



**KERN HEALTH
SYSTEMS**

**REGULAR MEETING OF THE
BOARD OF DIRECTORS**

Thursday, August 11, 2022

at

8:00 A.M.

At

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

The public is invited.

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

AGENDA

BOARD OF DIRECTORS

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Regular Meeting
Thursday, August 11, 2022

8:00 A.M.

All agenda item supporting documentation is available for public review on the Kern Health Systems website: <https://www.kernfamilyhealthcare.com/about-us/governing-board/>
Following the posting of the agenda, any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available on the KHS website.

PLEASE SILENT CELL PHONES AND OTHER ELECTRONIC DEVICES DURING THE MEETING

BOARD TO RECONVENE

Directors: McGlew, Thygerson, Stewart, Martinez, Bowers, Deats, Flores, Garcia, Hoffmann, Melendez, Nilon, Patel, Patrick, Watson
ROLL CALL:

- 1) Board Resolution to Allow Virtual Board Meeting Participation Pursuant to Government Code Section 54953 (Fiscal Impact: None) - APPROVE

ADJOURN TO CLOSED SESSION

CLOSED SESSION

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

8:15 A.M.

BOARD TO RECONVENE

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

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

STAFF RECOMMENDATION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 3) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda. SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THE MEETING FACILITATOR WILL INDICATE WHEN THERE IS 15 SECONDS REMAINING TO YOUR PRESENTATION TIME!

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 4) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))
- CA-5) Minutes for Kern Health Systems Board of Directors regular meeting on June 16, 2022 (Fiscal Impact: None) –
APPROVE

-
- 6) Report on Department of Health Care Services Incentive Programs (Fiscal Impact: None) –
RECEIVE AND FILE
 - 7) Proposed New Board Member to serve as Safety Net Care Provider to the Kern Health Systems Board of Directors (Fiscal Impact: None) –
APPROVE
 - CA-8) Report on Kern Health Systems investment portfolio for the second quarter ending June 30, 2022 (Fiscal Impact: None) –
RECEIVE AND FILE
 - CA-9) Proposed renewal and binding of insurance coverages for General Liability and Excess Liability from September 29, 2022 through September 29, 2023 (Fiscal Impact: \$350,000 Estimated; Budgeted) –
APPROVE
 - CA-10) 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, 2023 (Fiscal Impact: \$7,350,000 Estimated; Budgeted) –
APPROVE
 - CA-11) Proposed Agreement with Trizetto Provider Solutions, LLC, for Electronic Claims Clearing House Services, from August 28, 2022, through August 28, 2024, in an amount not to exceed \$0.19 Per Claim Fee (Fiscal Impact: \$95,000.00 estimated annually; Budgeted) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
 - CA-12) Proposed Agreement with Cotiviti, Inc., for Managed Care Accountability Set (MCAS) metrics reporting software that is required to report annual health quality metrics to the State of California, from September 7, 2022, through September 7, 2024 (Fiscal Impact: \$163,619.46 annually; Budgeted) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
 - CA-13) Proposed Agreement with Commercial Cleaning Systems, Inc., for janitorial services for 2900 Buck Owens Blvd., from September 10, 2022 through September 9, 2023 (Fiscal Impact: \$193,740; Budgeted) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
 - CA-14) Report on Kern Health Systems 2022 Corporate Goals for 2ND Quarter (Fiscal Impact: None) –
RECEIVE AND FILE
 - 15) Report on Kern Health Systems financial statements for May 2022 and June 2022 (Fiscal Impact: None) –
RECEIVE AND FILE

- CA-16) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for May 2022 and June 2022, IT Technology Consulting Resources for the period ended May 31, 2022, HR Hiring Report for the period ending June 30, 2022 and Major Organ Transplant Report for the period ending July 15, 2022 (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-17) Proposed Kern Health Systems provider contracts (rates confidential per Welfare and Institutions Code Section 14087.38(m)) –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN
- 18) Report on Kern Health Systems Operation Performance and Review of the Kern Health Systems Grievance Report (Fiscal Impact: None) –
RECEIVE AND FILE
- 19) Kern Health Systems Chief Medical Officer report (Fiscal Impact: None) –
RECEIVE AND FILE
- 20) Kern Health Systems Chief Executive Officer report (Fiscal Impact: None) –
RECEIVE AND FILE
- CA-21) Miscellaneous Documents –
RECEIVE AND FILE
- A) Minutes for Kern Health Systems Finance Committee meeting on June 10, 2022

ADJOURN TO OCTOBER 13, 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 Board of Directors may request assistance at the Kern Health Systems office, 2900 Buck Owens Boulevard, Bakersfield, California 93308 or by calling (661) 664-5010. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.



To: KHS Board of Directors

From: Emily Duran, CEO

Date: August 11, 2022

Re: AB 361 Remote Meeting Resolution

Background

The Governor's executive order suspending certain requirements of the Brown Act regarding board meetings has expired, but the proclamation of a state of emergency is still in place. The Legislature has amended Govt Code 54953 to include provisions allowing remote meetings during a state of emergency under certain conditions. The attached resolution allows the Board to continue meeting remotely until the state of emergency is lifted and social distancing is no longer recommended or required. If the Board adopts the resolution, it will have to renew the resolution every 30 days.

Recommended Action

The Board adopt the resolution and continue with remote meetings during the month of August 2022 or until the state of emergency is lifted.



RESOLUTION

In the matter of:

**A RESOLUTION OF THE BOARD OF DIRECTORS OF KERN HEALTH SYSTEMS
PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A
STATE OF EMERGENCY, AND AUTHORIZING REMOTE TELECONFERENCE
MEETINGS FOR THE MONTH OF AUGUST 2022**

Section I. WHEREAS

(a) Kern Health Systems is committed to encouraging and preserving public access and participation in meetings of the Board of Directors; and

(b) Government Code section 54953, as amended by AB 361, makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953, subject to the existence of certain conditions; and

(c) a required condition is that there is a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; and

(d) Governor Newsom declared a State-wide state of emergency due to the Covid-19 pandemic on March 4, 2020, which declaration is still in effect, and state and local health officials continue to recommend social distancing; and

(e) the Board of Directors does hereby find that the resurgence of the Covid-19 pandemic, particularly through the Delta variant, has caused, and will continue to cause, conditions of peril to the safety of persons that are likely to be beyond the control of services, personnel, equipment, and facilities of Kern Health Systems, and desires to proclaim a local emergency and ratify both the proclamation of state of emergency by the Governor of the State of California and the Kern County Health Department guidance regarding social distancing; and

(f) based on the above the Board of Directors of Kern Health Systems finds that in-person public meetings of the Board would further increase the risk of exposure to the Covid-19 virus to the residents of the Health Authority, staff, and Directors; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that it shall conduct Board meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, in compliance with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, all meetings of Board of Directors will be available to the public for participation and comments through virtual measures, which shall be fully explained on each posted agenda.

Section 2. NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Kern Health Systems hereby finds, determines, declares, orders, and resolves as follows:

1. This Board finds that the facts recited herein are true and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the Health Authority, as set forth above.

3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2021.

4. Remote Teleconference Meetings. The Chief Executive Officer, staff, and Board of Directors are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

5. Effective Date of Resolution. This Resolution shall take effect on December 1, 2021, and shall be effective until the earlier of December 31, 2021, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which Kern Health Systems may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

6. Termination of this Resolution. This Resolution will automatically terminate on the day that both the Governor's Declaration of Emergency and any local agency guideline for social distancing are no longer in effect.

The Clerk of the Board of Directors shall forward copies of this Resolution to the following:

Office of Kern County Counsel

Kern Health Systems

I, Sheilah Woods, Clerk of the Board of Directors of Kern Health Systems, hereby certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Directors of Kern Health Systems at an official meeting thereof on the 11th day of August, 2022, by the following vote and that a copy of the resolution has been delivered to the Chairman of the Board of Directors.

AYES:

NOES:

ABSENT:

Sheilah Woods, Clerk
Board of Directors
Kern Health Systems

SUMMARY

BOARD OF DIRECTORS

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Regular Meeting
Thursday, June 16, 2022

3:00 P.M.

BOARD RECONVENED

Directors: McGlew, Stewart, Deats, Bowers, Flores, Garcia, Hoffmann, Jones, Martinez, Melendez, Nilon, Patel, Patrick, Rhoades, Thygerson, Watson
ROLL CALL: 11 Present; 5 Absent – Deats, Flores, Hoffmann, Melendez, Patrick

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

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

BOARD ACTION SHOWN IN CAPS

- 1) Board Resolution to Allow Virtual Board Meeting Participation Pursuant to Government Code Section 54953 (Fiscal Impact: None) - APPROVED
Nilon-Stewart: 11 Ayes; 5 Absent – Deats, Flores, Hoffmann, Melendez, Patrick

ADJOURNED TO CLOSED SESSION
Bowers

CLOSED SESSION

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

3:15 P.M.

BOARD RECONVENED

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item No. 1 concerning a Request for Closed Session regarding peer review PROVIDERS RECOMMENDED FOR **INITIAL CREDENTIALING MAY 2022** of a provider (Welfare and Institutions Code Section 14087.38(o)) – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL CREDENTIALING; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON ZAMUDIO, SANDHU; DIRECTOR STEWART ABSTAINED FROM VOTING ON MARLOW, URRUTIA; DIRECTOR HOFFMANN ABSTAINED FROM VOTING ON PALOMINO-VARGAS, SAINI

Item No. 1 concerning a Request for Closed Session regarding peer review PROVIDERS RECOMMENDED FOR **INITIAL CREDENTIALING JUNE 2022** of a provider (Welfare and Institutions Code Section 14087.38(o)) – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL CREDENTIALING; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON JUNGLES, KHADKA, LEE, NASTOR, SMITH; DIRECTOR STEWART ABSTAINED FROM VOTING ON GARCIA, PORTILLO

Item No. 1 concerning a Request for Closed Session regarding peer review PROVIDERS RECOMMENDED FOR **RECREREDENTIALING MAY 2022** of a provider (Welfare and Institutions Code Section 14087.38(o)) – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR RECREREDENTIALING; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON CAPOBIANCO, GARCIA-PACHECO, RAFIQ, SAKOWSKI; DIRECTOR STEWART ABSTAINED FROM VOTING ON TUCKER; DIRECTOR HOFFMANN ABSTAINED FROM VOTING ON DULANTO, GALINATO, HAWKINS, LUU, PAVIA; DIRECTOR PATEL ABSTAINED FROM VOTING ON MENDOZA

Item No. 1 concerning a Request for Closed Session regarding peer review PROVIDERS RECOMMENDED FOR **RECREREDENTIALING JUNE 2022** of a provider (Welfare and Institutions Code Section 14087.38(o)) – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT, THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR RECREREDENTIALING; DIRECTOR MCGELW ABSTAINED FROM VOTING ON FRIESEN; DIRECTOR THYGERSON ABSTAINED FROM VOTING ON GHAFARIZADEH, REYES, RAMOS, SABETIAN; DIRECTOR STEWART ABSTAINED FROM VOTING ON MANSOUR, HOFFMANN, HUGHES, SHAFFNER; DIRECTOR BOWERS ABSTAINED FROM VOTING ON LIU; DIRECTOR HOFFMANN ABSTAINED FROM VOTING ON BESOYAN, PARKER, STEWART, UY; DIRECTOR PATEL ABSTAINED FROM VOTING ON AL-NAHHAL

STAFF RECOMMENDATION SHOWN IN CAPS

NOTE: DIRECTOR HOFFMANN ARRIVED AT 3:17 P.M. PRIOR TO THE VOTE ON THE CONSENT ITEMS

PUBLIC PRESENTATIONS

- 3) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THE MEETING FACILITATOR WILL INDICATE WHEN THERE IS 15 SECONDS REMAINING TO YOUR PRESENTATION TIME!**
NO ONE HEARD

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

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

DIRECTOR MCGLEW CONGRATULATED DOUG HAYWARD ON HIS RETIREMENT

DIRECTOR NILON APPLAUDED EMILY DURAN ON HER RECENT AWARD, LATINA LEADERS OF KERN COUNTY 2022, LATINA'S LEADING THE WAY

- CA-5) Minutes for Kern Health Systems Board of Directors regular meeting on April 14, 2022 (Fiscal Impact: None) – APPROVED
Nilon-Stewart: 12 Ayes; 4 Absent – Deats, Flores, Melendez, Patrick

NOTE: DIRECTOR DEATS ARRIVED AT 3:24 PM DURING THE DISCUSSION OF ITEM 6

- 6) Report from the Milliman actuary firm regarding capital reserves (Fiscal Impact: None) – AARON GATES, MILLIMAN, HEARD; RECEIVED AND FILED
Nilon-Deats: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- 7) Report by Larry Rhoades, Kern Health Systems Board Member on KHS Future Challenges – (Fiscal Impact: None) – RECEIVED AND FILED
Deats-Patel: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- 8) Appreciation recognition of Todd Jones for 2 years of dedicated service as a member of the Kern Health Systems Board of Directors (Fiscal Impact: None) – RECEIVED AND FILED
Rhoades-Bowers: 13 Ayes – 3 Absent – Flores, Melendez, Patrick

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- 9) Appreciation recognition of Larry Rhoades for 11+ years of dedicated service as a member of the Kern Health Systems Board of Directors (Fiscal Impact: None) – RECEIVED AND FILED
Deats-Patel: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- 10) Report on the Kern Health Systems Nominating Committee (Fiscal Impact: None) – APPROVED
Nilon-Deats: 12 Ayes; 1 Noe - Bowers; 3 Absent – Flores, Melendez, Patrick
- 11) Reactivation of the Kern Health Systems Compensation Committee and appointment of new committee members (Fiscal Impact: None) – APPROVED; COMMITTEE MEMBERS APPOINTED
Deats-Patel: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- CA-12) Proposed Ratification of Chief Executive Officers Employment Agreement - (Fiscal Impact: None) – APPROVED
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick
- CA-13) Report on Kern Health Systems Provider Network Capacity Study (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick
- 14) Proposed Kern Health Systems 2023 Corporate Goals (Fiscal Impact: None) – APPROVED
Deats-Patel: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- CA-15) Report on Kern Health Systems investment portfolio for the first quarter ending March 31, 2022 (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick
- CA-16) Proposed renewal and binding of insurance coverages for crime, excess crime, property, pollution, workers' compensation, fiduciary liability, cyber insurance, managed care errors and omissions, earthquake insurance, flood insurance and deadly weapon response program from July 1, 2022 through June 30, 2023 (Fiscal Impact: \$750,000 Estimated; Budgeted) – APPROVED
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick
- CA-17) Proposed Agreement with CollectiveSun, for Prepaid Power Purchase Agreement Financing to receive a 17% rebate on New Carport Solar Panels System, from June 20, 2022, through June 20, 2028 (Fiscal Impact: \$499,165 Savings/Estimated) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick
- CA-18) Proposed Agreement with CommGap International Language Services, for In-person Interpreting Services for Kern Health Systems' members, from July 6, 2022, through July 6, 2024 (Fiscal Impact: \$175,000 annually; Budgeted) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick

- 19) Report on Kern Health Systems financial statements for February 2022, March 2022 and April 2022 (Fiscal Impact: None) – RECEIVED AND FILED
Rhoades-Thygerson: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- CA-20) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for February, 2022, March 2022 and April 2022, IT Technology Consulting Resources for the period ended April 30, 2022, HR Hiring Report for the period ending April 30, 2022 and Major Organ Transplant Report for the period ending April 30, 2022 (Fiscal Impact: None) – RECEIVED AND FILED
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick
- CA-21) Proposed Kern Health Systems provider contracts (rates confidential per Welfare and Institutions Code Section 14087.38(m)) – APPROVED; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick
- 22) Kern Health Systems Chief Medical Officer report (Fiscal Impact: None) – RECEIVED AND FILED
Rhoades-Patel: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- 23) Kern Health Systems Chief Executive Officer report (Fiscal Impact: None) – RECEIVED AND FILED
Garcia-Bowers: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- 24) Resolution honoring Doug Hayward, Kern Health Systems Chief Executive Officer upon his retirement from Kern Health Systems (Fiscal Impact: None) – ADOPTED RESOLUTION
Rhoades-Patel: 13 Ayes – 3 Absent – Flores, Melendez, Patrick
- CA-25) Miscellaneous Documents – RECEIVED AND FILED
Nilon-Stewart: 12 Ayes – 4 Absent – Deats, Flores, Melendez, Patrick
- A) Minutes for Kern Health Systems Finance Committee meeting on April 8, 2022

ADJOURN TO THURSDAY, AUGUST 11, 2022 AT 8:00 A.M.

Garcia

/s/ Cindy Stewart, Secretary
Kern Health Systems Board of Directors



To: KHS Board of Directors

From: Emily Duran, CEO

Date: August 11, 2022

Re: Incentive Payment Programs and Housing and Homelessness Incentive Program

Background

Kern Health Systems (KHS) has received an allocation of \$14,272,212 from the Department of Health Care Services (DHCS) for the Incentive Payment Programs (IPP). The IPP incentives are intended to support the implementation, expansion of Enhanced Care Management (ECM) Programs and Community Support Services (CSS), and infrastructure development of these programs. As previously reported, the IPP funds are not grants and participation in the program is optional. This distinction is very important considering funding is contingent on KHS and providers attaining all the pre-defined program metrics and final DHCS approval. This means KHS will have to closely oversee the ongoing progress of the IPP projects. The IPP project selection phase is complete, and the report included details the projects that were selected.

Kern Health Systems (KHS) has also been allocated up to \$19,345,406 from DHCS for the Housing and Homelessness Incentive Program (HHIP). In accordance with the Home and Community Based Services Spending Plan, the DHCS implementation timeline for the HHIP is from January 1, 2022, through December 31, 2023. HHIP aims to improve health outcomes and access to whole person care services. KHS will follow its standard Request for Proposals process and invite Network Providers and Community Based Organizations (CBO) to develop attainable projects in accordance with the defined incentive program goals. An important consideration for this specific program is the ensure that the agencies selected can deliver a variation of housing services over the two-year program period. Again, this is not a grant program and funds will be earned by meeting specified pre-approved milestones.

Discussion

Amisha Pannu, Sr. Director of Provider Network will be presenting to the KHS Board of Directors and provide details on both the IPP and HHIP process.

Requested Action

Receive and File.

**Incentive Payment Program (IPP) Projects
2022-2023**

Enhanced Care Management Expansion				
Provider Name:	Project Description:	Priority Area 1 Delivery System Infrastructure:	Priority Area 2 ECM Provider Capacity:	Total Contracted Amount:
Adventist Health System West	<ul style="list-style-type: none"> • New ECM Site • Build out Cerner infrastructure needed to submit claims (billing system/services) • Hire support staff for build out of systems • Implement new ECM program 105 West E. Street Tehachapi, CA 93561	\$305,514	\$881,531	\$1,187,045
Clinica Sierra Vista	New ECM Site <ul style="list-style-type: none"> • Hire & train core staff • Implementation of new ECM site 1611 1 st Street, Bakersfield, CA 93304	\$0	\$508,644	\$508,644
Comprehensive Medical Group	New ECM Site <ul style="list-style-type: none"> • Implementation of ECM services 1230 Jefferson Street, Delano, CA 93215	\$0	\$400,000	\$400,000
Dignity Health	Increase Provider Capacity <ul style="list-style-type: none"> • Hire additional staff to support ECM program 3737 San Dimas Street, Bakersfield, CA 93301	\$0	\$120,438	\$120,438
Good Samaritan Hospital, Inc.	<ul style="list-style-type: none"> • New ECM Site • Hire Core Staff & train ECM staff • Upgrade ERH 4901 Weedpatch Highway, Bakersfield, CA 93307	\$143,750	\$872,998	\$1,016,748
Kaiser Permanente	Increase Provider Capacity, Bakersfield <ul style="list-style-type: none"> • Update EHR • Enhanced current ECM program 	\$50,000	\$25,000	\$75,000

**Incentive Payment Program (IPP) Projects
2022-2023**

Provider Name:	Project Description:	Priority Area 1 Delivery System Infrastructure:	Priority Area 2 ECM Provider Capacity:	Total Contracted Amount:
Kern Medical	Increase Provider Capacity <ul style="list-style-type: none"> • Enhanced & modify EHR • Enhanced current ECM program 820 34 th Street, Bakersfield, CA 93301	\$300,000	\$1,000,000	\$1,300,000
Omni Family Health	New ECM Site 3800 Mall View Road, Bakersfield, CA 93306	\$195,500	\$640,750	\$836,250
Premier Valley Medical Group	New ECM Site <ul style="list-style-type: none"> • Implementation of new ECM program • License fees for current E.H.R • Hire ECM staff 1311 Columbus Street, Bakersfield, CA 93305	\$80,000	\$733,260	\$813,260
Universal Healthcare Services Inc.	New ECM Site <ul style="list-style-type: none"> •Implementation of new ECM program •Upgrade current E.H.R •Hire & train ECM staff 2121 Niles Street, Bakersfield, CA 93305	\$100,000	\$207,000	\$307,000
Vanguard Medial Group	New ECM Site <ul style="list-style-type: none"> • Hire IT Analyst • Upgrade current EHR • Implement ECM Program 	\$50,772	\$552,468	\$603,240
Westside Health Care District	Increase Provider Capacity 100 E. North Street, Taft, CA 93268	\$0	\$75,000	\$75,000
Enhanced Care Management		Total: \$1,225,536	Total: \$6,017,089	Grand Total: \$7,242,625

**Incentive Payment Program (IPP) Projects
2022-2023**

Community Support Services				
Provider Name:	Project Description:	Priority Area 1 Delivery System Infrastructure	Priority Area 3 Community Support Capacity & Take Up	Total Amount Awarded
Brooklyn's Box	New CSS Respite Caretaker <ul style="list-style-type: none"> • Hire Analyst • Hire Core staff 238 18 th Street, Bakersfield, CA 93301	\$39,156	\$683,421	\$722,577
Community Action Partnership of Kern	New CSS <ul style="list-style-type: none"> • Hire core staff • Increase users for HMIS • Implement CSS services Housing Navigation, Deposits, & Sustainability 5005 Business Park North Bakersfield, CA 93309	\$70,000	\$453,502	\$523,502
CORBOW Inc	New CSS Recuperative Care <ul style="list-style-type: none"> • Hire core staff • Purchase computers and software • 4421 Charter Oaks Avenue, Bakersfield, CA 93309	\$25,000	\$779,720	\$804,720
Good Samaritan Healing Center	New CCS Short-Term Post Hospitalization Housing 4901 Weedpatch Highway, Bakersfield, CA 93307	\$55,000	\$787,680	\$842,680
Housing Authority of the County of Kern	Increase Provider Capacity <ul style="list-style-type: none"> • Hire new staff for Housing Navigation, Deposits, & Sustainability	\$46,100	\$614,500	\$660,600
Kern Medical	New CSS Recuperative Care <ul style="list-style-type: none"> • Increase capacity by 20 beds 1900 E. Brundage Lane, Bakersfield, CA 93307	\$0	\$1,000,000	\$1,000,000

