie Iturriria	Production of 5 Billboard advertisement	1/25/2021	1/24/2022
LifeSigns	\$80,000.00	Yes	HE	Isabel Silva	ASL interpreting services for KHS members	2/23/2021	2/22/2023
PMO Partners	\$99,995.00	Yes	IT	Richard Pruitt	Unlimited Enterprise Spotlight on SQL server licenses	2/1/2021	1/31/2026
<b>March</b>							
Angela Ahsan	\$97,152.00	Yes	PM	Angela Ahsan	Professional consulting services	2/11/2021	6/18/2021
Gartner	\$38,500.00	Yes	IT	Richard Pruitt	One (1) license for individual access advisor	3/1/2021	2/28/2022
SHI	\$33,432.79	Yes	IT	Richard Pruitt	Co-termed support for all Fortinet-Fortigate security appliances	3/15/2021	12/31/2022
<b>April</b>							
Citrix	\$37,350.00	Yes	IT	Richard Pruitt	Maintenance and support for Citrix licenses	4/2/2021	4/1/2022
SHI	\$58,469.60	Yes	IT	Richard Pruitt	Cisco SMARTnet renewal	4/22/2021	4/22/2022
TWE Solutions	\$73,165.00	Yes	IT	Richard Pruitt	Cortex XDR Pro licenses	4/23/2021	4/22/2022
Presidio	\$47,225.00	Yes	IT	Richard Pruitt	Security Program Assessment services	4/23/2021	4/22/2022
<b>May</b>							
Entisys360	\$99,999.00	Yes	IT	Richard Pruitt	Xi Leap Cloud Services co-termed	5/26/2021	5/26/2022
<b>June</b>							
Milliman	\$50,000.00	Yes	ACCT	Veronica Barker	Actuarial services (BNP)	6/1/2021	5/31/2022
Dell	\$62,756.60	Yes	IT	Richard Pruitt	25 Dell 5420 Laptops and 25 docking stations	6/24/2021	6/23/2025
Edrington Health Consulting	\$99,000.00	Yes	ACCT	Veronica Barker	Actuarial services (RDT, SDRs, rate analysis, discussion guide)	6/1/2021	5/31/2022
Presidio	\$80,418.89	Yes	IT	Richard Pruitt	Node purchase to expand Rubrik backup and recovery solution	6/24/2021	6/23/2022
Entisys360	\$99,400.36	Yes	IT	Richard Pruitt	Rubrik polaris Sonar software	6/24/2021	6/23/2024
<b>July</b>							
Solution Bench	\$33,814.59	Yes	IT	Richard Pruitt	Subscription-based licensing program for all M-Files licenses	7/24/2021	7/23/2022
ABM	\$91,854.00	Yes	IT	Richard Pruitt	Support and printing for all printing equipment	10/1/2021	9/30/2023
Golden Empire Transit (GET)	\$53,735.75	Yes	MRK	Louie Iturriria	Four (4) King Kong outdoor advertisements	7/15/2021	6/30/2022
Sentinel	\$40,380.00	Yes	IT	Richard Pruitt	Juniper Networks switches support and maintenance	7/1/2021	6/30/2022
<b>August</b>							
FluidEdge	\$78,000.00	Yes	Compl	Alan Avey	Resource (Amy Kramer) to support the compliance team	8/16/2021	11/12/2021
Context4 Healthcare	\$68,600.00	Yes	IT	Richard Pruitt	CPT code set licenses for access to CPT additional through AMA	8/12/2021	8/11/2022
Dell	\$53,967.22	Yes	IT	Richard Pruitt	Fifty (50) OptiPlex 5090 Micro Desktop with 4 years support	8/4/2021	8/3/2025
WinkKieffer	\$65,000.00	Yes	HR	Anita Martin	Recruitment/search of a new CEO for KHS	8/24/2021	8/23/2022
FluidEdge	\$86,600.00	Yes	PM	Lavonne Banks	Temporarily Interim Senior Project Manager for PMO dept	8/16/2021	11/19/2021
Entisys360	\$83,976.66	Yes	IT	Richard Pruitt	Rubrik backup and recovery solution one (1) year renewal	8/23/2021	8/22/2022
TotalMed	\$40,000.00	Yes	HR	Anita Martin	Staffing services	8/14/2021	8/13/2022
TriZetto	\$88,000.00	Yes	CLM	Robin Dow-Morales	Electronic claims processing	8/28/2021	8/27/2022
ZcOmega	\$96,000.00	Yes	IT	Richard Pruitt	Professional consulting services for CalAIM	8/16/2021	12/31/2021
TPx	\$43,839.36	Yes	IT	Richard Pruitt	SIP Cloud Network for DR site	8/12/2021	8/11/2024
<b>September</b>							
The Perscope Group	\$98,880.00	Yes	UM	Deborah Murr	In-home assessment visits for evaluation of DME support	9/25/2021	9/24/2022
<b>October</b>							
ABM	\$91,954.00	Yes	IT	Richard Pruitt	Support & printing for all printing equipment	10/1/2021	9/30/2023
Lanar	\$32,450.00	Yes	PNM	Emily Duran	Outdoor advertisement (23 billboards) for COVID Vaccination	10/18/2021	2/20/2022

2021 TECHNOLOGY CONSULTING RESOURCES																		
ITEM #	PROJECT	CAP/EXP	BUDGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD	TOTAL	REMAINING BALANCE
1	Project Portfolio Management System	CAP	\$154,562	\$0	\$0	\$18,400	\$0	\$16,000	\$43,040	\$34,440	\$17,600	\$0	\$0	\$0	\$0	\$0	\$129,480	\$25,082
2	Community Based Organization Referral System	CAP	\$359,653	\$0	\$0	\$0	\$0	\$10,925	\$55,209	\$78,556	\$79,816	\$0	\$8,150	\$0	\$0	\$0	\$232,656	\$126,997
3	Enterprise Logging System	CAP	\$333,996	\$12,036	\$15,200	\$0	\$17,600	\$0	\$0	\$0	\$14,960	\$18,480	\$18,480	\$0	\$0	\$0	\$96,756	\$237,240
4	Interoperability	CAP	\$162,044	\$4,944	\$0	\$0	\$0	\$0	\$0	\$27,720	\$16,500	\$26,400	\$27,390	\$0	\$0	\$0	\$102,954	\$59,090
5	Enterprise Data Warehouse System	CAP	\$673,553	\$87,957	\$94,932	\$104,117	\$111,364	\$86,608	\$29,040	\$0	\$0	\$0	\$73,364	\$0	\$0	\$0	\$587,382	\$86,171
6	Major Organ Transplants	CAP	\$62,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,290	\$37,800	\$0	\$0	\$0	\$0	\$55,090	\$6,910
7	Enhanced Care Management	CAP	\$344,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,640	\$91,938	\$56,235	\$0	\$0	\$0	\$165,813	\$178,187
8	Staff Augmentation	EXP	\$1,918,488	\$142,543	\$142,108	\$174,994	\$156,367	\$142,092	\$166,264	\$144,199	\$154,486	\$154,536	\$145,230	\$0	\$0	\$0	\$1,522,819	\$395,669
<b>Totals:</b>			<b>\$4,008,296</b>	<b>\$247,480</b>	<b>\$252,240</b>	<b>\$297,511</b>	<b>\$285,331</b>	<b>\$255,625</b>	<b>\$293,553</b>	<b>\$284,915</b>	<b>\$318,292</b>	<b>\$329,154</b>	<b>\$328,849</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,892,950</b>	<b>\$1,115,346</b>	

Updated 11/29/21