**Incentive Payment Program (IPP) Projects
2022-2023**

Provider Name:	Project Description:	Priority Area 1 Delivery System Infrastructure	Priority Area 3 Community Support Capacity & Take Up	Total Amount Awarded
Papo Hernandez Respite Rest & Recovery Home	Increase Provider Capacity 2813 University Avenue, Bakersfield, CA 93306	\$0	\$210,247	\$210,247
SD Healthcare Consulting	New CSS Respite Caretaker <ul style="list-style-type: none"> • Hire staff • Implement program 1701 Westwind Drive, Bakersfield, CA 93301	\$41,500	\$503,000	\$544,500
KHS	Support Expansion of Community Support & ECM sites, CBO Referral System, & Technical Support	\$1,720,761	\$0	\$1,720,761
Community Support Services		Total: \$1,997,517	Total: \$5,032,070	Grand Total: \$7,029,587

Enhanced Care Management & Community Support Grand Total:	\$ 14,272,212
--------------------------------------------------------------------------	----------------------

**Incentive Payment Programs (IPP) &
Housing and Homelessness Incentive Program
(HHIP)
2022-2023**

KHS Board of Directors
August 11, 2022

Amisha Pannu
Senior Director of Provider Network



IPP Background

Incentive Payment Programs (IPP) 2022-2023:

- The Incentive Payment Program is intended to:
 - Support the implementation and expansion of Enhanced Care Management (ECM) Programs and Community Support Services (CSS) by incentivizing managed care plans (MCP)
 - Drive MCP delivery system investment in provider capacity and delivery system infrastructure; bridge current silos across physical and behavioral health care service delivery
 - Reduce health disparities and promote health equity
 - Achieve improvements in quality performance
 - Encourage take-up of Community Supports
- Program is not a Grant Program; funds will flow from DHCS to KHS through Providers meeting outlined milestones

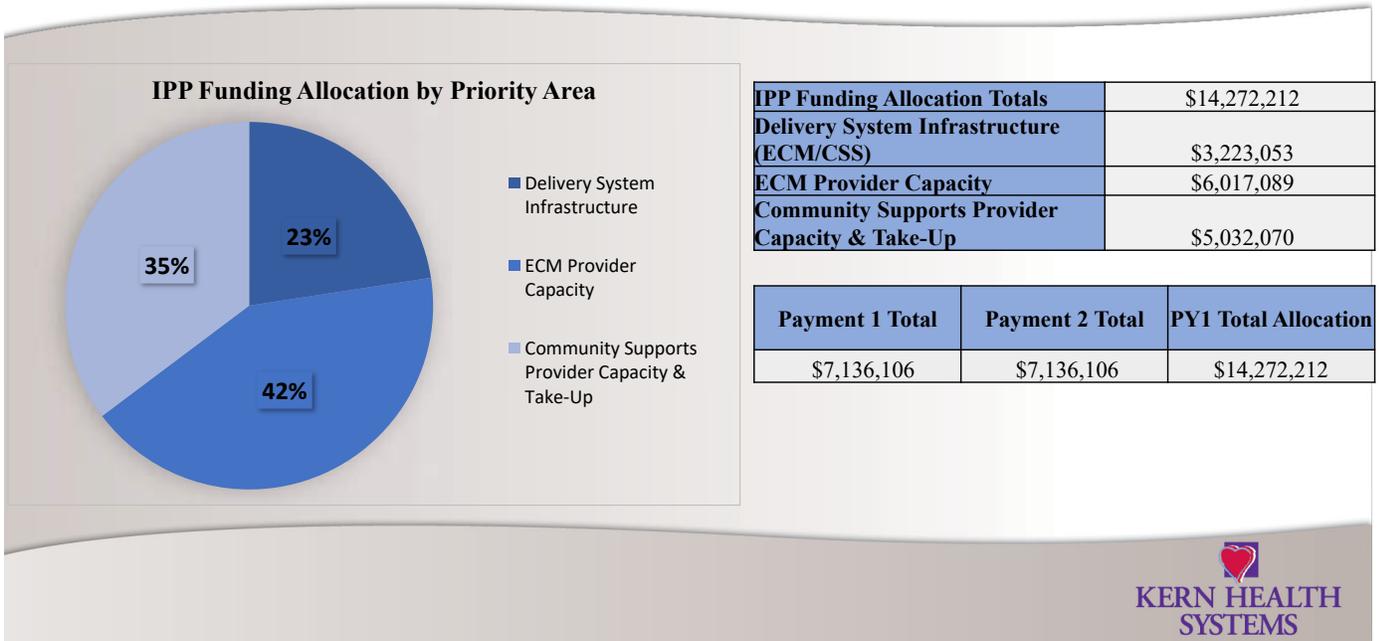
IPP Overview

The objective for the IPP is to focus on 3 Funding Priorities:

- **Delivery System Infrastructure**
 - Purchase or upgrade of ECM and CSS IT systems
 - KHS Delivery Infrastructure Funds – Community Based Organizations (CBO) referral system, Homeless Management Information System (HMIS)
- **CSS Capacity Building and Take-Up**
 - Expanding CSS Provider Network
 - Hiring and training CSS Provider support staff
 - Redesign and implement workflow
- **ECM Provider Capacity Building**
 - Expanding ECM Provider Network
 - Hiring and training of ECM Supervisors and Staff
 - Future measures will align with the corresponding ECM Populations of Focus, including an emphasis on pediatric specific and quality outcome measures
 - Reporting baseline data to inform quality outcome measures to be collected in future Program Years (PY)



IPP Funding Priority Areas



Request For Application (RFA) Process

- **KHS/HealthNet Collaboration**
 - KHS and HealthNet coordinated monthly roundtable collaboration meetings with current ECM/CSS providers, hospital groups, and other CBOs in Kern County to discuss the Gap Assessment analysis and Gap-Filling plan
- **RFA Review Committee**
 - The Incentive Payment Program (IPP) proposals were reviewed by a committee of members from Accounting, Chief Health Services Officer, Chief Medical Officer, Community Support Director, and Provider Network Management Department.
- **IPP proposals were scored on a scale of 1-10 considering:**
 - Needs of the community
 - Scope of Work
 - Budget Justification
- **Process**
 - KHS received 31 IPP applications.
 - Awarded 20 of 31 applications. 12 ECM applications and 8 CSS applications.
 - The committee met to review all IPP applications, evaluating the project outlined in the proposal based on CalAIM's Initiatives and KHS Members needs.



Total Awarded IPP Funding

Total Awarded IPP Funding Breakdown by Priority Areas	
Program Type	Total Funding Amount
Delivery System Infrastructure	
ECM	\$ 1,225,536
CSS	\$ 1,997,517
ECM Provider Capacity	
ECM	\$ 6,017,089
CSS Provider Capacity	
CSS	\$ 5,032,070
Total	\$ 14,272,212

- 8 New Enhanced Care Management Sites, increasing geographic access
- 5 New Community Support Service Providers, increasing service availability
- KHS is supporting 8 ECM and 6 CSS with Delivery System Infrastructure Upgrades

Housing and Homelessness Incentive Program (HHIP)

Background

- In accordance with the Home and Community Based Services Spending Plan, the California Department of Health Care Services (DHCS) is implementing the HHIP from January 1, 2022, to December 31, 2023
- HHIP aims to improve health outcomes and access to whole person care services by addressing housing insecurity and instability as a social determinant of health for the Medi-Cal population
- The goals of the HHIP are to:
 - Reduce and prevent homelessness
 - Ensure MCPs develop the necessary capacity and partnerships to connect their members to needed housing services.



HHIP Overview

DHCS HHIP incentivizes MCPs for:

- Developing the necessary capacity and partnerships to connect their members to needed housing services
- Taking active steps to reduce and prevent homelessness.

Programs may include:

- Services to prevent or end homelessness
- Investment in interim housing for the aging and/or disabled population
- Investment in rapid re-housing for families and youth

HHIP & MCP Role

Kern Health Systems three priority areas for HHIP are:

- Partnerships and capacity to support referrals and services to ECM and CSS
- Infrastructure to coordinate and meet member housing needs to ensure members are successfully housed and remain housed
- Delivery of services and member engagement through street medicine



HHIP Payment Process and Financial Risk

HHIP Payment Process/Overview

- KHS will open funding opportunities to our Network Providers and CBOs that can deliver a variation of housing services over the two-year program period
- Network Providers and CBOs will earn funds by meeting specified metrics
- Program **is not a Grant Program**; funds will flow from DHCS to KHS IF Providers meet outlined milestones

HHIP Financial Risk

- The HHIP program funding may be a financial risk for KHS, since these projects may require advance payments to providers for the start-up expense before KHS receives payments from DHCS
- The risk with the advanced payments is that providers may be unable to meet HHIP milestones and KHS will not be reimbursed through DHCS
- KHS will work closely with the providers in monitoring and ensuring they stay on track to achieve their milestone completion date as outlined in their proposals
- After the initial incentive period from DHCS, KHS will monitor ongoing program sustainability



HHIP Payment Timeline

- DHCS will be issuing the HHIP payments to KHS based on completion of outlined milestones.
- Total HHIP Funding Amount - \$19,345,406

Submissions Due to DHCS	Payment Date	Total Payment Amount
Local Homeless Plan (LHP)	October 2022	\$ 967,270
Investment Plan (IP)	December 2022	\$ 1,934,541
Measurement Period 1 Report	May 2023	\$ 6,770,892
Measurement Period 2 Report	March 2024	\$ 9,672,703



HHIP Timeline

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022				4/4/2022: Letter of Interest (LOI) Submitted <input checked="" type="checkbox"/>		6/30/2022: MCP Local Homeless Plan (LHP) Submitted <input checked="" type="checkbox"/>		8/12/2022: Revised LHP Due	RFA & Application Guide sent to Providers and CBOs 9/30/2022: Investment Plan (IP) Submission Due	Committee to review and score HHIP Proposals Payment #1 Issued for LHP Submission: \$967,270	Award Notices Sent to Providers and CBOS	Payment issued for IP Submission - \$1,934,541 Measurement Period 1 Reporting (05/01/22-12/31/22)
2023		Measurement Period 1 Report Due			PY1 Issued for Measurement Period Report #1 Submission: \$6,770,892					Measurement Period 2 Reporting (01/01/23-10/31/23)		Measurement Period 2 Report Due
2024			PY2 Final Payment Issued for Measurement Period Report #2: \$9,672,703									

KERN HEALTH SYSTEMS

QUESTIONS

For additional information, please contact:

Amisha Pannu
Senior Director of Provider Network
661-664-5157





To: KHS Board of Directors

From: Tim McGlew, Chairman

Date: August 11, 2022

Re: Safety Net Care Provider Representative Nominee

Background

The Kern Health Systems bylaws specifies a board member to represent the Kern County safety net care providers. Historically, the representatives have alternated between the two federally qualified health centers. The term for OMNI (FQHC) representation has expired and Clinica Sierra Vista (FQHC) has submitted an application for consideration. Dr. Olga Meave is currently the Interim Chief Executive Officer and previously the Chief Medical Officer for Clinica Sierra Vista. Dr. Meave has committed to representing the best interest of Kern Health Systems members.

Dr. Meave's application is included for review and she will be available for questions at the board meeting.

Requested Action

Review and approve Dr. Olga Meave to be recommended to the Kern County Board of Supervisors for appointment to the KHS Board of Directors as its Safety Net Care Provider Representative.

**CLERK OF THE BOARD OF SUPERVISORS
Boards, Commissions, and Committees Application**



Name	Olga <i>(First)</i>		Meave <i>(Last)</i>
Address	Residence		
	[REDACTED]	Bakersfield	93311
Address	Business		
	Clinica Sierra Vista	Bakersfield	93301
Telephone	Home [REDACTED]	Work 661-635-3050	Cell 832-525-4265
E-Mail	olga.meave@clincasierravista.org		
Educational background	I am a board Certified Family Physician Post Graduate training: Family Medicine Residency Rio Bravo-UCLA affiliated, Psychiatry for primary care fellowship, UCI Pain Management for primary care, UC Davis		
Employment background	I have been at Clinica Sierra Vista since 2015. In 2018 I became the Associate Medical director for Kern County and then transitioned to be the CMO in 2019 and I-CEO since 4/2022		
Civic involvement	<ul style="list-style-type: none"> -Healthcare policy -Healthcare advocacy -Healthcare equity -Medical volunteer -Nonprofit support 		
Past experience beneficial in serving on a particular Board	<ul style="list-style-type: none"> -My medical background as a PCP working in Bakersfield since 2015 seeing underserved patients (minorities, farmers, homeless, uninsured and under insured patients) -My leadership experience -My understanding of the population we serve (Latina, immigrant) -My work experience with hospitals and other affiliated organizations 		

Board(s), Commission(s), or Committee(s) desired (in order of preference)	1. Kern Health Systems Board of Directors 2. 3. 4.
Why do you wish to serve?	-I like to give back to the community. Participating in the board of KHS I will be able to influence some decisions to benefit our most in need. -I would like to improve the relationship and communication between the health plan, the FQHC, hospitals and all other healthcare organizations. -The board has a seat for FQHC representation and I would like to be the safety net provider representativ
Have you attended any meetings of the Board(s) in which you are interested?	I have not attended but I am aware of the outcomes of the meetings and decisions taken during those meetings.
Do you presently hold a position that might conflict with your duties for a particular Board?	No, I do not.
Additional comments	I am very excited about the possibility of representing the FHQC at this board of directors. The community we serve is in great need and with my experience and my passion for healthcare, I would work hard to improve outcomes for our community.

Applications will be kept on file for one year.

Certifications:

- ✓ I hereby certify that I am a registered voter in the State of California, County of Kern who will be at least 18 years of age at the time of the next election, and that I am not imprisoned or on parole for the conviction of a felony.
- ✓ I hereby certify under penalty of perjury under the laws of the State of California that the information on this application is true and correct. I understand that this is a public document and by assuming this responsibility my background and/or qualifications, including financial interests, could become public knowledge.

SIGNATURE:  DATE: 07/07/2022

CLERK OF THE BOARD USE ONLY

RESIDENCE S.D. # D-4 BUSINESS S.D. # Not Provided

DATE RECEIVED July 07, 2022 RECEIVED BY KK



To: KHS Board of Directors

From: Robert Landis, CFO

Date: August 11, 2022

Re: Quarterly Review of Kern Health Systems Investment Portfolio

Background

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

- Preservation of principal
- Liquidity
- Yield

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

Short-Term Portfolio (Under 1 year)

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

Long-Term Portfolio (1-5 years)

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

Requested Action

Receive and File.

**Kern Health Systems
Investment Portfolio
June 30, 2022**

Short Term Portfolio (under 1 year)

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

<u>Description</u>		<u>Dollar Amount</u>	<u>% of Portfolio</u>	<u>Maximum Allowed Per Policy</u>	<u>Approximate Current Yield</u>	<u>Liquidity</u>	<u>Principal Fluctuation</u>
Wells Fargo - Cash		(1) \$ 2,900,000	0.83%	100%		1 Day	None
Money Market Accounts	(A)	(1) \$ 55,600,000	15.93%	40%	1.35%	1 Day	None
Local Agency Investment Fund (LAIF)	(B)	(2) \$ 74,100,000	21.23%	50%	0.69%	2 Days	None
							Subject to Interest Rate Fluctuations
US T-Bills & Federal Agencies at Wells Fargo		(1) \$ 149,800,000	42.91%	100%	1.12%	1 Day	Subject to Interest Rate and Credit Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	(1) \$ 17,300,000	4.96%		1.30%	3 Days	Fluctuations
Sub-Total		\$ 299,700,000	85.85%		1.06%		

Long Term Port Folio (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)	\$ 49,400,000	14.15%		2.00%	3 Days	Subject to Interest Rate and Credit Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	\$ -	0.00%		0.00%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 49,400,000	14.15%		2.00%		
Total Portfolio		\$ 349,100,000	100.00%		1.19%		

<u>Yield Curve</u>	<u>Yield Curve</u>			
	<u>Treasuries</u>	<u>AA Corporate Bonds</u>	<u>A Corporate Bonds</u>	<u>CD's</u>
1 year	2.87%	3.17%	3.37%	2.80%
2 year	3.11%	3.31%	3.48%	3.15%
3 year	3.14%	3.44%	3.67%	3.30%
5 year	3.12%	3.57%	3.77%	3.40%

- (A) Money market fund comprised of US Treasury and Repurchase Agreement Obligations.
- (B) LAIF is part of a \$234 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 2022 capital projects.



UBS Client Review

as of June 30, 2022

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

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

Prepared for

Kern Health Systems

Accounts included in this review

Account	Name	Type
EX-XX120	BOND PORTFOLIO	Portfolio Management Program
Risk profile:	Conservative	
Return Objective:	Current Income	

What's inside

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 June 30, 2022

Asset allocation review

	Value on 06/30/2022 (\$)	% of Portfolio
A Cash	129,692.91	0.26
Cash	129,692.91	0.26
US	129,692.91	0.26
B Fixed Income	49,306,882.46	99.74
US	49,306,882.46	99.74
Government	3,855,472.22	7.80
Corporate IG Credit	45,451,410.24	91.94
C Equity	0.00	0.00
D Commodities	0.00	0.00
E Non-Traditional	0.00	0.00
F Other	0.00	0.00
Total Portfolio	\$49,436,575.37	100%

Balanced mutual funds are allocated in the 'Other' category



Portfolio value and investment results

	Performance returns (annualized > 1 year)			
	For the period of 12/31/2021 to 03/31/2022	For the period of 06/30/2022 to 12/31/2022	2020 12/31/2019 to 12/31/2020	2021 12/31/2020 to 12/31/2021
Opening value	51,044,313.37	49,921,494.38	64,774,148.39	51,314,838.66
Net deposits/withdrawals	-16,286.52	-15,979.52	-14,501,724.78	-86,709.39
Div/interest income	153,776.90	292,223.52	1,016,268.55	815,745.40
Change in accr. interest	75,535.73	-57,125.76	-103,279.91	36,001.38
Change in value	-1,335,845.10	-704,037.25	129,426.41	-1,055,562.68
Closing value	49,921,494.38	49,436,575.37	51,314,838.66	51,044,313.37
Net Time-weighted ROR	-2.20	-0.97	1.78	-0.53

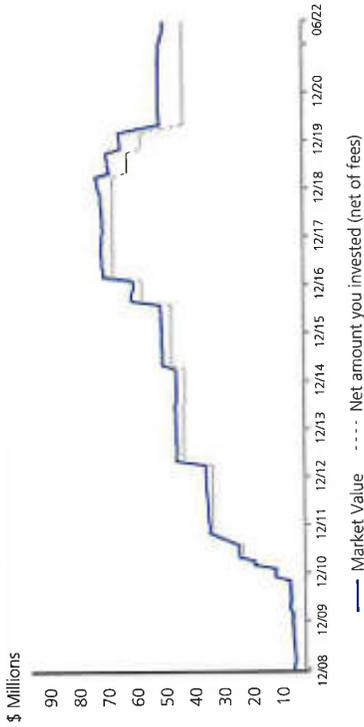
Net deposits and withdrawals include program and account fees.

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

Report created on: July 20, 2022

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

Sources of portfolio value



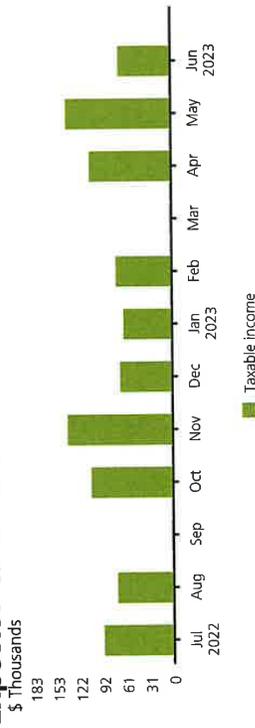
Summary of gains and losses

	Short term (\$)	Long term (\$)	Total (\$)
2021 Realized gains and losses	227.34	48,939.49	49,166.83
Taxable	227.34	48,939.49	49,166.83
Tax-deferred	0.00	0.00	0.00
2022 Year to date	0.00	-6,217.52	-6,217.52
Taxable	0.00	-6,217.52	-6,217.52
Tax-deferred	0.00	0.00	0.00



Portfolio review - as of June 30, 2022 (continued)

Expected cash flow



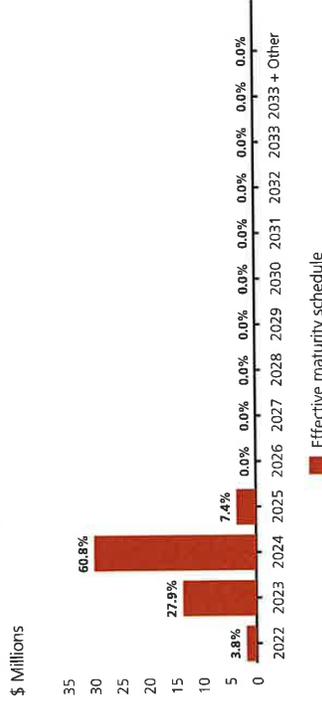
Total taxable income: \$952,958.00

Total expected cash flow: \$952,958.00

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 06/30/2022 (\$)	Actual (%)	Model (%)	Gap (%)
Communication Services	0.00	0.00	9.12	-9.12
Consumer Discretionary	0.00	0.00	11.67	-11.67
Consumer Staples	0.00	0.00	7.25	-7.25
Energy	0.00	0.00	4.12	-4.12
Financials	0.00	0.00	10.34	-10.34
Health Care	0.00	0.00	14.43	-14.43
Industrials	0.00	0.00	7.65	-7.65
Information Technology	0.00	0.00	27.02	-27.02
Materials	0.00	0.00	2.47	-2.47
Real Estate	0.00	0.00	2.67	-2.67
Utilities	0.00	0.00	2.78	-2.78
Total classified equity	\$0.00			
Unclassified Securities	0.00			

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

Report created on: July 20, 2022



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

Portfolio review - as of June 30, 2022 (continued)
Summary of performance by account

Performance start date	Value on 06/30/2022 (\$)	% of portfolio	Performance returns (annualized > 1 year)				
			For the period of 12/31/2021 to 03/31/2022	For the period of 03/31/2022 to 06/30/2022	2020 12/31/2019 to 12/31/2020	2021 12/31/2020 to 12/31/2021	
Dec 08, 2008	49,436,575.37	100.00%	Net time-weighted	-2.20%	-0.97%	1.78%	-0.53%
Dec 08, 2008	\$49,436,575.37	100%	Net time-weighted	-2.20%	-0.97%	1.78%	-0.53%
Benchmarks - Annualized time-weighted returns							
			For the period of 12/31/2021 to 03/31/2022	For the period of 03/31/2022 to 06/30/2022	2020 12/31/2019 to 12/31/2020	2021 12/31/2020 to 12/31/2021	
Blended Index			-2.48%	-0.81%	3.56%	-0.32%	
Blended Index 2			-1.21%	-0.47%	2.30%	-0.11%	
US Treasury Bill - 3 Mos			0.03%	0.12%	0.54%	0.04%	
BBG US Agg (1-3 Y)			-2.50%	-0.64%	3.08%	-0.49%	
S&P 500			-4.60%	-16.10%	18.40%	28.71%	

Blended Index: 11/04/2019 - Current: 45% BBG US Corp 1-3Y Incp76; 55% BBG US Agg Gvt 8 CR 1-3 Y Blended Index 2 Start - Current: 30% BofA 1Y Trs Note; 40% BofA US Corp 1-3Y A-AAA; 30% US Treasury Bill - 3 Mos
 Past performance does not guarantee future results and current performance may be lower/higher than past data presented.

Report created on: July 20, 2022



Asset allocation by account

as of June 30, 2022

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

	Equities (\$/%)			Fixed Income (\$/%)			Commodities (\$/%)			Total
	Cash (\$/%)	U.S.	Global	International	U.S.	Global	International	Non-Traditional (\$/%)	Other (\$/%)	
129,692.91	0.00	0.00	0.00	0.00	49,306,882.46	0.00	0.00	0.00	0.00	\$49,436,575.37
0.26	0.00	0.00	0.00	0.00	99.74	0.00	0.00	0.00	0.00	100%
Total Portfolio										

129,692.91	0.00	0.00	0.00	0.00	49,306,882.46	0.00	0.00	0.00	0.00	\$49,436,575.37
0.26	0.00	0.00	0.00	0.00	99.74	0.00	0.00	0.00	0.00	100.00%

EX XX120 • BOND PORTFOLIO • BSA PMP

Risk profile: Conservative
 Return objective: Current Income

	Equities (\$/%)			Fixed Income (\$/%)			Commodities (\$/%)			Total
	Cash (\$/%)	U.S.	Global	International	U.S.	Global	International	Non-Traditional (\$/%)	Other (\$/%)	
129,692.91	0.00	0.00	0.00	0.00	49,306,882.46	0.00	0.00	0.00	0.00	\$49,436,575.37
0.26	0.00	0.00	0.00	0.00	99.74	0.00	0.00	0.00	0.00	100%
Total Portfolio										

Balanced mutual funds are allocated in the 'Other' category



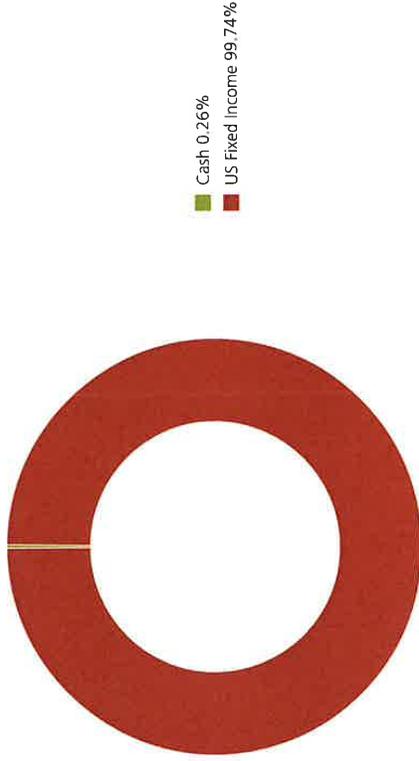
Asset allocation review

as of June 30, 2022

Summary of asset allocation

	Market value (\$)	% of Portfolio
Cash	129,692.91	0.26
Cash	129,692.91	0.26
US	129,692.91	0.26
Fixed Income	49,306,882.46	99.74
US	49,306,882.46	99.74
Government	3,855,472.22	7.80
Corporate IG Credit	45,451,410.24	91.94
Equity	0.00	0.00
Commodities	0.00	0.00
Non-Traditional	0.00	0.00
Other	0.00	0.00
Total Portfolio	\$49,436,575.37	100%

Balanced mutual funds are allocated in the 'Other' category



■ Cash 0.26%
■ US Fixed Income 99.74%

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



Bond summary

as of June 30, 2022

Bond overview

Total quantity	50,250,000
Total market value	\$49,071,396.50
Total accrued interest	\$235,485.96
Total market value plus accrued interest	\$49,306,882.46
Total estimated annual bond interest	\$981,916.00
Average coupon	1.97%
Average current yield	2.00%
Average yield to maturity	3.39%
Average yield to worst	3.38%
Average modified duration	1.76
Average effective maturity	1.85

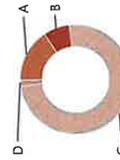
EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for **Kern Health Systems**
 Risk profile: **Conservative**
 Return Objective: **Current Income**

Investment type allocation

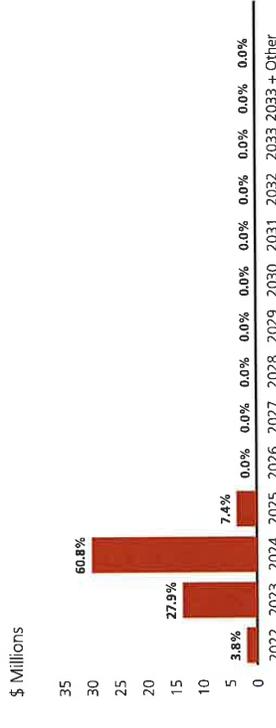
Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
U.S. corporates	45,451,410.24	0.00	45,451,410.24	92.18
U.S. federal agencies	3,855,472.22	0.00	3,855,472.22	7.82
Total	\$49,306,882.46	\$0.00	\$49,306,882.46	100%

Credit quality of bond holdings

Effective credit rating	Issues	Value on 06/30/2022 (\$)	% of port.
A Aaa/AAA/AAA	5	7,705,885.39	15.68
B Aa/AA/AA	2	3,784,815.92	7.71
C A/A/A	25	36,842,483.65	74.64
D Baa/BBB/BBB	1	973,697.50	1.98
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	0	0.00	0.00
G Not rated	0	0.00	0.00
Total	33	\$49,306,882.46	100%



Bond maturity schedule



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

Includes all fixed income securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
 Report created on: July 20, 2022



Bond holdings

as of June 30, 2022

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
2022	2	1,900,000	57,916.00	3.05%	3.03%	3.03%	0.05	1,902,157.8	-2,492.80	1,926,120.60	3.87%
2023	8	14,100,000	69,150.00	0.51%	3.03%	3.03%	1.12	14,120,634.2	-427,934.20	13,706,404.58	27.9%
2024	21	30,550,000	740,850.00	2.48%	3.53%	3.53%	2.09	31,796,569.15	-1,459,496.65	29,596,041.94	60.8%
2025	2	3,700,000	114,000.00	3.13%	3.72%	3.72%	2.43	3,873,875.2	-231,918.20	3,688,315.33	7.42%
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				
2051	0	0	0		NA	NA	NA				
2051 +	0	0	0		NA	NA	NA				
Other	0	0	0		NA	NA	NA				
Total	33	50,250,000	\$981,916.00	2.00%	3.39%	3.38%	1.76	\$51,193,236.35	-\$2,121,839.85	\$49,306,882.46	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
 Report created on: July 20, 2022



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

Bond holdings - as of June 30, 2022 (continued)

Details of bond holdings

Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%) / Modified duration	Adjusted cost basis (\$) Unreal. gl (\$)	Market price (\$)	Mkt. value (\$) Accr. interest (\$)	% of bond port.
Total Bond Portfolio										
	50,250,000	1.97%	05/05/2024	NA	\$981,916.00 2.00%	3.39% 3.38%	\$51,193,236.3 \$-2,121,839.85	NA	\$49,071,394.50 \$235,485.96	100%
Maturing 2022										
UNITEDHEALTH GROUP INC 03.350% 071522 DTD072315 FC011516 CALL@MMW+20BP HONEYWELL INTL INC NTS 00.483% 081922 DTD081920 FC021921 CALL@MMW+5BP	1,700,000	3.35%	07/15/2022		56,950.00 3.35%	0.04 3.13%	1,702,131.61 -2,012.61	100.007	1,700,119.00 26,102.08	3.46%
	200,000	0.48%	08/19/2022		966.00 0.48%	0.13 2.14%	200,026.19 -478.19	99.774	199,548.00 351.52	0.41%
Total 2022										
	1,900,000	3.05%	07/19/2022		\$57,916.00 3.05%	0.05 3.03%	\$1,902,157.80 \$-2,490.80		\$1,899,667.00 \$26,453.60	3.87%
Maturing 2023										
PEPSICO INC NTS B/E 00.750% 050123 DTD050120 FC110120 CALL@MMW+10BP	1,500,000	0.75%	05/01/2023		11,250.00 0.76%	2.78% 2.78%	1,505,463.86 -30,513.86	98.330	1,474,950.00 1,843.75	3.01%
APPLE INC NTS B/E 00.750% 051123 DTD051120 FC111120 CALL@MMW+10BP	3,000,000	0.75%	05/11/2023		22,500.00 0.76%	2.96% 2.96%	3,011,126.79 -67,286.79	98.128	2,943,840.00 3,062.50	6.00%
JOHN DEERE CPTL CORP 00.700% 070523 DTD060420 FC010521 MED TERM NTS	1,000,000	0.70%	07/05/2023		7,000.00 0.72%	3.16% 3.16%	1,003,491.33 -27,841.33	97.565	975,650.00 3,402.78	1.99%
PACCAR FINANCIAL CORP 00.350% 081123 DTD081120 FC021121 MED TERM NTS	2,000,000	0.35%	08/11/2023		7,000.00 0.36%	3.28% 3.28%	2,000,000.00 -63,500.00	96.825	1,936,500.00 2,702.78	3.95%
PEPSICO INC NTS B/E 00.400% 100723 DTD100720 FC040721 FFCB BOND 00.290 % DUE 11/0223 DTD 110220 FC 0502021	600,000	0.40%	10/07/2023		2,400.00 0.41%	2.77% 2.77%	601,291.14 -18,931.14	97.060	582,360.00 553.33	1.19%
FANNIE MAE NTS 00.310 % DUE 111623 DTD 111620 FC 05162021	2,000,000	0.31%	11/16/2023	100.00	6,200.00 0.32%	3.07% 3.07%	1,999,800.00 -73,820.00	96.299	1,925,980.00 757.78	3.92%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
 Report created on: July 20, 2022



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

Bond holdings - as of June 30, 2022 (continued)

	Effective rating/ Underlying rating (Mdy/Ftrh/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%)	Modified duration	Adjusted cost basis (\$) Unreal. gl (\$)	Market price (\$)	Mkt. value (\$) Accr. interest (\$)	% of bond port.
Maturing 2023												
BANK OF NY MELLON CORP 00.350% 120723 DTD120720 FC00721 NTS B/E	A1/AA-/A NR/NR/NR	2,000,000	0.35%	12/07/2023	11/07/2023 100.00	7,000.00 0.36%	3.02%	1.41	2,000,643.08 -75,023.08	96.281	1,925,620.00 447.22	3.92%
Total 2023		14,100,000	0.49%	08/22/2023		\$69,150.00 0.51%	3.03%	1.12	\$14,120,634.2 \$-427,934.20		\$13,692,700.00 \$13,704.58	27.90%
Maturing 2024												
US BANCORP MED TERM NTS 03.375% 020524 DTD020419 FACTOR 1,000000000000 MICROSOF CORP NTS B/E 02.875% 020624 DTD020617 FC080617 CALL@MMW+12.5BP COMCAST CORP NTS B/E 03.700% 041524 DTD100518 FC041519 CALL@MMW+15BP	A2/A+/A+ NR/NR/NR Aaa/AAA/AAA NR/NR/NR A3/A-/A- NR/NR/NR	300,000 500,000 1,500,000	3.38% 2.88% 3.70%	02/05/2024 02/06/2024 04/15/2024	01/05/2024 12/06/2023 03/15/2024 100.00	10,125.00 14,375.00 55,500.00 3.69%	3.47% 3.04% 3.52% 3.51%	1.52 1.53 1.62	313,634.86 -14,102.86 519,156.40 -20,411.40 1,530,809.18 -26,129.18	99.844 99.749 100.312	299,532.00 4,078.13 498,745.00 5,750.00 1,504,680.00 11,562.50	0.61% 1.02% 3.07%
APPLE INC NTS B/E 2.850% 051124 DTD05117 FC111117 CALL@MMW+12.5BP AMAZON COM INC NTS B/E 00.450% 051224 DTD051221 CALL@MMW+2.5BP JPMORGAN CHASE & CO NTS 03.625% 051324 DTD051314 FC111314 B/E US BANCORP NTS B/E 02.400% 073024 DTD072919 FC013020 BB&T CORP NTS B/E 02.500% 080124 DTD072919 FC020120 UNITEDHEALTH GROUP INC 02.375% 081524 DTD072519 CALL@MMW+10BP NTS JOHN DEERE CAPITAL CORP 00.625% 091024 DTD091021 FC031022 NTS B/E PAYPAL HOLDINGS INC NTS 02.400% 100124 DTD092619 FC040120 CALL@MMW+15BP	Aaa/NR/AA+ NR/NR/NR A1/AA-/AA NR/NR/NR A2/AA-/A- NR/NR/NR A2/A+/A+ NR/NR/NR A3/A-/A- NR/NR/NR A3/A+/A+ NR/NR/NR A2/A/A NR/NR/NR A3/A-/A- NR/NR/NR	400,000 2,000,000 1,800,000 2,000,000 1,000,000 2,250,000 1,400,000 2,250,000	2.85% 0.45% 3.63% 2.40% 2.50% 2.38% 0.63% 2.40%	05/11/2024 05/12/2024 05/13/2024 07/30/2024 08/01/2024 08/15/2024 09/10/2024 10/01/2024	03/11/2024 100.00 100.00 06/28/2024 07/01/2024 100.00 09/10/2024 09/01/2024 100.00	11,400.00 2,87% 65,250.00 3.62% 48,000.00 2.46% 25,000.00 2.56% 53,437.50 2.43% 8,750.00 0.66% 54,000.00 2.46%	3.20% 3.20% 3.14% 3.14% 3.49% 3.49% 3.59% 3.59% 3.66% 3.66% 3.39% 3.39% 3.42% 3.42% 3.52% 3.52%	1.79 1.83 1.78 1.98 1.98 2.03 2.14 2.15	417,736.58 -20,272.58 1,997,660.00 -94,520.00 1,899,809.49 -95,525.49 1,967,640.00 -15,080.00 1,040,262.08 -63,282.08 2,270,218.15 -66,703.15 1,401,363.57 -83,515.57 2,280,161.78 -84,521.78	99.366 95.157 100.238 97.628 97.698 97.934 94.132 97.584	397,464.00 1,551.67 1,200.00 1,952,560.00 20,000.00 976,980.00 10,347.22 2,203,515.00 20,039.06 1,317,848.00 2,673.61 2,195,640.00 13,350.00	0.81% 3.88% 3.68% 3.98% 1.99% 4.49% 2.69% 4.47%

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



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

Bond holdings - as of June 30, 2022 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$) Curr. yield (%)	YTM (%) / Modified duration	Adjusted cost basis (\$) Unreal. gl (\$)	Market price (\$)	Market value (\$) Accr. interest (\$)	% of bond port.
Maturing 2024											
SIMON PPTY GROUP LP B/E	A3/WD/A- NR/NR/NR	1,900,000	3.38%	10/01/2024	07/01/2024	64,125.00 3.42%	3.98% 3.98%	2.12 -126,446.66	98.715	1,875,585.00 15,853.13	3.82%
FC0375% 100124 DTD091014					100.00						
FC040115 CALL@MMW+15BP											
BK OF NY MELLON CORP NTS	A1/AA-/A NR/NR/NR	1,500,000	0.85%	10/25/2024	09/25/2024	12,750.00 0.90%	3.45% 3.45%	2.25 -88,014.63	94.241	1,413,615.00 2,302.08	2.88%
00.850% 102524 DTD102521					100.00						
FC042522 B/E											
BB&T CORP MED TERM NTS	A3/AA- NR/NR/NR	1,000,000	2.85%	10/26/2024	09/26/2024	28,500.00 2.90%	3.70% 3.70%	2.21 -66,561.69	98.119	981,190.00 5,066.67	2.00%
FC043618 B/E					100.00						
PNC FINL SERV GRP INC WT	A3/AA- NR/NR/NR	2,000,000	2.20%	11/01/2024	10/02/2024	44,000.00 2.27%	3.57% 3.57%	2.24 -138,468.47	96.947	1,938,940.00 7,211.11	3.95%
02.200% 110124 DTD110119					100.00						
FC050120 EXP NTS B/E											
AFIAC INC B/E 03.625% 111524	A3/WD/A- NR/NR/NR	900,000	3.63%	11/15/2024		32,625.00 3.62%	3.52% 3.52%	2.24 -58,418.82	100.231	902,079.00 4,078.13	1.84%
DTD110714 FC051515											
CALL@MMW+20BP											
GENERAL DYNAMICS CORP	A3/WD/A- NR/NR/NR	1,750,000	2.38%	11/15/2024	09/15/2024	41,562.50 2.44%	3.53% 3.53%	2.27 -112,864.56	97.389	1,704,307.50 5,195.31	3.47%
02.375% 111524 DTD091417					100.00						
FC051518 CALL@MMW+10BP											
ORACLE CORP NTS B/E 02.950%	Baa2/BBB+/BBB NR/NR/NR	1,000,000	2.95%	11/15/2024	09/15/2024	29,500.00 3.04%	4.29% 4.29%	2.25 -77,264.44	97.001	970,010.00 3,687.50	1.98%
111524 DTD110917 FC051518					100.00						
CALL@MMW+15BP											
TRUIST BANK NTS B/E 02.150%	A2/A+/A NR/NR/NR	2,000,000	2.15%	12/06/2024	11/06/2024	43,000.00 2.23%	3.76% 3.76%	2.33 -84,372.60	96.289	1,925,780.00 2,866.67	3.92%
120624 DTD120619 FC060620					100.00						
WAL MART STORES INC NTS	Aaa/AAA NR/NR/NR	1,900,000	2.65%	12/15/2024	10/15/2024	50,350.00 2.68%	3.13% 3.13%	2.35 -112,072.09	98.862	1,878,378.00 2,097.92	3.83%
02.650% 121524 DTD102017					100.00						
FC061518 CALL@MMW+10BP											
STATE STREET CORP B/E 03.300%	A1/AA-/A NR/NR/NR	1,200,000	3.30%	12/16/2024		39,600.00 3.32%	3.56% 3.56%	2.33 -10,948.60	99.400	1,192,800.00 1,540.00	2.43%
121624 DTD121514 FC061615											
Total 2024		30,550,000	2.44%	09/08/2024		\$740,850.00 2.48%	3.53% 3.53%	2.09 \$-1,459,496.65		\$29,837,072.50 \$148,969.44	60.80%
Maturing 2025											
JPMORGAN CHASE & CO B/E	A2/AA-/A NR/NR/NR	2,400,000	3.13%	01/23/2025	10/23/2024	75,000.00 3.17%	3.70% 3.70%	2.40 -161,107.21	98.608	2,366,592.00 32,708.33	4.82%
03.125% 012325 DTD012315					100.00						
FC072315											
BK OF NY MELLON CORP B/E	A1/AA-/A NR/NR/NR	1,300,000	3.00%	02/24/2025	01/24/2025	39,000.00 3.06%	3.76% 3.76%	2.49 -70,810.99	98.105	1,275,365.00 13,650.00	2.60%
03.000% 022425 DTD022415					100.00						
FC082415											
Total 2025		3,700,000	3.08%	02/03/2025		\$114,000.00 3.13%	3.72% 3.72%	2.43 \$-231,918.20		\$3,641,957.00 \$46,358.33	7.42%

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
 Report created on: July 20, 2022



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

Bond holdings - as of June 30, 2022 (continued)

Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. gr (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
	50,250,000	1.97%	05/05/2024	NA	\$981,916.00 2.00%	3.39% 3.38%	1.76 \$-2,121,839.85	NA	\$49,071,396.50	\$235,485.96	100%
Total Bond Portfolio										\$49,306,882.46	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities.
 Report created on: July 20, 2022



Additional information about your portfolio

as of June 30, 2022

Benchmark composition

Account EX XX120

Blended Index

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

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

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

11/04/2019 - Current: 45% BBG US Corp 1-3Y Incp76; 55% BBG US Agg Govt & CR 1-3 Y

Blended Index 2

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

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



Disclosures applicable to accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. All information is provided in good faith and 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 advisor, including fee-based financial planning, discretionary account management, non-discretionary wealth management programs, and advice on the selection of investment managers and mutual funds offered through our investment advisory programs. When we act as your investment advisor, we will have a written agreement with you expressly acknowledging our investment advisory relationship with you and describing our obligations to you. At the beginning of our advisory relationship, we will give you our Firm ADV (disclosure for the program) that you selected that provides detailed information about, among other things, the advisory services we provide, our fees, our personnel, our other business activities and financial industry affiliations and conflicts between our interests and your interests.

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

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

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

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

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

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

Time-weighted Returns for accounts / SWP/AAP sleeves (Monthly periods): The report displays a time weighted rate of return (TWR) that is calculated using the Modified Dietz Method. This calculation uses the beginning and ending portfolio values for the month and weights each contribution/withdrawal based upon the day the cash flow occurred. Periods greater than one month are calculated by linking the monthly returns. The TWR gives equal weighting to every return regardless of amount of money invested, so it is an effective measure for returns on a fee based account. All periods shown which are greater than 12 months are annualized. This applies to all performance for all assets before 09/30/2010. Advisory assets before 12/31/2010 and SWP sleeves before 04/30/2018.

Time-weighted Returns for accounts / SWP/AAP sleeves (Daily periods): The report displays a time weighted rate of return (TWR) that is calculated by dividing the portfolio's daily 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 01/01/2010, the performance calculations used the account's end of day value on the performance inception (listed in the report under the column "IPO") and all cash flows were posted at end of day. As a result of the change, the overall rate of return (TWR) and beginning market value displayed can vary from prior generated reports. This

applies to all performance for all assets on or after 09/30/2010. Advisory assets on or after 12/31/2010, SWP/AAP sleeves on or after 04/30/2018 as well as all Asset Class and Security level returns.

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

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

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

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

Benchmark/Major Indices: The past performance of an index is not a guarantee of future results. Any benchmark is shown for informational purposes only and relates to historical performance of market indices and not the performance of actual investments. Although most portfolios use indices as benchmarks, portfolios are actively managed and generally are not restricted to investing only in securities in the index. As a result, your portfolio holdings and performance may vary substantially from the index with respect to the underlying universes 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 index. Market index data may be subject to review and revision. Further, there is no guarantee that an investor's account will meet or exceed the listed benchmark. Index performance information has been obtained from third parties deemed to be reliable. We have not independently verified this information, nor do we make any representations or warranties to the accuracy or completeness of this information.

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

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

Blended Index 2 - 8 - are optional indices selected by you which may consist of a blend of indexes. For advisory accounts, these indices are for informational purposes only. Depending on the selection, the benchmark selected may not be an appropriate basis for comparison of your portfolio based on 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 return 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 Opening Balance. For security contributions, securities are calculated using the end of day UBS FS price on the day securities are delivered in or out of the accounts.

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

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

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

Change in Value: Represents the change in value of the portfolio during the reporting period, excluding additions/withdrawals, dividend and interest income earned and accrued interest. Change in Value may include 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 "W" have changed. Performance figures of an account with a changed

Performance Start Date may not include the entire history of the account. The new Performance Start Date will generate performance return information 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 cap due to a zero-balance that prevents the calculation of continuous returns from the inception of the account. The Performance Start Date may also change if an account has failed one of our performance data integrity tests. In such instances, the account will be labeled as "Review Required" and performance prior to that failure will be restricted. Finally, the Performance Start Date will change if you have explicitly requested a performance reset. Please contact your financial advisor for additional details regarding your new Performance Start Date.

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

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

Concentrated Equity Solutions (CES) managers are not involved in the selection of the underlying stock positions. The Manager will advise only on the options selection in order to pursue the strategy in connection with the underlying stock position(s) deposited in the account. It is important to keep this in mind when evaluating the manager's performance since the account's performance will include the performance of the underlying equity position that is not being managed. CES uses options to seek to achieve your investment objectives regarding your concentration stock position. Options strategies change the potential

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

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

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

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

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

Pricing: All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS FS account statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of accounts 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 rolled up strategies may include individual investments that provide exposure to other asset classes. For example, an International Developed Markets strategy may include exposure to Emerging Markets, and a US Large Cap strategy may include exposure to Mid Cap and Small Cap, etc.

Mutual Fund Asset Allocation: If the option to unbundle balanced mutual funds is selected and if a fund's holdings data is available, mutual funds will be classified by the asset class, subclass, and style breakdown of their underlying holdings. Where a mutual fund or ETF contains equity holdings from multiple equity sectors, this report will proportionally 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 portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these funds if a fund's underlying holding data is not available, it will be classified based on its corresponding



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

overall Morningstar classification. All data is as of the date indicated in the report.

All pooled investment vehicles (such as mutual funds, closed end mutual funds, and exchange traded funds) incorporate internal management and operation expenses, which are reflected in the performance returns. These are 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 can vary substantially from the individual account performance reflected in the performance reports provided to you as part of those programs. For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, prorated according to the number of calendar days in the billing period. Neither UBS nor your Financial Advisor will act as your investment adviser with respect to Ineligible Assets.

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

This information is supplied by Morningstar, Inc. on a weekly basis to UBS FS based on data supplied by the variable annuity which may not be current. Portfolio holdings of variable annuities change on a regular (often daily) basis. Accordingly, any analysis that includes variable annuities may not accurately reflect the current composition of these vehicles and any variable annuity's underlying holdings data is not available. It will appear in 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 the annualized yearly per-share Dividends/interest paid and multiplied by the quantity of shares held in the selected account(s). For savings product & sweep funds this value is not calculated and is displayed as 0.

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

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

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

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

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

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

Reinvestment Risk: Since most corporate issues pay interest semiannually, the coupon payments over the life of the bond can have a major impact on the bond's total return.

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

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

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

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

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

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

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

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

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

Bond sensitivity analysis: This analysis uses Modified Duration which approximates the percentage price change of a security for a given change in yield. The higher the modified duration of a security, the higher its sensitivity. 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 unvaluable cost basis, the gain/loss for these positions are evaluated in the calculation for the Gain/Loss. As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

Gain/Loss reporting for Puerto Rico Income Tax Purposes: Gain/(Loss) reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received gain/(loss) reporting for Puerto Rico income tax



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

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. (Rescued) O 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 36 (36) 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 60/40: Index options listed in this report may be subject to IRS Tax Code - section 1256 categorizing them as broad-based index options. If so, the index may be eligible to be treated as 60% long term and 40% short 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 number begins with "0" this denotes assets or liabilities held at other financial institutions. Information about these assets, including valuation, account type and cost basis, is based on the information you provided to us, or provided to us by third party data aggregators or custodians at your direction. We have not verified, and are not responsible for, the accuracy or completeness of this information.

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

For more information about account or group names, or to make changes, contact your Financial Advisor.

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

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

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

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

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

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

Performance History prior to the account's inception at UBS Financial Services, Inc. may have been included in this report and is based on data provided by third party sources. UBS Financial Services Inc. has not

independently verified this information nor does UBS Financial Services Inc. guarantee the accuracy or validity of the information.

Important information about brokerage and advisory services. As a firm providing wealth management services to clients, UBS Financial Services Inc. offers investment advisory services in its capacity as an SEC-registered investment adviser and broker-dealer. Investment advisory services and brokerage services are separate and distinct, differ in material ways and are governed by different laws and regulatory arrangements. It is important that clients understand the ways in which we conduct business, that they carefully read the agreements and disclosures that we provide to them about the products or services we offer. For more information, please review client relationship summary provided at ubs.com/relationshipsummary.

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Kern Health Systems

Account Number: EBXXX20

Filtered by: Entry Date 03/31/2022-06/30/2022, Call/Redemption

Your Financial Advisor:
THE COHEN GROUP
Phone: 661-965-3200/600-628-8022

Entry Date/Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
05/20/22	CALL REDEMPTION	QUALCOMM INC NTS BE 03.000% 05/20/22 DTD052015	8372P0	1,000,000.00	REDEMPTION	1,000,000.00
05/13/22	CALL REDEMPTION	CATERPILLAR FINL SERVICE 00.950% 05/13/22 DTD051520	690783	1,500,000.00	REDEMPTION	1,500,000.00
05/13/22	CALL REDEMPTION	IBM CORP NTS BE 02.850% 05/13/22 DTD051519	685554	1,500,000.00	REDEMPTION	1,500,000.00
04/11/22	CALL REDEMPTION	PEPSICO INC NTS BE 02.250% 05/02/22 DTD050217	818D02	1,089,000.00	REDEMPTION	1,089,000.00

Entry Date/Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
05/23/22	05/25/22 BOUGHT	STATE STREET CORP B/E 03.300% 12/16/24 DTD121514	8604U1	1,200,000.00	\$100.325	1,221,390.00
05/16/22	05/18/22 BOUGHT	US BANCORP NTS B/E 02.400% 07/30/24 DTD072919	821HQ8	2,000,000.00	\$98.382	1,982,040.00
05/16/22	05/18/22 BOUGHT	TRUIST BANK NTS B/E 02.150% 12/06/24 DTD120619	690PB4	1,000,000.00	\$97.453	984,205.00
04/29/22	05/03/22 BOUGHT	UNITEDHEALTH GROUP INC 02.375% 08/15/24 DTD072519	8848J2	1,250,000.00	\$98.655	1,239,619.79
04/29/22	05/03/22 BOUGHT	COMCAST CORP NTS B/E 03.700% 04/15/24 DTD100518	682UV4	1,100,000.00	\$101.095	1,114,080.00
04/13/22	04/18/22 BOUGHT	PAYPAL HOLDINGS INC NTS 02.400% 10/01/24 DTD092619	818FL1	1,250,000.00	\$99.287	1,242,504.17

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 on year-end tax forms when preparing your tax return. Past performance does not guarantee future results and current performance may be lower or higher than past performance data presented. Past performance for periods greater than one year are presented on an annualized basis. UBS official reports are available upon request.

As a firm providing wealth management services to clients, UBS Financial Services Inc. offers both investment advisory services and brokerage services. Investment advisory services and brokerage services are separate and distinct, differ in material ways and are governed by different laws and separate arrangements. It is important that clients understand the ways in which we conduct business and that they carefully read the agreements and disclosures that we provide to them about the products or services we offer. For more information visit our website at ubs.com/workingwithus. The information is based upon the market value of your account(s) as of the close of business on June 30, 2022, is subject to daily market fluctuations and in some cases may be rounded for convenience. Your UBS account statements and trade confirmations are the official records of your accounts at UBS. We assign index benchmarks to our asset allocations, strategies in our separately managed accounts and discretionary programs based on our understanding of the allocation, strategy, the investment style and our research. The benchmarks included in this report can differ from those assigned through our research process. As a result, you may find that the performance comparisons may differ, sometimes significantly, from that presented in performance reports and other materials that are prepared and delivered centrally by the Firm. Depending upon the composition of your portfolio and your investment objectives, the indexes used in this report may not be an appropriate measure for comparison purposes, and as such, are represented for illustration only. Your portfolio holdings and performance may vary significantly from the index. Your financial advisor can provide additional information about how benchmarks within this report were selected. You have discussed the receipt of this individually customized report with your Financial Advisor and understand that it is being provided for informational purposes only. If you would like to revoke such consent, and no longer receive this report, please notify your Financial Advisor and/or Branch Manager.



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

Bank Account Statement
Wells Fargo Bank, N.A.

Statement Period
06/01/2022 - 06/30/2022

KERN HEALTH SYSTEMS
 2900 BUCK OWENS BOULEVARD
Account Value Summary USD
 Account Number [REDACTED]

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

	Amount Last Statement Period	Amount This Statement Period	Portfolio %
Cash	\$ 0.00	\$ 0.00	0%
Money Market Mutual Funds	40,595,877.78	55,650,321.83	25%
Bonds	172,339,783.32	167,088,001.66	75%
Stocks	0.00	0.00	0%
Total Account Value	\$ 212,935,661.10	\$ 222,738,323.49	100%

Value Change Since Last Statement Period
 \$ 9,802,662.39
Percent Increase Since Last Statement Period
 5%

Value Last Year-End
 \$ 158,053,433.16
Percent Increase Since Last Year-End
 41%

Income Summary USD

	This Period	Year-To-Date
Interest	\$ 253,160.36	\$ 533,390.73
Dividends/Capital Gains	0.00	0.00
Money Market Mutual Funds Dividends	26,230.92	42,431.82
Other	0.00	0.00
Income Total	\$ 279,391.28	\$ 575,822.55

Interest Charged USD

Description	This Period
Debit Interest For June 2022	0.00
Total Interest Charged	\$ 0.00

Money Market Mutual Funds Summary USD

Description	Amount
Opening Balance	\$ 40,595,877.78
Deposits and Other Additions	181,238,210.36
Distributions and Other Subtractions	(166,209,997.23)
Dividends Reinvested	26,230.92
Change in Value	0.00
Closing Balance	\$ 55,650,321.83

Important Information

This statement is provided to customers of Wells Fargo Securities, LLC ("WFS"), broker dealer 0650. Statements are provided monthly for accounts with transactions and/or security positions. The account statement contains a list of securities held in safekeeping by WFS as of the statement date and provides details of purchase and sale transactions, the receipt and disbursement of cash and securities, and other activities relating to the account during the statement period.

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

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

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

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

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

Free Credit Balances: Any customer free credit balances may be used in the business of WFS subject to limitation of 17 CFR Section 240 § 15c(3)-3 under the Securities Exchange Act of 1934. In the course of normal business operations, a customer has the right to receive delivery of the following: any free credit balances to which he or she is entitled; any fully paid securities to which he or she is entitled; and any securities purchased on margin upon full payment of indebtedness to WFS.

Equity Order Routing: WFS will generally route equity and listed options orders taking into consideration among other factors, the quality and speed of execution, as well as the credits, cash or other payments it may receive from any exchange, broker-dealer or market center. This may not be true if a customer has directed or placed limits on any orders. Whenever possible, WFS will route orders in an attempt to obtain executions at prices equal or superior to the nationally displayed best bid or offer. WFS will also attempt to obtain the best execution regardless of any compensation it may receive. The nature and source of credits and payments WFS receives in connection with specific orders will be furnished to a customer upon request. WFS prepares quarterly reports describing its order routing practices for non-directed orders related 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/sectors/financial/regulatory>.

Equity Extended Hours Trading: See important information relating to equities trading before and after regular trading hours at: www.wellsfargo.com/sectors/financial/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, statements reporting inaccuracies or discrepancies should be promptly reported in writing to:

Customer Service
90 South 7th Street
5th Floor, MAC N9305-05F
Minneapolis, MN 55402
wiscustomerservice@wellsfargo.com

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

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

Statement Ending:

KERN HEALTH SYSTEMS

Account Number: ██████████

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

Security ID	Description	Maturity Date	Coupon	Current Par / Original Par	Market Price*	Market Value	Original Par Pledged**	Callable
Bonds USD								
544646P30	LOS ANGELES CA UNIF SCH DIST REF-SER B	07/01/22	5.000%	1,770,000.000	100.0000	1,770,000.00		N
313385ZB5	FED HOME LN DISCOUNT NT	07/08/22	0.000%	20,000,000.000	99.9730	19,994,594.00		N
313385ZF6	FED HOME LN DISCOUNT NT	07/12/22	0.000%	20,000,000.000	99.9575	19,991,505.60		N
912796K57	UNITED STATES TREASURY BILL	07/14/22	0.000%	30,000,000.000	99.9631	29,988,930.00		
69372BGJ3	PACCAR FINANCIAL CORP DISCOUNTED COMMERCIAL PAPER	07/18/22	0.000%	3,000,000.000	99.9182	2,997,544.50		
313385ZN9	FED HOME LN DISCOUNT NT	07/19/22	0.000%	15,000,000.000	99.9305	14,989,576.50		N
313385ZV1	FED HOME LN DISCOUNT NT	07/26/22	0.000%	20,000,000.000	99.9035	19,980,699.80		N
313313ZW1	FED FARM CRD DISCOUNT NT	07/27/22	0.000%	20,000,000.000	99.8996	19,979,928.20		N
313385B47	FED HOME LN DISCOUNT NT	08/10/22	0.000%	15,000,000.000	99.8107	14,971,603.95		N
13068BHK6	CALIFORNIA (STATE OF)	08/30/22	1.870%	3,000,000.000	100.0000	2,999,999.40		
91411UJ71	UNIVERSITY OF CALIFORNIA	09/07/22	0.000%	3,000,000.000	99.6100	2,988,300.00		
48306BJE6	KAISER FOUNDATION HOSP DISCOUNTED COMMERCIAL PAPER	09/14/22	0.000%	3,000,000.000	99.5400	2,986,199.67		
74460DAB5	PUBLIC STORAGE	09/15/22	2.370%	500,000.000	99.9098	499,549.21		Y
90331HNL3	US BANK NA CINCINNATI	01/23/23	2.850%	3,000,000.000	99.9722	2,999,166.63		Y
3130AS4V8	FEDERAL HOME LOAN BANK	03/09/23	2.000%	10,000,000.000	99.5040	9,950,404.20		Y
				167,270,000.000		167,088,001.66	0.00	

*See important information regarding security pricing on Page 2.

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

Daily Account Activity

Your investment transactions during this statement period.

Transaction / Trade Date	Settlement / Effective Date	Activity	Security ID	Description	Par / Quantity	Price	Principal Amount	Income Amount	Debit / Credit Amount
Transaction Activity USD									
06/06/22	06/07/22	Security Receipt	48306BJE6	KAISER FOUNDATION HOSP	3,000,000.00	99.6150000	(2,988,450.00)	0.00	(2,988,450.00)
06/06/22	06/08/22	Security Receipt	313385ZN9	FED HOME LN DISCOUNT NT	15,000,000.00	99.8975000	(14,984,625.00)	0.00	(14,984,625.00)
05/12/22	06/09/22	Security Receipt	3130AS4V8	FEDERAL HOME LOAN BANK	10,000,000.00	100.0000000	(10,000,000.00)	0.00	(10,000,000.00)
06/09/22	06/10/22	Security Receipt	91411UJ71	UNIVERSITY OF CALIFORNIA	3,000,000.00	99.6538890	(2,989,616.67)	0.00	(2,989,616.67)
06/16/22	06/16/22	Security Receipt	313385ZV1	FED HOME LN DISCOUNT NT	20,000,000.00	99.8500000	(19,970,000.00)	0.00	(19,970,000.00)

Statement Ending:

KERN HEALTH SYSTEMS

Account Number: ██████████

Daily Account Activity (Continued)

Your investment transactions during this statement period.

Transaction / Trade Date	Settlement / Effective Date	Activity	Security ID	Description	Par / Quantity	Price	Principal Amount	Income Amount	Debit / Credit Amount
Transaction Activity USD									
06/16/22	06/16/22	Security Receipt	69372BGJ3	PACCAR FINANCIAL CORP	3,000,000.00	99.8666670	(2,996,000.00)	0.00	(2,996,000.00)
06/22/22	06/22/22	Security Receipt	313313ZW1	FED FARM CRD DISCOUNT NT	20,000,000.00	99.8590280	(19,971,805.56)	0.00	(19,971,805.56)
06/28/22	06/28/22	Security Receipt	13068BHK6	CALIFORNIA (STATE OF)	3,000,000.00	100.0000000	(3,000,000.00)	0.00	(3,000,000.00)
06/29/22	06/29/22	Security Receipt	313385B47	FED HOME LN DISCOUNT NT	15,000,000.00	99.8296670	(14,974,450.00)	0.00	(14,974,450.00)
Income / Payment Activity USD									
06/07/22	06/07/22	Matured	48306BF75	KAISER FOUNDATION HOSP	(3,000,000.00)		3,000,000.00		3,000,000.00
06/07/22	06/07/22	Matured	48306BF75	KAISER FOUNDATION HOSP	(1,150,000.00)		1,150,000.00		1,150,000.00
06/08/22	06/08/22	Matured	244199BE4	DEERE & COMPANY	(1,150,000.00)		1,150,000.00		1,150,000.00
06/08/22	06/08/22	Matured	244199BE4	DEERE & COMPANY	(1,150,000.00)		1,150,000.00		1,150,000.00
06/08/22	06/08/22	Matured	244199BE4	DEERE & COMPANY	(1,150,000.00)		1,150,000.00		1,150,000.00
06/08/22	06/08/22	Interest	244199BE4	DEERE & COMPANY				14,950.00	14,950.00
06/09/22	06/09/22	Matured Reversal	244199BE4	DEERE & COMPANY	1,150,000.00				
06/09/22	06/09/22	Matured	313385XW1	FED HOME LN DISCOUNT NT	(20,000,000.00)		20,000,000.00		20,000,000.00
06/09/22	06/09/22	Matured	313385XW1	FED HOME LN DISCOUNT NT	(20,000,000.00)		20,000,000.00		20,000,000.00
06/10/22	06/10/22	Matured	91411UFA8	UNIVERSITY OF CALIFORNIA	(3,000,000.00)		3,000,000.00		3,000,000.00
06/10/22	06/10/22	Matured	91411UFA8	UNIVERSITY OF CALIFORNIA	(3,000,000.00)		3,000,000.00		3,000,000.00
06/14/22	06/14/22	Matured	313385YB6	FED HOME LN DISCOUNT NT	(20,000,000.00)		20,000,000.00		20,000,000.00
06/14/22	06/14/22	Matured	313385YB6	FED HOME LN DISCOUNT NT	(20,000,000.00)		20,000,000.00		20,000,000.00
06/15/22	06/15/22	Matured	79773KFT6	SAN FRANCISCO CA CITY & CNTY	(2,000,000.00)		2,000,000.00		2,000,000.00
06/15/22	06/15/22	Matured	79773KFT6	SAN FRANCISCO CA CITY & CNTY	(2,000,000.00)		2,000,000.00		2,000,000.00
06/15/22	06/15/22	Matured	79773KFT6	SAN FRANCISCO CA CITY & CNTY	(2,000,000.00)		2,000,000.00		2,000,000.00
06/15/22	06/15/22	Interest	79773KFT6	SAN FRANCISCO CA CITY & CNTY				40,000.00	40,000.00
06/21/22	06/21/22	Matured	313385YJ9	FED HOME LN DISCOUNT NT	(20,000,000.00)		20,000,000.00		20,000,000.00
06/21/22	06/21/22	Matured	313385YJ9	FED HOME LN DISCOUNT NT	(20,000,000.00)		20,000,000.00		20,000,000.00
06/21/22	06/21/22	Matured	313385YJ9	FED HOME LN DISCOUNT NT	(20,000,000.00)		20,000,000.00		20,000,000.00
06/23/22	06/23/22	Matured	544351PL7	LOS ANGELES CA	(5,000,000.00)		5,000,000.00		5,000,000.00
06/23/22	06/23/22	Matured	544351PL7	LOS ANGELES CA	(5,000,000.00)		5,000,000.00		5,000,000.00
06/23/22	06/23/22	Interest	544351PL7	LOS ANGELES CA				195,555.56	195,555.56
06/28/22	06/28/22	Matured	13068BHH3	CALIFORNIA (STATE OF)	(3,000,000.00)		3,000,000.00		3,000,000.00
06/28/22	06/28/22	Matured	13068BHH3	CALIFORNIA (STATE OF)	(3,000,000.00)		3,000,000.00		3,000,000.00
06/28/22	06/28/22	Matured	13068BHH3	CALIFORNIA (STATE OF)	(3,000,000.00)		3,000,000.00		3,000,000.00
06/28/22	06/28/22	Interest	13068BHH3	CALIFORNIA (STATE OF)				2,654.80	2,654.80
06/28/22	06/28/22	Matured	912796W39	UNITED STATES TREASURY BILL	(20,000,000.00)		20,000,000.00		20,000,000.00
06/28/22	06/28/22	Matured	912796W39	UNITED STATES TREASURY BILL	(20,000,000.00)		20,000,000.00		20,000,000.00

Cash Activity USD

Transaction / Trade Date	Settlement / Eff. Date	Activity	Description	Debit Amount / Disbursements	Credit Amount / Receipts
06/01/22	06/01/22	ACH/DDA Transaction	DESIGNATED DDA	15,500,000.00	
06/02/22	06/02/22	ACH/DDA Transaction	DESIGNATED DDA	2,000,000.00	

Statement Ending:

KERN HEALTH SYSTEMS
Account Number: **[REDACTED]**
Daily Account Activity (Continued)

Your investment transactions during this statement period.

Cash Activity USD			Debit Amount / Disbursements	Credit Amount / Receipts
Transaction / Trade Date	Settlement / Eff. Date	Activity / Description		
06/03/22	06/03/22	ACH/DDA Transaction		4,000,000.00
06/07/22	06/07/22	ACH/DDA Transaction	10,000,000.00	
06/08/22	06/08/22	ACH/DDA Transaction	2,000,000.00	
06/08/22	06/08/22	ACH/DDA Transaction		50,000,000.00
06/08/22	06/08/22	ACH/DDA Transaction		44,000,000.00
06/14/22	06/14/22	ACH/DDA Transaction	18,000,000.00	
06/21/22	06/21/22	ACH/DDA Transaction	14,000,000.00	
06/28/22	06/28/22	ACH/DDA Transaction	25,000,000.00	
06/30/22	06/30/22	ACH/DDA Transaction	2,000,000.00	

Money Market Fund Activity

Morgan Stan TreasSvc 8314			Dividend paid this period	7 day* simple yield	30 day* simple yield	Share Balance
Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	12.50		12.50000
06/01/22	Reinvest	0.01000			0.01	12.51000
	Ending Balance		1.0000	12.51		12.51000

Goldman FS Tr Ob Ins 468			Dividend paid this period	7 day* simple yield	30 day* simple yield	Share Balance
Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	40,545,170.34		40,545,170.34000
06/01/22	Redemption	(15,500,000.00000)		(15,500,000.00)		25,045,170.34000
06/01/22	Reinvest	20,995.15000			20,995.15	25,066,165.49000
06/02/22	Redemption	(2,000,000.00000)		(2,000,000.00)		23,066,165.49000
06/03/22	Purchase	4,000,000.00000		4,000,000.00		27,066,165.49000
06/07/22	Redemption	(2,988,450.00000)		(2,988,450.00)		24,077,715.49000
06/07/22	Purchase	3,000,000.00000		3,000,000.00		27,077,715.49000
06/07/22	Redemption	(10,000,000.00000)		(10,000,000.00)		17,077,715.49000
06/08/22	Purchase	50,000,000.00000		50,000,000.00		67,077,715.49000

Statement Ending:

KERN HEALTH SYSTEMS
Account Number: ~~XXXXXXXXXX~~

Money Market Fund Activity (Continued)

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
06/08/22	Redemption	(2,000,000.000000)		(2,000,000.00)		65,077,715.49000
06/08/22	Redemption	(13,819,675.000000)		(13,819,675.00)		51,258,040.49000
06/09/22	Purchase	10,000,000.000000		10,000,000.00		61,258,040.49000
06/10/22	Redemption	(2,989,616.670000)		(2,989,616.67)		58,268,423.82000
06/10/22	Purchase	3,000,000.000000		3,000,000.00		61,268,423.82000
06/14/22	Purchase	20,000,000.000000		20,000,000.00		81,268,423.82000
06/14/22	Redemption	(18,000,000.000000)		(18,000,000.00)		63,268,423.82000
06/15/22	Purchase	2,040,000.000000		2,040,000.00		65,308,423.82000
06/16/22	Redemption	(2,996,000.000000)		(2,996,000.00)		62,312,423.82000
06/16/22	Redemption	(19,970,000.000000)		(19,970,000.00)		42,342,423.82000
06/21/22	Purchase	20,000,000.000000		20,000,000.00		62,342,423.82000
06/22/22	Redemption	(19,971,805.560000)		(19,971,805.56)		42,370,618.26000
06/23/22	Purchase	5,195,555.560000		5,195,555.56		47,566,173.82000
06/28/22	Purchase	20,000,000.000000		20,000,000.00		67,566,173.82000
06/28/22	Purchase	2,654,800000		2,654.80		67,568,828.62000
06/28/22	Redemption	(25,000,000.000000)		(25,000,000.00)		42,568,828.62000
06/29/22	Redemption	(14,974,450.000000)		(14,974,450.00)		27,594,378.62000
	Ending Balance		1.0000	27,594,378.62		27,594,378.62000

JPMorgan UST Plus Inst 3918

*As of June 30, 2022

USD

Dividend paid this period 5,235.76
7 day* simple yield 1.240%
30 day* simple yield 0.950%

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	50,694.94		50,694,94000
06/01/22	Reinvest	5,235.760000			5,235.76	55,930.70000
06/08/22	Purchase	44,000,000.000000		44,000,000.00		44,055,930.70000
06/21/22	Redemption	(14,000,000.000000)		(14,000,000.00)		30,055,930.70000
06/30/22	Redemption	(2,000,000.000000)		(2,000,000.00)		28,055,930.70000
	Ending Balance		1.0000	28,055,930.70		28,055,930.70000



PMIA/LAIF Performance Report as of 07/18/22



PMIA Average Monthly Effective Yields⁽¹⁾

June	0.861
May	0.684
Apr	0.523

Quarterly Performance Quarter Ended 06/30/22

LAIF Apportionment Rate ⁽²⁾ :	0.75
LAIF Earnings Ratio ⁽²⁾ :	0.00002057622201151
LAIF Fair Value Factor ⁽¹⁾ :	0.987125414
PMIA Daily ⁽¹⁾ :	0.99%
PMIA Quarter to Date ⁽¹⁾ :	0.69%
PMIA Average Life ⁽¹⁾ :	311

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 06/30/22

\$234.5 billion

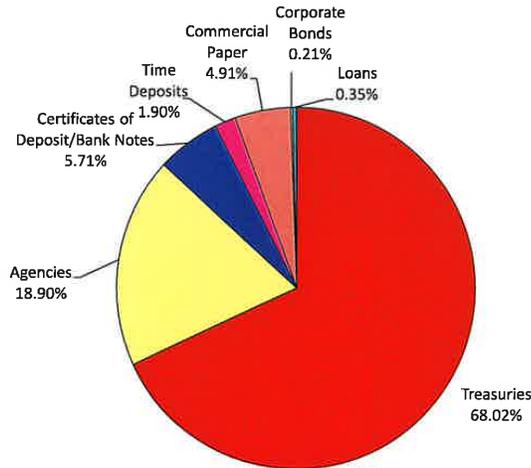


Chart does not include \$4,693,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

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

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

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



To: KHS Board of Directors

From: Robert Landis, CFO

Date: August 11, 2022

Re: Primary and Excess Liability Insurance Renewals

Background

Liability Coverage insures against third party losses for general liability, public officials errors and omissions, employment related practices liability and auto liability.

Excess liability provides additional limits over the Liability Coverage offered above the \$5,000,000 primary liability coverage.

KHS utilizes Alliant Insurance Services (“Alliant”) as its insurance agent to access the insurance carrier market and perform the day-to-day servicing of the account. Alliant has provided early indications for the expiring coverage. It is recommended that Kern Health Systems renew coverages as outlined below.

Discussion

- **Liability Coverage**
 - Special Liability Insurance Program (SLIP) – Great American E&S Insurance Company (**Current Carrier**)
 - Rating: Carrier has a rating of A+ Superior XV from AM Best
 - Term: September 29, 2022 through September 29, 2023. Program common anniversary date is September 29th and coverage renews for annual term in September.
 - General Liability - \$5,000,000
 - Auto Liability - \$5,000,000
 - Uninsured Motorist - \$1,000,000
 - Public Officials’ and Employees’ Errors and Omissions - \$5,000,000 each wrongful act/\$5,000,000 Aggregate
 - Employment Practices Liability - \$5,000,000 each wrongful act/\$5,000,000 Aggregate
 - Employee Benefits Liability - \$5,000,000
 - Deductibles: \$10,000 except \$25,000 for Employment Practices Liability
 - Annual Not to Exceed Premium Estimate: \$220,000
 - Prior year’s annual premium was \$238,818

No claims were filed last year.

- **Excess Liability Insurance**

- Hallmark Specialty Insurance Company (**Current Carrier**)
- Rating: Carrier has an A- VIII rating from AM Best
- Per Occurrence or Wrongful Act Limit: \$5,000,000 excess of \$5,000,000 (SLIP)
- Term: September 29, 2022 through September, 29, 2023
- Annual Not to Exceed Premium Estimate: \$180,000
- Prior year's premium was \$185,341

No claims were filed last year.

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

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

Requested Action

Approve.



TO: KHS Board of Directors

FROM: Anita Martin, Chief Human Resources Officer

Date: August 11, 2022

SUBJECT: Employee Benefits Renewal 2023

Background

Kern Health Systems (“KHS”) annually reviews and evaluates the employee benefit package. During the evaluation period factors taken into consideration are the improvements of benefits, cost of premium, feasibility of continuation of current plan(s), comprehensive administrative services provided by the carrier(s), plan documents, summary plan descriptions and the employee communication process i.e. clearly written program material including comprehensive summary of benefits, etc.

Of the 6 core benefit categories (Medical, Dental, Vision, Life, Short and Long-Term Disability and Long-Term Care), we were able to secure the 2023 premium renewals at an overall annual increase of \$271,566 or approximately 3.8%.

Management is proposing the following:

A renewal with Kaiser Permanente HMO with no benefit changes. The annual increase is approximately \$314,426.

Dental to renew with Premier Access Dental HMO and PPO plans with no change in benefits. This is the second year of a 2-year rate guarantee.

Vision to renew with VSP with no benefit changes. This is the second year of a 4-year rate guarantee.

Move from Lincoln to Prudential for the following lines: Basic Life, Voluntary Life, Short-Term disability and Long-Term disability. Prudential is offering a 3-year rate guarantee. The annual savings for making this switch is approximately \$42,860.

Livongo/Teladoc to renew with no benefit changes and no increase in premium. This benefit is a stand-alone Mental Health benefit that provides coverage for employees and their families.

For the 2023 renewal of employee benefits, management is proposing the following:

- Maintain the current Employee Medical Insurance with Kaiser Permanente. For the current renewal period, Kaiser Permanente initially requested an increase of 8.51%. The Medical Loss Ratio during this renewal cycle was 80%. After several negotiation discussions, our insurance broker was able to secure an increase of 5.2%. Based on current staffing levels, the current monthly premium will be approximately \$530,448 or \$6,365,376 annually.
- Renew with Premier Access for the dental provider. Premier Access is in a rate guarantee. Based on renewal date staffing levels, the monthly premium will be approximately \$38,904 or \$466,848 annually.
- Maintain VSP as the vision provider. The current monthly cost if enrollment stays at the current level will be \$8,309 per month or \$99,708 annually.
- Move from Lincoln to Prudential. Prudential was able to offer higher maximum limits and higher guarantee issue amounts on the life insurance and decrease the overall cost of their program. The overall annual cost for basic life insurance will be approximately \$61,980.
- Replace Lincoln with Prudential as the Short-Term Disability (“STD”) and Long-Term Disability (“LTD”) carrier. Prudential was able to offer a savings of 15% on the STD and match the current LTD rates. The combined annual cost is approximately \$249,843.
- Maintain current Long-Term Care Policy with Unum. The current annual cost based on current staffing levels is approximately \$97,516. This policy has not received an increase in rates since 2020.
- Maintain Livongo/Teladoc as the stand-alone Mental Health benefit. The annual cost based on current staffing levels is approximately \$31,968.
- Overall KHS had an increase of \$314,426 in medical premiums, no change in dental premiums, no change in vision premiums, a decrease in basic life of (\$23,414) and a decrease in short term disability of (\$19,446). KHS has an overall benefits renewal increase of approximately 3.8% with the requested benefit enhancements on the life insurance.

Representatives from Walter Mortensen Insurance/INSURICA will be available to answer questions relating to all of the employee benefit renewals.

Requested Action

Approve the renewal and binding of employee benefit plans for medical, dental, vision, life insurance, short-term, long-term disability, long-term care, and Livongo.



To: KHS Board of Directors

From: Robin Dow-Morales, Claims Director

Date: August 11, 2022

Re: Renewal Trizetto Provider Solutions, LLC Clearing House Contract

Background

Currently, 98% of all claims are submitted electronically. Costs and keystroke errors are kept to a minimum by having the claim submission created by the provider in an electronic format. KHS has 4 different Clearinghouses that accept claims directly from providers or from other clearinghouses and submits them to KHS in required formats.

Overview

Trizetto Provider Solutions, LLC, submits about 14% of the Claims volume. The contract is up for renewal. The rate is staying at \$0.19 per transaction.

Financial Impact

Based on estimated claim volumes, it is estimated to be \$95,000.00 annually.

Requested Action

Approve; Authorize Chief Executive Officer to Sign.

Trizetto Provider Solution, LLC Contract Extension

KHS Board of Directors
August 11, 2022

Robin Dow-Morales
Director of Claims



Agenda

- Background
- Scope of services
- Provider Advantages
- RFP /Contract Extension
- Recommendation
- Questions



Background

- We receive over 3 million claims a year, and 98% of those claims are submitted electronically.
- Kern Health Systems offers four different clearinghouses from which providers can choose to utilize.
- Trizetto has approximately 14% of the electronic submissions.
- Our 1-year contract is up for renewal.
- Cost per claim has remained the lowest at \$0.19 per transaction.



Scope of Services

- Clearinghouses accept claims direct from Providers or 3rd party Clearinghouses and converts to appropriate format and submits to Kern Health Systems.
- Adheres to legislated timeliness guidelines.
- Notifies provider of acceptance or rejection of the claim submission and if rejected, the reason as to why the submission is rejected.
- This allows the provider to correct errors and resubmit at a much faster pace than awaiting a denial from Kern Health Systems for a corrected billing.



Provider Advantages

- Claims submitted through KHS Clearinghouses are at no cost to the provider.
- No mailing/paper/form costs.
- Many billing errors are identified immediately and returned to the provider for correction – no waiting for KHS action.
- Easier tracking and receipt of acknowledgement of claims.
- Faster submission = faster payment = better cash flow for the provider!



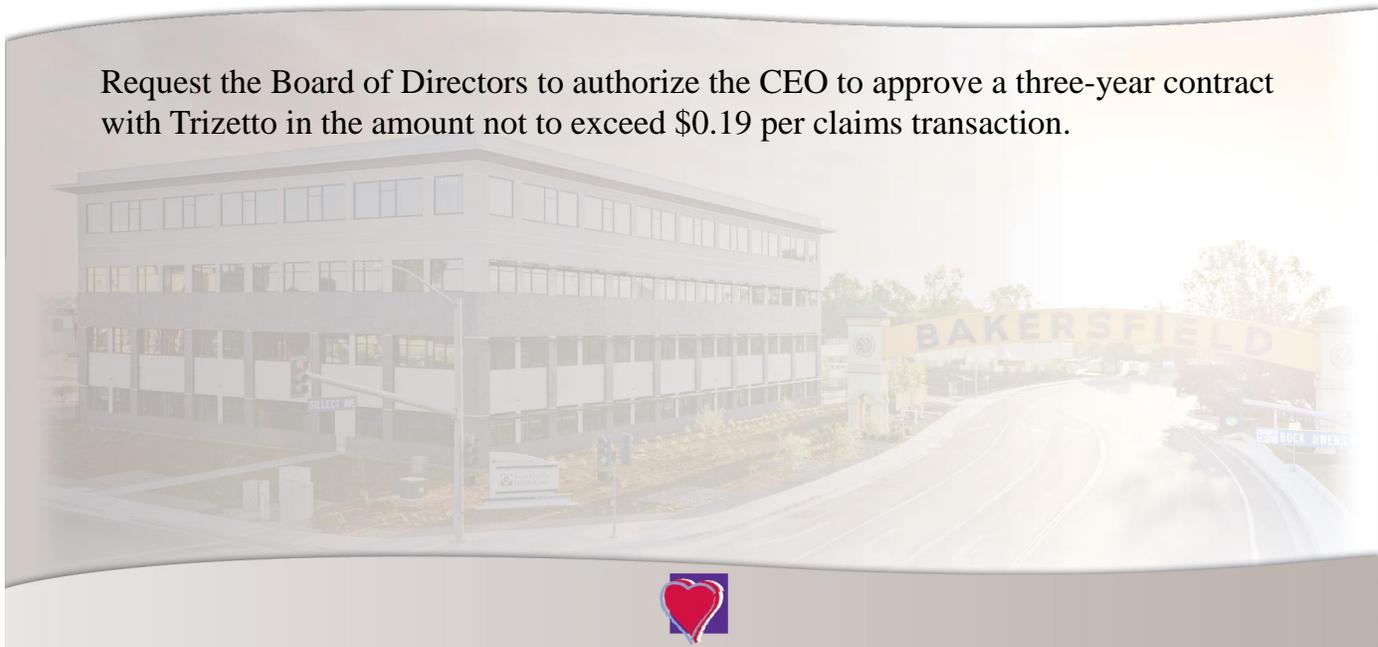
Request for Contract Extension

- RFP is not necessary as multiple vendors are used for this service.
- This contract extension is at the same rate of \$0.19 per transaction.
- Estimated annual number of claims ~ 500,000
- Estimated annual cost \$95,000



Recommendation

Request the Board of Directors to authorize the CEO to approve a three-year contract with Trizetto in the amount not to exceed \$0.19 per claims transaction.



Questions

For additional information, please contact:

Robin Dow-Morales

Director of Claims

661-617-2598

robin.dow-morales@khs-net.com





KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

Department Name: CL Department Head: Robin Dow-Morales

Vendor Name: TriZetto Provider Solutions, LLC

Contact name & e-mail: Conni Young, conni.young@cognizant.com

What services will this vendor provide to KHS? TriZetto will provide KHS with standard electronic transaction processing of health care claims for three (3) years.

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>TriZetto provides clearinghouse functions for providers and hospitals to submit electronic medical claims. The clearinghouse works with providers, typically free of charge and charge KHS \$0.19 per transaction fee to process an electronic claim.</u> Brief Explanation: <u>TriZetto will provide KHS with standard electronic transaction processing of health care claims for three (3) years.</u>
<input type="checkbox"/> Summary of Quotes and/or Bids attached. Pursuant to KHS Policy #8.11-I, 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.)	
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 – as well as 3 other vendors.</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 2022 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: _____	

Form updated 01/05/22

Budgeted Cost Center <u>230</u> GL# <u>5642</u>	
Maximum cost of this agreement not to exceed: <u>\$95,000.00 estimated per three years</u>	
Notes: <u>\$0.19 per claims transaction.</u>	
Contract Terms and Conditions	
Effective date: <u>8/28/2022</u>	Termination date: <u>8/27/2025</u>
Explain extension provisions, termination conditions and required notice: _____	
Approvals	
Compliance DMHC/DHCS Review:	Legal Review:
Director of Compliance and Regulatory Affairs	<u>Approved by Brian VanWyk</u> Legal Counsel
_____	<u>per email dated 9/9/14</u>
Date	Date
Contract Owner:	Purchasing:
	
Department Head	Director of Procurement and Facilities
<u>7-20-22</u>	<u>7/20/22</u>
Date	Date
Reviewed as to Budget:	Recommended by the Executive Committee:
	
Chief Financial Officer or Controller	Chief Operating Officer
<u>7/20/22</u>	<u>7-21-22</u>
Date	Date
IT Approval:	Chief Executive Officer Approval:
	_____
Chief Information Officer or IT Director	Chief Executive Officer
<u>7/20/2022</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 Board of Directors

From: Deborah Murr, Chief Health Services Officer

Date: August 11, 2022

Re: Cotiviti Agreement Renewal

Background

Kern Health Systems is required under its contract with DHCS and requirements for Knox-Keene licensure to perform an annual data audit of its managed care operations. This audit is mandated by the State. We are required to use Managed Care Accountability Set (MCAS) metrics reporting software that has been certified by the National Committee for Quality Assurance (NCQA) and DHCS' designated External Quality Review Organization (EQRO). These healthcare metrics are complex algorithms that are used to identify the rate of compliance for health care measures designated by DHCS. Kern Health Systems has used the software manufactured by Cotiviti, for the last 12 years.

Discussion

Cotiviti, Inc., will provide KHS with a NCQA-certified software solution that performs MCAS calculations on a monthly and annual basis. The platform provides a software system for data collection, full access to the underlying databases, member correspondence, analytic and reporting interfaces and reporting formats that meet DHCS requirements to report MCAS results. This contract will provide KHS with software licensing, support and maintenance for Cotiviti's software.

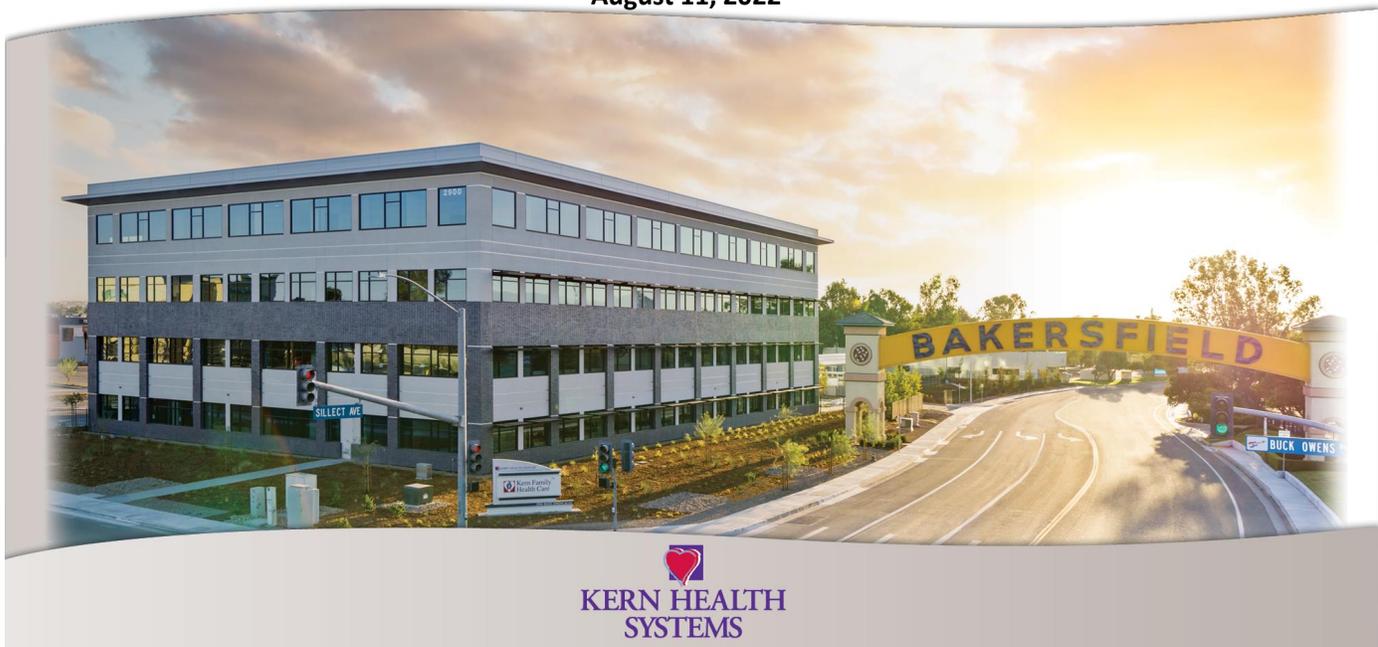
Financial Impact

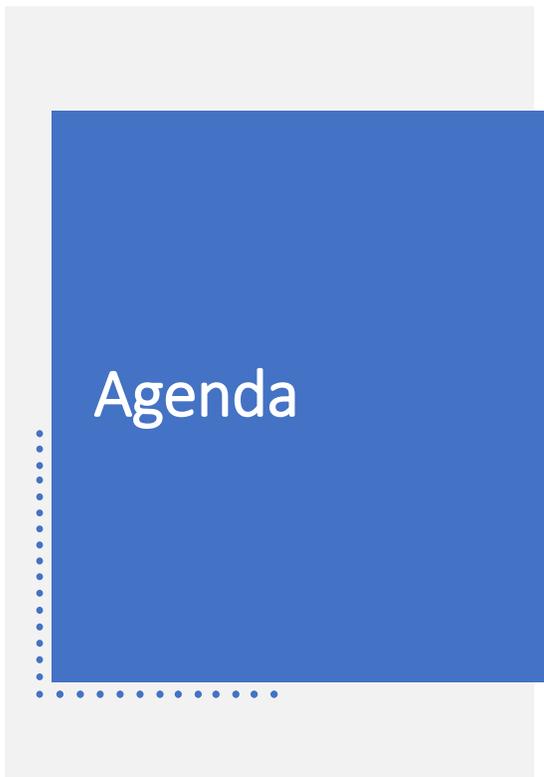
Cost for two years term will not exceed \$327,220.92 per two years.

Requested Action

Approve; Authorize Chief Executive Officer to Sign.

**MCAS/HEDIS Software
Board of Directors Presentation
August 11, 2022**





Agenda



Background

HEDIS Software Purpose

Overview of Analysis for Contract Extension

Software Deliverables

Next Steps for 2023

Board Request

Background

Kern Health Systems is required by CA State regulations & under contract with DHCS to complete an annual audit of Managed Care Accountability Set (MCAS) metrics

Reporting software must be certified by the National Committee for Quality Assurance (NCQA) & DHCS' designated External Quality Review Organization (EQRO).

Metrics used are complex algorithms used to identify the rate of compliance for health care measures designated by DHCS.

Kern Health Systems has used the software manufactured by Cotiviti, for the last 12 years.



HEDIS Software Purpose

- 
- Managed Care Accountability Set (MCAS): Set of health care measures required by DHCS to report plan outcomes annually.
 - Includes measures from the National Committee for Quality Assurance (NCQA) & Centers for Medicaid & Medicare (CMS) to measure health outcomes
 - DHCS conducts an annual audit of data used for reporting compliance rates that:
 - ✓ Evaluate provider performance in preventative care
 - ✓ Identify opportunities for health care improvement
 - ✓ Serve as basis for auto assignment of new membership to KHS
 - KHS is mandated to use software certified by NCQA & the State's External Quality Review Organization (EQRO)



Overview of Analysis for Contract Extension

- Reviewed Existing Needs by KHS from Cotiviti
- Defined requirements for MCAS software solution
- Requested & reviewed vendor requirements responses & market pricing to ensure Cotiviti is aligned with KHS vendor policies
- Analyzed Vendor Qualifications & Costs
 - Cotiviti had lowest cost compared to other vendors
 - Cost \$163,610 per year
 - ~\$12k increase per year



Software Deliverables

- 
- Software certified by NCQA
 - Includes MCAS measures for Measurement Years 2022 and 2023, including custom measures from DHCS
 - Configuration of data sets for rate compliance reporting
 - Staff training by Cotiviti for use of their software
 - Ongoing software support to ensure timely & accurate data & reports submission



Next Steps for 2023

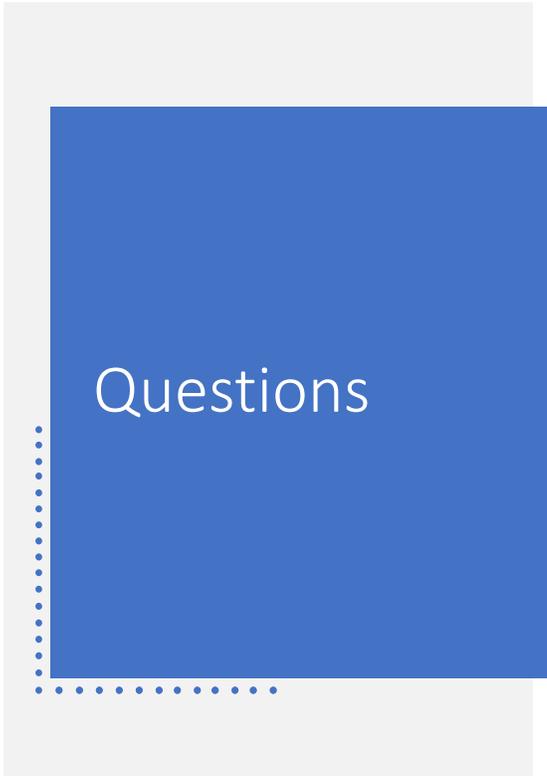
- 
- Conduct RFP in 2023 to evaluate HEDIS software needs including:
 - Implementation of Health Equity stratification to identify and address racial/ethnic health disparities
 - Ensure software supports NCQA's Electronic Clinical System Data (ECDS) measurement
 - Ensure software supports HEDIS measures for NCQA health plan accreditation
 - Ensure software supports of Medicare STARS Quality Measures in preparation for Medicare D-SNP plan



Board Request



Authorize CEO to sign budgeted contract renewal associated with MCAS Software Solution from Cotiviti, Inc., not to exceed **\$163,610.46 per year** for two (2) years (**total 2-year cost = \$327,220.92**)



Questions

Please contact:

Deborah Murr, RN, BS-HCM
Chief Health Services Officer
661-664-5141
deborah.murr@khs-net.com





KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

Department Name: Quality Improvement

Department Head: Jane Daughenbaugh

Vendor Name: Cotiviti, Inc.

Contact name & e-mail: Ameet Jackson, Ameet.Jackson@cotiviti.com

What services will this vendor provide to KHS? Cotiviti, Inc. will provide a NCOA certified software program for data upload, reporting and clinical record abstractions for the MCAS audit and data submission.

Description of Contract	
<p>Type of Agreement: <u>Software</u></p> <p><input checked="" type="checkbox"/> Contract</p> <p><input type="checkbox"/> Purchase</p> <p><input type="checkbox"/> New agreement</p> <p><input checked="" type="checkbox"/> Continuation of Agreement</p> <p><input type="checkbox"/> Addendum</p> <p><input type="checkbox"/> Amendment No. _____</p> <p><input type="checkbox"/> Retroactive Agreement</p>	<p>Background: <u>MCAS is an annual regulatory event required by DHCS. It serves as the basis of auto member assignment, financial penalties for non-compliance, corrective action plans (CAPs) issued for non-compliance and for identifying opportunities for improvement. DHCS mandates that MCPs use software certified by the National Committee for Quality Assurance (NCOA) to complete this deliverable. The software uses our membership, claims and encounter data, and manually entered clinical data to identify a selected population and measure performance of preventive care performed. KHS has used Cotiviti Inc.'s software for the past 12 years for HEDIS and MCAS audits and rate submission. During the RFP process, Cotiviti, Inc. produced the lowest bid for services.</u></p> <p>Brief Explanation: <u>Cotiviti Inc. will provide a software tool and platform for data upload, report generation and clinical review abstractions for MCAS audit and rate submissions required by DHCS. This submission influences MCAS compliance rates that may affect membership assignment by DHCS to KHS as well as financial penalties and CAPs for non-compliant measures.</u></p>
<p><input type="checkbox"/> Summary of Quotes and/or Bids attached. <i>Pursuant to KHS Policy #8.11-1, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic te-mail/fax solicitation may be used for purchases of up to Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00) but must be documented on the RFQ form (Attachment A). Actual bid, sole or single source justification and/or cost price analysis documents are required for purchases over Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Fifty Thousand Dollars (\$50,000). Lowest bid price not accepted must be fully explained and justified in writing. All bids will be treated as a not to exceed amount with "change orders" used to track any changes.)</i></p>	
<p>Brief vendor selection justification:</p> <p><input checked="" type="checkbox"/> Sole source – no competitive process can be performed.</p>	
<p>Brief reason for sole source: <u>This has been our vendor for the past 12 years and the system is known and understood by IT and QI.</u></p>	
<p><input type="checkbox"/> Conflict of Interest Form is required for this Contract</p>	
<p><input type="checkbox"/> HIPAA Business Associate Agreement is required for this Contract</p>	

Form updated 11/21/19

Fiscal Impact	
KHS Governing Board previously approved this expense in KHS' FY 2022 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>311</u>	GL# <u>5645</u>
Maximum cost of this agreement not to exceed: <u>\$327,220.92 per two-years</u>	
Notes: Price includes Annual Base fee of \$142,928.06, and \$20,682.40 for Medi-Cal Medicaid Measures for a total annual cost of \$163,610.46.	
Contract Terms and Conditions	
Effective date: <u>9/8/2022</u>	Termination date: <u>9/7/2024</u>
Explain extension provisions, termination conditions and required notice: _____	
Approvals	
Compliance DMHC/DHCS Review:	Legal Review:
_____ Director of Compliance and Regulatory Affairs	_____ Legal Counsel
_____ Date	_____ Date
Contract Owner:	Purchasing:
<u>Approved by</u> _____ Department Head	<u>[Signature]</u> _____ Director of Procurement and Facilities
<u>per contract meeting</u> _____ Date	<u>7/13/22</u> _____ Date
Reviewed as to Budget:	Recommended by the Executive Committee:
<u>[Signature]</u> _____ Chief Financial Officer or Controller	<u>[Signature]</u> _____ Chief Operating Officer
<u>7/14/22</u> _____ Date	<u>7-14-2022</u> _____ Date
IT Approval:	Chief Executive Officer Approval:
<u>Approved by</u> _____ Chief Information Officer or IT Director	_____ Chief Executive Officer
<u>per contract meeting</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 Board of Directors

From: Alonso Hurtado, Director of Procurement and Facilities

Date: August 11, 2022

Re: Commercial Cleaning Systems, Inc. renewal

Background

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

Discussion

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

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

Financial Impact

Cost for a one-year term will not exceed \$193,740

Requested Action

Approve; Authorize Chief Executive Officer to Sign.

Kern Health Systems

Commercial Janitorial Services

Alonso Hurtado
Director Procurement and Facilities
August 11, 2022



Agenda

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



Background

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



Request for Proposal

- In 2021 KHS published an RFP for Janitorial Services for our facility. CCS was selected as the vendor for these services based on experience, price, and references. CCS will provide Commercial Janitorial Services for its new facility five days a week.
- Services include a day janitor for COVID prevention.



Bid Matrix

Other companies:

Vendor	CCS	Coverall Cleaning	Kern Commercial
Contact Information	Jaime Jacobo	Nick Griner	Frank Munoz
Date of Quote	6/29/2022	7/08/2022	6/30/2022
Price	\$16,145.00/month	\$17,694.00/month	\$19,9416.00/month
Total Purchase Price	\$193,740.00 Per one year	\$212,328.00 Per one year	\$239,000.00 Per one year



Scope of Services

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



Recommendation

- Request the Board of Directors authorize the CEO to approve a one-year contract with Commercial Cleaning Systems Inc., in the amount not to exceed \$193,740 for Commercial Janitorial Services.



Questions

Please contact:

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





KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

Department Name: CS

Department Head: Alonso Hurtado

Vendor Name: Commercial Cleaning Systems, Inc.

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

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

Description of Contract	
Type of Agreement: <u>Professional Services</u> <input checked="" type="checkbox"/> Contract <input type="checkbox"/> Purchase <input type="checkbox"/> New agreement <input type="checkbox"/> Continuation of Agreement <input type="checkbox"/> Addendum <input checked="" type="checkbox"/> Amendment No. 3 <input type="checkbox"/> Retroactive Agreement <input checked="" type="checkbox"/> Summary of Quotes and/or Bids attached. <i>Pursuant to KHS Policy #8.11-1, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic (e-mail/fax) solicitation may be used for purchases of up to Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00) but must be documented on the RFQ form (Attachment A). Actual bid, sole or single source justification and/or cost price analysis documents are required for purchases over Fifty Thousand Dollars or more if not budgeted (\$50,000.00) and One Hundred Thousand Dollars or more if budgeted (\$100,000.00). Request for Proposal (RFP) shall be used to solicit bids for professional services over Fifty Thousand Dollars (\$50,000). Lowest bid price not accepted must be fully explained and justified in writing. All bids will be treated as a not to exceed amount with "change orders" used to track any changes.</i>	Background: <u>In 2018, KHS embarked on building a new facility, located at 2900 Buck Owens Blvd, to accommodate the current and future growth of the business. KHS will leverage CCS to provide commercial janitorial services for this facility.</u> Brief Explanation: <u>In June 2021, KHS posted an RFP for commercial janitorial services for its new facility. CCS was selected as the vendor for these services based on experience, price, and references. CCS will provide commercial janitorial services for its new facility five days a week.</u>
Brief vendor selection justification: <u>Commercial Cleaning Systems was selected as the vendor based on company experience, price and references.</u>	
<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 2022 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>340</u> GL# <u>5510</u>	

Form updated 11/21/19

Maximum cost of this agreement not to exceed: \$193,740.00 per one year

Notes:

Contract Terms and Conditions

Effective date: 9/06/2022 Termination date: 9/05/2023

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:
_____ Department Head	_____ Director of Procurement and Facilities
<u>7/15/22</u> Date	<u>7/13/22</u> Date
Reviewed as to Budget:	Recommended by the Executive Committee:
_____ Chief Financial Officer or Controller	_____ Chief Operating Officer
<u>7/14/22</u> Date	<u>7/14/2022</u> Date
IT Approval:	Chief Executive Officer Approval:
_____ Chief Information Officer or IT Director	_____ Chief Executive Officer
_____ 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 Board of Directors
From: Emily Duran, CEO
Date: August 11, 2022
Re: 2022 Corporate Goals Update

Background

In lieu of a Strategic Plan, Kern Health Systems is using the 2022 Corporate Goals as its strategic direction for the organization. With the 2nd Quarter comes to an end, Management is providing an update on the status of these goals. Items with new updates to report are noted in blue font, previous updates from Q1 can be found in green font.

Overall, KHS is on track with items that were due to be completed during the second quarter. Notably, since the creation of these Corporate Goals, DHCS announced an extension of the telehealth flexibilities that were in place during the Public Health Emergency (PHE). DHCS subsequently released their long-term telehealth policies as part of the 2022-2023 State Budget. These policies will be implemented when the PHE ends. These changes are reflected in the update provided for Goal 8 in the attachment.

Requested Action

Receive and File.



Corporate Performance Goals for 2022

Background

The Corporate Performance Goals for 2022 are heavily influenced by the California Advancing and Innovating Medi-Cal or CalAIM. CalAIM is a series of initiatives proposed by the Department of Health Care Services (DHCS) to advance broad-based delivery system, program, and payment reform across the Medi-Cal program. Furthermore, CalAIM will address social determinants of health, streamline the statewide Medi-Cal delivery system, improve quality, and drive innovation.

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.

Originally scheduled to begin in January 2021, the proposal was delayed due to the impact of COVID-19. CalAIM was re-announced in January 2021 with DHCS' release of updated policy materials and with the inclusion of CalAIM funding in the draft 2022 State budget.

Major CalAIM initiatives scheduled for implementation in 2022 include:

- Enhanced Care Management (ECM)
- Community Support Services (CSS)

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.

In general, Safety Net Providers (Kern Medical, Omni Family Health and Clinica Sierra Vista) will play an important role in accomplishing our goals and will be encouraged, where appropriate, to participate in its achievement or considered in its outcome. Where a goal is specific to one Safety Net Provider, the provider is identified as to whom the goal applies. For example, the 2022 CalAIM initiative goal identifies Kern Medical specifically and its role with Whole Person Care.



KHS keeps this in mind when establishing annual Corporate Goals always considering their impact on the Safety Net Providers. With Safety Net Providers representing an integral network component, no goal will be achieved without their consideration nor accomplished without their involvement.

Successful implementation of the initial phases of ECM and CSS is the 1st Goal of our 2022 list of Corporate Goals. Among other things, this goal includes realigning KHS's Health Home Program and Kern Medical's Whole Person Care Program under ECM. In addition to ECM and CSS implementation, the 2022 Corporate Goals include the following additional seven goals:

1. A new **Three-Year Strategic Plan** will be adopted during the 1st quarter of 2023 focused mostly around CalAIM initiatives scheduled for launch between January 1, 2023 and December 31, 2025. CalAIM will continue to preoccupy KHS's time and resources for the foreseeable future with its many initiatives scheduled for implementation as far out as 2026.
2. 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. To avoid fragmenting members care and shifting between two Medi-Cal enrollment programs, beginning 1/1/2022, members may remain in their current health plan where patients will be followed from pre-transplant to recovery.
3. The **Chief Executive Officer** will be retiring in 2022. Recruitment of his replacement will commence in 2021. It is anticipated it will take several months to locate and hire a suitable candidate including allowing for time to transition from current employment to the KHS leadership role.
4. **Pharmacy Benefits Management (PBM)** currently administered through health plans will be carved out and centrally administered through a statewide PBM. Originally scheduled to launch in 2021, it appears it will be delayed a year and likely to be implemented in early 2022.
5. **Medi-Cal Eligibility Expansion** will occur over 2022, adding six new Managed Care Medi-Cal eligibility population categories to Managed Care Plans like KHS.
6. 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.

7. **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. DHCS will make telehealth (audio services) a permanent benefit effective 2022.

Goal 1 – CalAIM 2022 Initiatives (Implementation and Monitoring)

Effective 1/1/2022 health plans are expected to launch two major CalAIM initiatives:

- **Enhanced Care Management** is 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. Kern Medical is expected to continue delivering services under its Whole Person Care Program following its inclusion under Enhanced Care Management.
- **Community Support Services** 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.

Since development occurred during the second half of 2021, in 2022, KHS will turn its focus to post operations to ensure:

- all program elements are in place and functioning accordingly
- program refinement occurs to improve chances for a successful outcome
- performance tracking and monitoring is in place to measure success and report outcomes for each initiative.

Deliverables:

- ***By 1st Quarter, 2022, establish methodology for monitoring program performance including identifying staff responsibilities for tracking and reporting on each program’s performance against predetermine targets and DHCS performance***



measures. ECM and CSS internal staff worked with the Business Intelligence department to outline monitoring and performance measures. The ECM invoice report is being validated, which identifies claims submitted by the ECM Providers. The BI team created the Census report that will identify the paid g-code that is used for compensation. CSS team worked with BI to create a weekly report to review referred members.

Ongoing operational assistance is being provided to existing ECM sites. Additional work is underway to launch additional ECM sites with Omni Health and Premier. CSS implementation and expansion is also ongoing with several Community Based Organizations in the pipeline.

- ***By 2nd Quarter, 2022, establish a data collection and reporting framework to track and monitor each initiative's performance to determine if it's meeting its intended purpose:***
 - *Data will be developed for all critical components of each initiative.*
 - *Analytics will track each critical component's performance*
 - *Reports will be generated timely to measure outcomes*

As of the 2nd Quarter, 2022, these reports have been vetted, the data points have been validated, and we are now utilizing these reports monthly.

Two new additional ECM sites have been established, including Omni Health on Stine and Premier on Stockdale. Many elements of the data exchange between the sites and KHS have been vetted and are currently in production. As to the clinical side, both sites have undergone clinical audits in Quarter 2 and have both passed by exceeding the threshold of 80%.

- ***By 2nd Quarter, 2022, design and format reports and schedules in accordance with DHCS reporting requirements and submission timelines. The 1st Quarter ECM/CSS reports were submitted to DHCS on May 15th. The 2nd quarter report is due to DHCS by Aug 15th. All required reports are in process; ECM and CSS teams will complete and submit to DHCS by the due date.***

Goal 2 – Kern Health Systems 2023 to 2025 Three Year Strategic Plan

January 2022 will begin implementation of the initial phase of CalAIM. Over the next few years, several key priorities of the State, using Medi-Cal as its tool, will change how health care will impact California's most vulnerable population. Programs aimed at homelessness, behavioral



health care access, children with complex medical conditions, justice involved populations and the growing aging population will be created to improve their health status and quality of life.

Critical to this change is its impact on network providers. An effort will be made to make sure Safety Net Providers maintain their key role in the delivery of patient care to their currently assigned members. Additionally, KHS will look to work collaboratively with Safety Net Providers on new care models or programs arising from CalAIM occurring between 2023 and 2025.

Under Medi-Cal, the State will create several initiatives to achieve this objective through enhanced services and benefits including:

- Development of a statewide population health management strategy and require health plans to submit local population health management plans.
- Implement a new statewide enhanced care management benefit.
- Implement Community Support services (e.g., housing navigation/supporting services, recuperative care, respite, sobering center, etc.).
- Implement incentive payments to drive plans and providers to invest in the necessary infrastructure, build appropriate enhanced care management and Community Support services capacity statewide.
- Pursue participation in the Serious Mental Illness (SMI) /Serious Emotional Disturbance (SED) demonstration opportunity.
- Require screening and enrollment for Medi-Cal prior to release from county jail.
- Pilot full integration of physical health, behavioral health, and oral health under one contracted entity in a county or region.
- Develop a long-term plan for improving health outcomes and delivery of health care for foster care children and youth

The new three-year strategic plan will be developed to guide management with planning, development and implementation of initiatives schedule for launch between 2023 to 2025. These initiatives include:

2023

- Enhanced Care Management (Phase 2 eligibility)
- CSS Services (Phase 2 services)



- Population Health Management (patient centered health strategy)
- Long Term Care added to Medi-Cal Health Plans
- Advanced enrollment of soon-to-be-released (STBR) incarcerated in Medi-Cal
- Dual Eligible (Medicare and Medi-Cal eligible) Planning

2024/2025

- DSNP application submission with CMS to enroll Medicare eligible members with dual coverage. (25,000 Kern County eligible beneficiaries with Dual Eligibility)
- Begin NCQA preparation process (18 months before certification)

2026

- D-SNP Medicare health plan initial enrollment begins 01/01/2026
- Continue full integration implementation readiness and planning activities for the remaining outstanding CalAIM initiatives

Besides the number of new initiatives health plans are expected to launch, CalAIM will change how health plans are paid and incorporate new risk and incentive programs.

Prominent among these changes is the State's intent to shift from County based health plan reimbursement rates to regional based reimbursement rates. The proposal to move to regional rates has two main benefits. The first benefit is a decrease in the number of distinct actuarial rating cells that are required to be submitted to CMS for review and approval. The reduction in rating cells will simplify the presentation of rates to CMS and allow DHCS to pursue/implement financing advancements and innovations utilizing a more flexible rate model. The second benefit of regional rates is cost averaging across all plans. This will continue to incentivize plan cost efficiencies, as plan rates will be inclusive of the costs within the multi-county region. This shift will produce a larger base for the averaging beyond the experience of plans operating within a single county. This change is fundamental to the ability of DHCS to implement and sustain the other changes proposed in CalAIM

Although CalAIM will dominate KHS's attention over the next three years and appear prominent in the three-year strategic plan, other significant goals the Board would like to see accomplished may be added to the list of CalAIM initiatives for inclusion in the three -year strategic plan.

The strategic planning process begins with engaging an outside consultant to outline the steps Board and Management will take leading to a one-day session moderated by the consultant.



For continuity's sake and CalAIM knowledge, Pacific Health Consulting Group (who assisted with developing the previous three strategic plans) will serve as our moderator.

The overarching themes of this one-day session should revolve around the changing healthcare environment (particularly CalAIM) and its impact to Kern Health Systems. From this evaluation, the Board will develop Goals and Strategies to position KHS for future success.

While the below deliverables are not due until Q3, Management is currently underway with preparing for the upcoming Strategic Plan. A separate update on the timeline has been provided under the CEO Report.

Deliverables:

- *Q3 2022, KHS Board to receive overview of the process to be undertaken culminating with a new three-year Strategic Plan*
- *Q3 2022, Board members will receive background information and questionnaire in preparation for upcoming Board of Directors strategic planning retreat.*
- *Q3 2022, Board to participate in a one-day strategic planning retreat to be held onsite at Kern Health Systems*
- *Q4 2022, from information and feedback obtained during the retreat, a draft version of the 2023 -2025 Three Year Strategic Plan will be sent to Board members for comment.*
- *Q4 2022, Board to adopt the 2023 -2025 Three Year Strategic Plan*

Goal 3 - Major Organ Transplants

DHCS proposes to standardize managed care plan benefits, so that all Medi-Cal managed care plans provide the same benefit package by 2023. Some of the most significant changes are to carve-in institutional long-term care and major organ transplants into managed care statewide. Beginning in 2022, all major organ transplants, currently not within the scope of many Medi-Cal managed care plans, will be carved into all plans statewide for all Medi-Cal members enrolled with a health plan.

Historically, KHS was only responsible for administering transplant benefits for patients who needed a Kidney transplant. Since 2018, on average, 20 KHS members would undergo Kidney



transplants annually. Besides being financially responsible for Kidney transplant, KHS will become responsible for heart, liver, lung and pancreas transplants as well.

In preparation for this occurrence, KHS will need to establish a transplant care coordination team to follow these patients after qualifying for an organ transplant. Patients will be assigned to the organ transplant program where they will be followed through their pre-transplant care, transplant surgery and post discharge therapy and rehabilitation. Preliminary estimates are KHS could have upward of 100 patients at any given time participating in the transplant program.

Deliverables

- ***Identify qualified major organ transplant centers with whom KHS will contract for transplant services by 3rd Quarter, 2021. Centers of Excellence (COE) have been identified, including currently in-network facilities. Letters of agreement will be used until final contracting in place.***
- ***Determine compensation arrangements and payment methodology with selected transplant centers 3rd Quarter, 2021. Provider Network Management worked with finance to determine compensation arrangement and payment methodology. DHCS has outlined the required payment amounts for the new transplant services.***
- ***Negotiate an agreement for provision of transplant services with selected transplant centers by 4th Quarter, 2021. Contracting Department has sent amendments to Keck and UCLA. Staff continues to negotiate contracts with Loma Linda, UC Irvine, UCSF, and California Pacific Medical Center. Currently UC Irvine and Loma Linda are willing to execute LOA's.***
- ***Determine internal staffing requirements for the KHS Transplant Program based on the #, type and time involved with coordinating and overseeing services provided to qualified patients participating in the KHS Transplant Program by 3rd Quarter, 2021. Major Organ Transplant team hired in January 2022 within the Population Health Management department. The team will manage and coordinate care across the entire transplant process. Additionally, authorization review is performed by dedicated UM staff based on eligibility criteria.***
- ***Determine the impact to KHS, its policy, procedures, protocols, tracking and reporting by 4th Quarter, 2021. Internal processes and policies developed as part of the new transplant team.***



- **Launch Major Organ Transplant Program by 1st Quarter, 2022.** *Program launched 1/1/2022. Open items include meals/hotel accommodations for members. Ongoing coordination between Accounting, Corporate services, Member services, and PHM.*
- **Post implementation, audit each activity to ensure installation and performance meets KHS and government agencies expectations (ongoing over 2022).** *First DHCS reporting template submitted in April. Utilization parameters and Care management teams have been implemented to manage the new benefit. JIVA medical management system updates have been completed to track Major Organ Transplants phases: evaluation, waitlist, transplant, and post-transplant.*

Goal 4 - Selection of New Chief Executive Officer

The transition of key employees, particularly the Chief Executive Officer (CEO) is one of the most formidable challenges an organization will face. In the CEO's case, the shift engenders a variety of adjustments including changes in style and sometimes substance. Each CEO makes his/her mark bringing about major directional, policy and priority revisions. As a rule, the longer and more successful the CEO, the more difficult the shift. This can be somewhat mitigated with a well thought out and effectively executed Succession Plan. Serving one of every three citizens, Kern Health Systems has experienced unprecedented growth over our current CEO's service tenure of 10 years to become Kern County's largest health plan. With success comes responsibility to assure there is a plan for leadership continuity. To achieve this Kern Health Systems will create a Search Committee charged with the responsibility to identify qualified candidates to replace the current retiring CEO. The following tasks and timeline were stipulated in the current CEO's employment agreement and adopted by the Board of Directors to aid in locating a suitable replacement in a timely manner.

1. 12 months before the CEO's retirement date, the Board shall receive notification of the CEO's retirement date from the CEO.
2. Upon receiving notice, the Board shall appoint 5 Board members to serve as a Search Committee who will be responsible for searching for and recommending the finalist(s) for the CEO position to the Board.
3. Within 45 days following its appointment, the Search Committee shall engage a professional executive search firm to assist with recruitment. The Director of Employee Relations shall serve as KHS staff to the Committee to assist with locating and providing background information to qualified search firms experienced with



recruiting qualified candidates for the CEO position. An appropriate competitive process shall take place to select the search firm to find qualified candidates for the position.

4. Within 90 days following engagement, the search firm will present its slate of qualified, screened candidates to the Committee for interview consideration.
5. Within 30 days, all selected candidates must be interviewed by the Search Committee.
6. Within 30 days of the conclusion of interviews and evaluation of the candidates, the finalist shall be presented to the Board for recommendation for hire and the candidate will receive an employment offer.
7. If the finalist declines the offer of employment or is otherwise unavailable, the candidate ranked next in order by the search firm shall be recommended for hire.
8. Within 30 days, KHS will receive a signed employment agreement leaving up to 4.5 months for the newly hired CEO to give sufficient notice (if currently employed) to his/her current employer.

The CEO agrees, for purposes of continuity, to serve as consultant to KHS for a period no less than 90 days following retirement.

Deliverables:

- *Locate a suitable replace for the CEO, Kern Health Systems. The CEO Search Committee was formed in June 2021. The committee engaged with a professional recruiting agency to conduct a search for candidates. This included the creation of the position profile, identification of qualified candidates, and a progressive interview process. The Search Committee was also involved in the interview process and ultimately made a recommendation to the full Board of Directors.*
- *This goal has been completed.*



Goal 5 – Medi-Cal Eligibility Expansion for 2022

In 2022, Medi-Cal will shift several new and currently covered population categories to health plans like KHS including:

- Undocumented Adults over 50 (pending approval of legislation)

- Enrollees from Medi-Cal Fee-For-Service eligible population:
 - Accelerated Enrollment (AE)
 - Pregnancy Related (Title XIX)
 - American Indian
 - Beneficiaries in Rural Zip Codes
 - Beneficiaries with Other Healthcare Coverage

It's not known how many eligible members are represented in the over 50 undocumented population in Kern County. Consequently, KHS is unsure how many new eligible members will enroll with Kern Family Health Care from this group. There are approximately 60,000 potential members statewide among the five groups moving from Medi-Cal Fee-For-Service to a Medi-Cal Managed Care Health Plan (MCMCHP).

For Kern County, beneficiaries will choose between Kern Health Systems (Kern Family Health Care) and HealthNet. Typically, when newly eligible members are given a choice 80 -85% select Kern Family Health Care (KFHC). Each newly eligible enrollee will receive an enrollment packet 90 days in advance of their effective date of coverage (January 1st, 2022). Eligible members failing to select a health plan, will be automatically assigned by the State to either HealthNet or KFHC. Those coming to KFHC, are randomly assigned to Kern Medical, Omni Family Health and Clinica Sierra Vista (Safety Net Providers).

It is estimated approximately 20% will fail to select and will automatically be enrolled with one of the two available health plans. When this happens, members may change the States default selection anytime. For those who change, it's been KHS's experience we gain four members for each member lost to HealthNet.

Deliverables:

- ***Provide information and support to community-based organizations enrolling newly eligible members into full scope Medi-Cal by 1st Quarter, 2022. The marketing team built relationships and enhanced partnerships with several community organizations in the Ridgecrest area. Many of these organizations will be further supported through the KHS Community Grant Program. Ridgecrest is a new service area for KHS due to a CalAIM initiative which enrolled members in rural zip codes into Managed Care.***



The team also collaborated with and supported the efforts of several local enrollment entities and other community organizations in relation to the expansion of full-scope Medi-Cal to undocumented older adults over the age of 50. The transition to full-scope Medi-Cal coverage for this population took effect in May 2022.

- *Initiate enrollment of newly eligible Medi-Cal members starting in 2nd Quarter, 2022. As of July 29, 2022, over 3,000 undocumented adults over 50 have enrolled in Kern Family Health Care. KHS donated \$6,000 to Friends of Mercy Foundation to support a Medi-Cal Expansion for Older Adults media campaign coordinated by the Outreach Enrollment Retention Utilization Committee (OERUC) of the Community Health Initiative of Kern County. KHS also sponsored the Cesar Chavez Foundation “Dia del Trabajador” Health Fair on Sunday, May 1st at 40 Acres in Delano. Since this was the first day undocumented adults over 50 could enroll in full scope Medi-Cal, this was a major focus of many of the organizations who participated in the health fair such as Clinica Sierra Vista, Delano Community Connection, Health Care Options, etc.*

**Dates may change based on final APL adoption and allowable timeframe for implementation*

Goal 6 – Prescription Drug Benefit Carved Out from Managed Care Plans

The transition to a State operated pharmacy administrator was scheduled to take effect at the beginning of 2021. However, the State delayed implementation. It is believed the delay will be lifted shortly and a new transition date established. The new date will likely occur sometime 1st quarter, 2022. Despite the year delay, KHS fully expects the State to move forward with their original plan.

Therefore, beginning 2022, with few exceptions, the Medi-Cal prescription drug benefit will be administered by the State in partnership with Magellan Medicaid Administration. For managed care health plans like KHS, this will mean a diminished role in the administration and distribution of the pharmacy benefit. However, under certain circumstances and in specific situations, managed care plans (MCP) will continue to administer the Medi-Cal pharmacy benefit. Transitioning to this new arrangement will again start sometime during the last quarter of this year and continue to a smaller extent in 2022. The transition to the new arrangement with realignments in place is expected to be finished by the end of 1st quarter, 2022.

Though the claims processing/payment and authorization for outpatient drugs will fall to the State, the KHS is expected to continue case management, Drug Utilization Review, Medication Therapy Management, and other related activities. Quality measures that involve administrative pharmacy data will also be activities the plans will be required to meet.



Assuming the State moves to transfer pharmacy administration responsibilities to Magellan 1st quarter, KHS will need to undertake the following changes in preparation for this change and the modified responsibilities remaining with KHS.

Deliverables:

- **Continue to exchange data and reinstitute integration procedures to current system application (ongoing).** *Minor modifications have been and continue to be made through the transition. This was needed due to some file templates and protocol specs not aligning or being changed by Magellan.*
- **Incorporate Operational readiness for Member Services, Provider Network Management, Health Services, Claims Adjudication, and Business Intelligence beginning 1st Quarter, 2022.** *Materials from DHCS/Magellan continue to be shared with our network providers. Post transition, KHS has been directing questions and concerns to DHCS as they arise. KHS has also been providing clarification to the network as appropriate to assist our members receiving the medically necessary services required.*
- **Transition Pharmacy Operations for outpatient pharmacy processing only beginning 1st Quarter, 2022.** *This handoff was successfully accomplished.*
- **Complete transition for TAR drugs or grandfathering medications by 2nd Quarter, 2022.** *This was successfully performed by KHS. DHCS is no longer requiring MCP data regarding TARs or claims to be sent.*
- **Continue to perform run out activities for outpatient pharmacy through 1st Quarter, 2022.** *DHCS has delayed the reinstatement of some DUR edits and Prior Authorization requirements. They have also extended the timeline for the transition policy to be effective. KHS is sharing this information within the organization and with our provider network. Full transition is now scheduled for some time in 2023.*
- **Complete Member and Provider transition for outpatient pharmacy from KHS to Magellan by beginning of 1st Quarter, 2022.** *This transitioned as designed.*
- **Transition department to providing ongoing support to members and providers for pharmacy prescription benefits remaining the responsibility of KHS (ongoing).** *This is ongoing. Transition is taking longer to fully implement as some of the issues from the DHCS end of the transition are slowing the efforts.*



Goal 7 - CalAIM Incentive Payment Program (IPP)

CalAIM's Enhanced Care Management (ECM) and Community Support Services (CSS) programs will launch in January 2022, requiring significant new investments in care management capabilities, CSS infrastructure, information technology (IT), data exchange, and workforce capacity for both health plans and providers. Incentives will be available over the next three years to help pay for these investments. DHCS has designed the proposed incentive payment approach with the goal of issuing initial payments to health plans beginning in January 2022 for the achievement of defined milestones such as:

- Build appropriate and sustainable ECM and CSS capacity
- Drive health plan investment in necessary delivery system infrastructure
- Incentivize health plans to progressively engage in development of CSS
- Bridge current silos across physical and behavioral health delivery
- Reduce health disparities and promote health equity
- Achieve improvements in quality performance

DHCS will use the following 8 guidelines for designing their incentive payment program:

1. Develop a clear incentive payment allocation methodology where all plans have an opportunity to participate equitably
2. Set ambitious, yet achievable measure targets
3. Ensure efficient and effective use of all performance incentive dollars
4. Drive significant investments in core priority areas up front
5. Minimize administrative complexity
6. Address variation in existing infrastructure and capacity between Whole Person Care and Health Home Programs
7. Ensure use of incentive dollars does not overlap with other DHCS incentive programs or with services funded through the rates
8. Measure and report on the impact of incentive funds



Incentive payments will be distributed over three payment cycles each year of the incentive program following determining the maximum potential annual incentive dollar amount for each health plan like KHS.

Beginning in 2021, KHS will create its incentive program focused on the following priority areas:

- Create / enhance delivery system infrastructure for health plan's, ECM and CSS provider health information technology and data exchange required for ECM and CSS
- Build ECM capacity with incentives to fund ECM workforce, training, technical assistance, workflow development, operational requirements, and oversight
- Build CSS capacity with incentives to fund CSS workforce, training, technical assistance, workflow development, operational requirements, and oversight

Each priority will have measurable outcomes to show progress toward achieving expectations. Awards will be based on achievement and payment will follow when evidence is provided showing outcomes were met.

Deliverables:

- ***Following DHCS's priorities, complete a "Gap / Need Assessment" to determine what is necessary to meet structural and capacity requirements to fulfill ECM and CSS objectives under CalAIM by 4th Quarter, 2021. Staff worked throughout the 4th quarter and into January on the Needs Assessment and Gap Filling Plan. There were several conversations with DHCS to gain additional insight and clarity on this exercise.***
- ***Submit to DHCS the "Gap-Filling Plan" outlining implementation approach to address gaps and needs by 4th Quarter, 2021. DHCS revised the Needs Assessment Template and changed the due dates accordingly. KHS submitted the Needs Assessment and Gap Filling plan on 1/12/22 and have responded to DHCS' initial questions on 1/24/22.***
- ***Implement the "Gap-Filling Plan" outlining implementation approach to address gaps and needs by 1st Quarter, 2022. KHS and HealthNet coordinated monthly Roundtable collaboration meetings with current ECM/CSS providers, hospital groups, and other Community Based Organizations (CBO) in Kern County to discuss the Gap Assessment analysis and Gap-Filling plan. In May 2022, KHS created a joint IPP Request for Application (RFA) with HealthNet, open to Network Providers and CBOs, with a due date of May 31, 2022. KHS reviewed and scored the IPP applications in June and sent out all award letters prior to June 30, 2022.***



- *Create performance monitoring capability to measure the “Gap-Filling Plan success as defined as demonstrated performance against measure targets linked to achievement of “Gap-Filling Plan” milestones by 1st Quarter, 2022. In July, the IPP agreements and budget were finalized with providers. We will monitor the success of the Gap-Filing Plan and the IPP by outlining increased capacity within KHS’ ECM and CSS programs.*
- *Create an earned incentive payment mechanism around DHCS reporting requirements to demonstrate when incentives are earned by 2nd Quarter, 2022. All IPP applications identify the milestones and completion dates outlined by the provider; these are tied directly to the fund amounts for each individual milestone. This will help KHS track the outcomes and ensure that the provider earned the incentive for each completed milestone.*

Goal 8 - Instituting Telehealth as New (Permanent) Medi-Cal Benefit

The Governor’s Budget proposes to make permanent and expand certain telehealth flexibilities currently in place due to COVID-19. Telehealth 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. DHCS will make telehealth (audio services) a permanent benefit effective 2022.

Specifically, DHCS proposes:

- Establishing a distinct rate for audio-only telehealth services
- Authorizing audio-only telehealth reimbursement for FQHCs to allow telehealth services to be provided in the patient’s home.
 - Currently payment is restricted to clinical onsite services only
 - FQHCs would have their own rate for telephonic care
- Providing for remote patient monitoring as an option for established patients (subject to a separate fee schedule and not including FQHCs)
- Establishing specific utilization management protocols for all telehealth services
- allowing use of telehealth to meet network adequacy standards in health plans (revise the alternate access standards (AAS) submission process accordingly)

With a large portion of Kern County designated as a medically underserved geographical area, KHS is challenged with meeting access standards based on the size of our enrolled population and provider availability. Allowing including Telehealth services to our provider count will favorably impact service access and improve our scores.

The final State Budget passed in July 2021 instructed DHCS to extend the Public Health Emergency (PHE) telehealth flexibilities through 2022. It also required DHCS to form a workgroup to further discuss the ongoing permanent telehealth flexibilities that will be effective beginning 2023. The details of DHCS’ proposal were included in the 2022-2023 State Budget and



will be implemented when the PHE ends. In the interim, KHS continues to work with our Provider Network to make use of the existing telehealth flexibilities.

Due to the recent extension of the Public Health Emergency, this goal will continue to be delayed and has also been deferred to the 2023 Corporate Goals approved in June 2023.

Deliverables

- *Determine the impact to the participating provider network by 4th Quarter, 2021.*
- *Determine the impact to KHS, its policy, procedures, protocols, tracking and reporting by 4th Quarter, 2021*
- *Inform participating providers telehealth will become a permanent benefit effective 2022 under Medi-Cal by 4th Quarter, 2021*
- *Convey logistical information about the benefit and procedures providers will need to follow when using telehealth services and receiving payment for telehealth services by 1st Quarter, 2022*
- *Inform members that telehealth will be added to their Medi-Cal benefits explaining what it is, why it is beneficial and how this service will be provided and used for the member's benefit by 1st Quarter, 2022*
- *Post implementation, audit each activity to ensure installation and performance meets KHS and government agencies expectations (ongoing over 2022)*

**Dates may change based on final APL adoption and allowable timeframe for implementation.*



To: KHS Board of Directors

From: Robert Landis, CFO

Date: August 11, 2022

Re: May 2022 Financial Results

The May results reflect a \$3,183,699 Net Increase in Net Position which is a \$3,511,094 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$2.7 million unfavorable variance primarily due to:
 - A) \$1.2 million favorable variance primarily due to higher-than-expected budgeted membership.
 - B) \$.7 million favorable variance in Premium-Hospital Directed Payments primarily due to higher-than-expected budgeted membership offset amounts included in 2C below.
 - C) \$4.6 million unfavorable variance in Rate/Income Adjustments primarily due to a probable MCO Tax recoupment from DHCS relating to calendar year 2021.
- 2) Total Medical Costs reflect a \$4.6 million favorable variance primarily due to:
 - A) \$1.5 million favorable variance in Emergency Room primarily due to lower-than-expected utilization over the last several months.
 - B) \$1.3 million unfavorable variance in Inpatient primarily due to higher-than-expected utilization.
 - C) \$.7 million unfavorable variance in Premium-Hospital Directed Payments primarily due to higher-than-expected budgeted membership offset amounts included in 1B above.
 - D) \$1.4 million favorable variance in Non-Claims Expense Adjustment primarily relating to a favorable Prop 56 Directed Payment determination letter for the period July 1, 2018 to June 30, 2019 whereby no additional funds were to due back to DHCS as our Prop 56 expenditures exceeded our Prop 56 revenue.
 - E) \$3.7 million favorable variance primarily from IBNR Adjustments relating to the prior year.

The May Medical Loss Ratio is 89.9% which is favorable to the 92.8 % budgeted amount. The May Administrative Expense Ratio is 6.9% which is favorable to the 7.0% budgeted amount.

The results for the 5 months ended May 31, 2022 reflect a Net Increase in Net Position of \$14,638,478. This is a \$16,443,546 favorable variance to budget and includes approximately \$10.1 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 89.5% which is favorable to the 92.8% budgeted amount. The year-to-date Administrative Expense Ratio is 6.2% which is favorable to the 7.1% budgeted amount.

**Kern Health Systems
Financial Packet
May 2022**

KHS – Medi-Cal Line of Business

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KHS Group Health Plan – Healthy Families Line of Business

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KHS Administrative Analysis and Other Reporting

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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF MAY 31, 2022			
ASSETS	MAY 2022	APRIL 2022	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 105,503,419	\$ 147,256,766	\$ (41,753,347)
Short-Term Investments	232,414,237	164,065,350	68,348,887
Premiums Receivable - Net	102,145,248	113,671,107	(11,525,859)
Premiums Receivable - Hospital Direct Payments	341,214,297	323,289,440	17,924,857
Interest Receivable	38,006	19,009	18,997
Provider Advance Payment	3,908,707	4,054,159	(145,452)
Other Receivables	187,127	143,933	43,194
Prepaid Expenses & Other Current Assets	2,790,733	2,582,400	208,333
Total Current Assets	\$ 788,201,774	\$ 755,082,164	\$ 33,119,610
CAPITAL ASSETS - NET OF ACCUM DEPREE:			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,467,584	1,515,487	(47,903)
Computer Hardware and Software - Net	20,250,590	20,699,281	(448,691)
Building and Building Improvements - Net	34,255,772	34,330,779	(75,007)
Capital Projects in Progress	5,175,577	4,882,432	293,145
Total Capital Assets	\$ 65,240,229	\$ 65,518,685	\$ (278,456)
LONG TERM ASSETS:			
Restricted Investments	300,000	300,000	-
Net Pension Asset	693,712	693,712	-
Officer Life Insurance Receivables	1,640,053	1,640,053	-
Total Long Term Assets	\$ 2,633,765	\$ 2,633,765	\$ -
DEFERRED OUTFLOWS OF RESOURCES	\$ 3,665,821	\$ 3,665,821	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 859,741,589	\$ 826,900,435	\$ 32,841,154
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accrued Salaries and Employee Benefits	\$ 3,989,982	\$ 4,699,731	(709,749)
Accrued Other Operating Expenses	2,287,103	1,953,686	333,417
Accrued Taxes and Licenses	19,633,072	9,745,055	9,888,017
Claims Payable (Reported)	26,389,202	25,760,615	628,587
IBNR - Inpatient Claims	41,096,945	42,200,758	(1,103,813)
IBNR - Physician Claims	20,070,387	19,220,152	850,235
IBNR - Accrued Other Medical	27,743,377	27,923,417	(180,040)
Risk Pool and Withholds Payable	6,439,268	6,890,758	(451,490)
Statutory Allowance for Claims Processing Expense	2,389,766	2,389,766	-
Other Liabilities	101,035,068	98,557,634	2,477,434
Accrued Hospital Directed Payments	341,214,297	323,289,440	17,924,857
Total Current Liabilities	\$ 592,288,467	\$ 562,631,012	\$ 29,657,455
NONCURRENT LIABILITIES:			
Net Pension Liability	-	-	-
TOTAL NONCURRENT LIABILITIES	\$ -	\$ -	\$ -
DEFERRED INFLOWS OF RESOURCES	\$ 5,338,319	\$ 5,338,319	\$ -
NET POSITION:			
Net Position - Beg. of Year	247,476,325	247,476,325	-
Increase (Decrease) in Net Position - Current Year	14,638,478	11,454,779	3,183,699
Total Net Position	\$ 262,114,803	\$ 258,931,104	\$ 3,183,699
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 859,741,589	\$ 826,900,435	\$ 32,841,154

CURRENT MONTH MEMBERS			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED MAY 31, 2022			YEAR-TO-DATE MEMBER MONTHS		
						ACTUAL	BUDGET	VARIANCE
203,095	201,900	1,195	Family Members	1,007,991	996,500	11,491		
86,781	81,630	5,151	Expansion Members	426,476	404,150	22,326		
16,305	15,930	375	SPD Members	82,116	78,650	3,466		
9,482	7,740	1,742	Other Members	45,884	38,700	7,184		
13,552	13,000	552	Kaiser Members	66,031	65,000	1,031		
329,215	320,200	9,015	Total Members - MCAL	1,628,498	1,583,000	45,498		
			REVENUES					
35,766,911	35,734,242	32,669	Title XIX - Medicaid - Family and Other	183,205,387	176,805,952	6,399,435		
29,600,713	28,434,319	1,166,394	Title XIX - Medicaid - Expansion Members	148,677,995	140,784,354	7,893,641		
14,887,158	14,926,974	(39,816)	Title XIX - Medicaid - SPD Members	74,416,157	73,697,833	718,324		
9,872,493	9,978,193	(105,700)	Premium - MCO Tax	49,453,741	49,330,040	123,701		
17,928,276	17,196,796	731,480	Premium - Hospital Directed Payments	89,044,693	85,073,772	3,970,921		
357,517	82,565	274,952	Investment Earnings And Other Income	(793,806)	407,707	(1,201,513)		
-	55,296	(55,296)	Reinsurance Recoveries	-	273,240	(273,240)		
(23,892)	-	(23,892)	Rate Adjustments - Hospital Directed Payments	27,141,505	-	27,141,505		
(4,649,731)	-	(4,649,731)	Rate/Income Adjustments	(2,161,259)	-	(2,161,259)		
103,739,445	106,408,385	(2,668,940)	TOTAL REVENUES	568,984,413	526,372,897	42,611,516		
			EXPENSES					
17,895,843	17,191,673	(704,170)	Medical Costs:					
4,835,075	5,832,990	997,915	Physician Services	92,963,843	84,972,277	(7,991,566)		
4,139,529	5,595,258	1,455,729	Other Professional Services	25,395,142	28,947,234	3,552,092		
21,395,635	20,093,782	(1,301,853)	Emergency Room	24,697,422	27,652,871	2,955,449		
56,248	55,296	(952)	Inpatient	102,634,660	99,326,851	(3,307,809)		
8,281,163	8,542,334	261,171	Reinsurance Expense	277,899	273,240	(4,659)		
16,301,024	15,789,265	(511,759)	Outpatient Hospital	41,863,459	42,225,965	362,506		
473,494	460,800	(12,694)	Other Medical	83,230,419	78,101,746	(5,128,673)		
17,928,276	17,196,796	(731,480)	Pay for Performance Quality Incentive	2,340,387	2,277,000	(63,387)		
(3,419)	-	3,419	Hospital Directed Payments	89,044,693	85,073,772	(3,970,921)		
(1,371,999)	-	1,371,999	Hospital Directed Payment Adjustment	26,932,825	-	(26,932,825)		
(3,724,314)	-	3,724,314	Non-Claims Expense Adjustment	(689,849)	-	689,849		
86,206,555	90,758,194	4,551,639	IBNR, Incentive, Paid Claims Adjustment	(11,534,457)	-	11,534,457		
17,532,890	15,650,192	1,882,698	Total Medical Costs	477,156,443	448,850,956	(28,305,487)		
			GROSS MARGIN	91,827,970	77,521,940	14,306,030		
			Administrative:					
3,259,102	3,369,438	110,336	Compensation	15,406,800	16,847,192	1,440,392		
927,532	1,108,544	181,012	Purchased Services	4,534,521	5,542,721	1,008,200		
145,499	212,108	66,609	Supplies	473,879	1,060,538	586,659		
575,899	526,572	(49,327)	Depreciation	2,860,112	2,632,860	(227,252)		
300,845	366,066	65,221	Other Administrative Expenses	1,549,779	1,830,328	280,549		
(2,834)	-	2,834	Administrative Expense Adjustment	147,011	-	(147,011)		
5,206,043	5,582,728	376,685	Total Administrative Expenses	24,972,102	27,913,639	2,941,537		
91,412,598	96,340,921	4,928,323	TOTAL EXPENSES	502,128,545	476,764,595	(25,363,950)		
12,326,847	10,067,464	2,259,383	OPERATING INCOME (LOSS) BEFORE TAX	66,855,868	49,608,302	17,247,566		
9,888,018	9,978,193	90,175	MCO TAX	49,464,006	49,330,040	(133,966)		
2,438,829	89,271	2,349,558	OPERATING INCOME (LOSS) NET OF TAX	17,391,862	278,262	17,113,600		
			NONOPERATING REVENUE (EXPENSE)					
-	-	-	Gain on Sale of Assets	-	-	-		
524,794	(333,333)	858,127	Provider Grants/CalAIM Initiative Grant	(2,438,191)	(1,666,665)	(771,526)		
220,076	(83,333)	303,409	Health Home	(315,193)	(416,665)	101,472		
744,870	(416,666)	1,161,536	TOTAL NONOPERATING REVENUE (EXPENSE)	(2,753,384)	(2,083,330)	(670,054)		
3,183,699	(327,395)	3,511,094	NET INCREASE (DECREASE) IN NET POSITION	14,638,478	(1,805,068)	16,443,546		
89.9%	92.8%	3.0%	MEDICAL LOSS RATIO	89.5%	92.8%	3.3%		
6.9%	7.0%	0.2%	ADMINISTRATIVE EXPENSE RATIO	6.2%	7.1%	0.9%		

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED MAY 31, 2022			YEAR-TO-DATE		
						ACTUAL	BUDGET	VARIANCE
			ENROLLMENT					
203,095	201,900	1,195	Family Members	1,007,991	996,500	11,491		
86,781	81,630	5,151	Expansion Members	426,476	404,150	22,326		
16,305	15,930	375	SPD Members	82,116	78,650	3,466		
9,482	7,740	1,742	Other Members	45,884	38,700	7,184		
13,552	13,000	552	Kaiser Members	66,031	65,000	1,031		
329,215	320,200	9,015	Total Members - MCAL	1,628,498	1,583,000	45,498		
			REVENUES					
168.25	170.46	(2.20)	Title XIX - Medicaid - Family and Other	173.84	170.79	3.05		
341.10	348.33	(7.24)	Title XIX - Medicaid - Expansion Members	348.62	348.35	0.27		
913.04	937.04	(23.99)	Title XIX - Medicaid - SPD Members	906.23	937.04	(30.80)		
31.28	32.48	(1.21)	Premium - MCO Tax	31.65	32.50	(0.85)		
56.80	55.98	0.82	Premium - Hospital Directed Payments	56.99	56.04	0.95		
1.13	0.27	0.86	Investment Earnings And Other Income	(0.51)	0.27	(0.78)		
0.00	0.18	(0.18)	Reinsurance Recoveries	0.00	0.18	(0.18)		
(0.08)	0.00	(0.08)	Rate Adjustments - Hospital Directed Payments	17.37	0.00	17.37		
(14.73)	0.00	(14.73)	Rate/Income Adjustments	(1.38)	0.00	(1.38)		
328.64	346.38	(17.74)	TOTAL REVENUES	364.16	346.75	17.40		
			EXPENSES					
			Medical Costs:					
56.69	55.96	(0.73)	Physician Services	59.50	55.98	(3.52)		
15.32	18.99	3.67	Other Professional Services	16.25	19.07	2.82		
13.11	18.21	5.10	Emergency Room	15.81	18.22	2.41		
67.78	65.41	(2.37)	Inpatient	65.69	65.43	(0.25)		
0.18	0.18	0.00	Reinsurance Expense	0.18	0.18	0.00		
26.23	27.81	1.57	Outpatient Hospital	26.79	27.82	1.02		
51.64	51.40	(0.24)	Other Medical	53.27	51.45	(1.82)		
1.50	1.50	0.00	Pay for Performance Quality Incentive	1.50	1.50	0.00		
56.80	55.98	(0.82)	Hospital Directed Payments	56.99	56.04	(0.95)		
(0.01)	0.00	0.01	Hospital Directed Payment Adjustment	17.24	0.00	(17.24)		
(4.35)	0.00	4.35	Non-Claims Expense Adjustment	(0.44)	0.00	0.44		
(11.80)	0.00	11.80	IBNR, Incentive, Paid Claims Adjustment	(7.38)	0.00	7.38		
273.10	295.44	22.34	Total Medical Costs	305.39	295.69	(9.70)		
55.54	50.94	4.60	GROSS MARGIN	58.77	51.07	7.70		
			Administrative:					
10.32	10.97	0.64	Compensation	9.86	11.10	1.24		
2.94	3.61	0.67	Purchased Services	2.90	3.65	0.75		
0.46	0.69	0.23	Supplies	0.30	0.70	0.40		
1.82	1.71	(0.11)	Depreciation	1.83	1.73	(0.10)		
0.95	1.19	0.24	Other Administrative Expenses	0.99	1.21	0.21		
(0.01)	0.00	0.01	Administrative Expense Adjustment	0.09	0.00	(0.09)		
16.49	18.17	1.68	Total Administrative Expenses	15.98	18.39	2.41		
289.59	313.61	24.02	TOTAL EXPENSES	321.37	314.07	(7.29)		
39.05	32.77	6.28	OPERATING INCOME (LOSS) BEFORE TAX	42.79	32.68	10.11		
31.32	32.48	1.16	MCO TAX	31.66	32.50	0.84		
7.73	0.29	7.44	OPERATING INCOME (LOSS) NET OF TAX	11.13	0.18	10.95		
			NONOPERATING REVENUE (EXPENSE)					
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00		
1.66	(1.09)	2.75	Reserve Fund Projects/Community Grants	(1.56)	(1.10)	(0.46)		
0.70	(0.27)	0.97	Health Home	(0.20)	(0.27)	0.07		
2.36	(1.36)	3.72	TOTAL NONOPERATING REVENUE (EXPENSE)	(1.76)	(1.37)	(0.39)		
10.09	(1.07)	11.15	NET INCREASE (DECREASE) IN NET POSITION	9.37	(1.19)	10.56		
89.9%	92.8%	3.0%	MEDICAL LOSS RATIO	89.5%	92.8%	3.3%		
6.9%	7.0%	0.2%	ADMINISTRATIVE EXPENSE RATIO	6.2%	7.1%	0.9%		

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH MAY 31, 2022	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER
	2021	2021	2021	2021	2021	2021	2021
ENROLLMENT							
Members - MCAL	287,199	289,309	290,980	292,271	294,672	295,865	296,989
REVENUES							
Title XIX - Medicaid - Family and Other	34,872,666	35,878,342	35,761,670	34,569,656	35,961,464	37,040,845	37,111,335
Title XIX - Medicaid - Expansion Members	28,728,667	29,533,533	29,676,566	29,540,608	29,932,046	30,140,656	31,001,586
Title XIX - Medicaid - SPD Members	16,024,510	15,971,978	16,260,445	16,115,519	16,075,172	16,206,131	16,254,790
Premium - MCO Tax	9,876,747	9,961,634	10,025,153	10,069,582	10,136,079	10,229,218	10,229,533
Premium - Hospital Directed Payments	14,811,749	22,138,233	16,337,340	16,361,944	16,554,814	16,726,476	16,753,272
Investment Earnings And Other Income	195,233	(408,458)	(39,267)	567,469	(59,079)	131,645	157,659
Rate Adjustments - Hospital Directed Payments	79,899	4,445	(29,149,066)	7,365	5,709	4,491	8,691
Rate/Income Adjustments	595,656	(93,658)	(294,637)	(458,866)	122,473	52,871	66,815
TOTAL REVENUES	105,185,127	112,986,049	78,578,204	106,773,277	108,728,678	110,532,333	111,583,681
EXPENSES							
Medical Costs:							
Physician Services	15,744,708	16,190,717	15,305,367	15,819,470	17,895,535	17,549,058	17,258,969
Other Professional Services	4,658,383	4,460,451	4,604,443	4,825,412	4,347,759	4,846,005	4,829,415
Emergency Room	5,023,372	5,040,670	4,833,831	4,472,304	3,735,609	4,506,067	4,818,883
Inpatient	20,578,157	20,739,625	20,542,490	20,581,248	20,303,427	23,207,054	21,256,426
Reinsurance Expense	84,297	82,530	84,045	84,997	84,384	85,133	86,151
Outpatient Hospital	8,842,725	8,800,023	7,937,455	7,942,981	7,529,697	7,080,379	7,793,785
Other Medical	10,960,637	12,430,651	9,927,247	9,914,269	10,572,454	10,784,127	12,549,269
Pharmacy	9,349,484	10,442,688	9,774,211	10,298,442	9,913,574	10,236,384	10,196,195
Pay for Performance Quality Incentive	540,715	545,673	552,862	552,862	-	-	-
Hospital Directed Payments	14,811,759	22,138,233	16,337,330	16,361,944	16,554,814	16,726,476	16,753,272
Hospital Directed Payment Adjustment	597	3,943	(29,149,382)	7,365	(132,637)	4,491	8,691
Non-Claims Expense Adjustment	58,763	46,953	(11,833)	34,433	20,737	8,907	24,857
IBNR, Incentive, Paid Claims Adjustment	449,838	(2,226,487)	406,066	(55,915)	14,595	(924,120)	(1,378,922)
Total Medical Costs	91,103,435	98,695,670	61,144,132	90,839,812	90,839,948	94,109,961	94,196,991
GROSS MARGIN	14,081,692	14,290,379	17,434,072	15,933,465	17,888,730	16,422,372	17,386,690
Administrative:							
Compensation	2,748,394	2,731,289	2,805,915	2,781,896	2,791,543	2,746,218	2,775,542
Purchased Services	996,889	985,876	939,689	845,393	968,021	991,178	1,095,098
Supplies	57,943	85,576	156,626	193,504	(17,330)	58,257	188,536
Depreciation	422,382	425,837	425,522	427,805	427,804	424,376	716,552
Other Administrative Expenses	230,567	233,637	274,638	214,396	443,524	348,575	276,718
Administrative Expense Adjustment	(215)	(63,654)	(1,674)	(2,367)	3,540	300	77,569
Total Administrative Expenses	4,455,960	4,398,561	4,600,716	4,460,627	4,617,102	4,568,904	5,130,015
TOTAL EXPENSES	95,559,395	103,094,231	65,744,848	95,300,439	95,457,050	98,678,865	99,327,006
OPERATING INCOME (LOSS) BEFORE TAX	9,625,732	9,891,818	12,833,356	11,472,838	13,271,628	11,853,468	12,256,675
MCO TAX	8,905,142	8,904,648	9,894,054	9,894,055	9,894,054	9,894,054	9,894,054
OPERATING INCOME (LOSS) NET OF TAX	720,590	987,170	2,939,302	1,578,783	3,377,574	1,959,414	2,362,621
TOTAL NONOPERATING REVENUE (EXPENSE)	(245,779)	(164,148)	(833,809)	(949,330)	(2,438,918)	(1,027,231)	(1,516,642)
NET INCREASE (DECREASE) IN NET POSITION	474,811	823,022	2,105,493	629,453	938,656	932,183	845,979
MEDICAL LOSS RATIO	94.9%	94.6%	90.9%	92.7%	90.7%	92.6%	91.5%
ADMINISTRATIVE EXPENSE RATIO	5.5%	5.4%	5.7%	5.6%	5.6%	5.5%	6.1%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH MAY 31, 2022	DECEMBER 2021	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	13 MONTH TOTAL
ENROLLMENT							
Members - MCAL	298,205	309,342	310,281	312,490	314,691	315,663	3,907,957
REVENUES							
Title XIX - Medicaid - Family and Other	36,899,197	37,009,614	37,126,546	36,539,594	36,762,722	35,766,911	471,300,562
Title XIX - Medicaid - Expansion Members	30,241,720	29,968,453	29,945,915	29,350,530	29,812,384	29,600,713	387,473,377
Title XIX - Medicaid - SPD Members	16,506,513	14,953,594	14,858,906	14,791,754	14,924,745	14,887,158	203,831,215
Premium - MCO Tax	10,273,393	9,899,314	9,894,054	9,893,826	9,894,054	9,872,493	130,255,080
Premium - Hospital Directed Payments	16,836,470	17,606,870	17,654,496	17,949,134	17,905,917	17,928,276	225,564,991
Investment Earnings And Other Income	(694,967)	329,573	86,457	(1,241,065)	(326,288)	357,517	(943,571)
Rate Adjustments - Hospital Directed Payments	(3,586)	230,177	24,013	26,907,309	3,898	(23,892)	(1,900,547)
Rate/Income Adjustments	5,625	957,475	977,794	493,268	59,935	(4,649,731)	(2,164,980)
TOTAL REVENUES	110,064,365	110,955,070	110,568,181	134,684,350	109,037,367	103,739,445	1,413,416,127
EXPENSES							
Medical Costs:							
Physician Services	17,972,930	17,538,030	19,319,317	19,919,152	18,291,501	17,895,843	226,700,597
Other Professional Services	4,344,076	5,041,033	4,902,710	5,254,779	5,361,545	4,835,075	57,476,011
Emergency Room	4,391,622	5,209,937	5,098,972	5,150,400	5,098,584	4,139,529	57,380,251
Inpatient	17,137,562	20,610,105	20,031,970	20,232,342	20,364,608	21,395,635	245,585,014
Reinsurance Expense	86,147	53,660	53,896	57,686	56,409	56,248	899,335
Outpatient Hospital	6,083,159	8,214,215	8,223,126	8,686,122	8,458,833	8,281,163	95,592,500
Other Medical	11,502,354	17,263,621	17,534,988	15,788,879	16,341,907	16,301,024	155,570,403
Pharmacy	10,620,178	-	-	-	-	-	80,831,156
Pay for Performance Quality Incentive	1,420,000	464,013	465,422	465,421	472,037	473,494	5,479,005
Hospital Directed Payments	16,836,470	17,606,870	17,654,496	17,949,134	17,905,917	17,928,276	207,636,715
Hospital Directed Payment Adjustment	(3,586)	230,177	24,013	26,678,156	3,898	(3,419)	(2,324,274)
Non-Claims Expense Adjustment	(44,256)	43,538	4,118	572,469	62,025	(1,371,999)	820,711
IBNR, Incentive, Paid Claims Adjustment	(1,022,824)	627	(1,010,781)	(3,987,493)	(2,812,496)	(3,724,314)	(12,547,912)
Total Medical Costs	89,323,832	92,275,826	92,302,247	116,767,047	89,604,768	86,206,555	1,119,099,512
GROSS MARGIN	20,740,533	18,679,244	18,265,934	17,917,303	19,432,599	17,532,890	294,316,615
Administrative:							
Compensation	2,592,690	3,116,842	2,847,002	3,108,703	3,075,151	3,259,102	37,380,287
Purchased Services	1,355,474	846,917	877,498	1,098,614	783,960	927,532	12,712,139
Supplies	164,659	191,908	(8,268)	103,207	41,533	145,499	1,361,650
Depreciation	746,072	571,126	571,126	571,126	570,835	575,899	6,876,462
Other Administrative Expenses	605,706	389,918	259,997	346,089	252,930	300,845	4,177,540
Administrative Expense Adjustment	(194,326)	(1,904)	(44,283)	31,776	164,256	(2,834)	(33,816)
Total Administrative Expenses	5,270,275	5,114,807	4,503,072	5,259,515	4,888,665	5,206,043	62,474,262
TOTAL EXPENSES	94,594,107	97,390,633	96,805,319	122,026,562	94,493,433	91,412,598	1,181,573,774
OPERATING INCOME (LOSS) BEFORE TAX	15,470,258	13,564,437	13,762,862	12,657,788	14,543,934	12,326,847	163,531,641
MCO TAX	9,895,157	9,894,054	9,894,054	9,893,826	9,894,054	9,888,018	126,639,224
OPERATING INCOME (LOSS) NET OF TAX	5,575,101	3,670,383	3,868,808	2,763,962	4,649,880	2,438,829	36,892,417
TOTAL NONOPERATING REVENUE (EXPENSE)	(175,210)	(400,389)	(986,700)	(1,001,012)	(1,110,153)	744,870	(10,104,451)
NET INCREASE (DECREASE) IN NET POSITION	5,399,891	3,269,994	2,882,108	1,762,950	3,539,727	3,183,699	26,787,966
MEDICAL LOSS RATIO	87.4%	89.4%	89.9%	90.2%	88.3%	89.9%	86.2%
ADMINISTRATIVE EXPENSE RATIO	6.4%	6.1%	5.4%	6.6%	6.0%	6.9%	5.9%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH MAY 31, 2022	MAY 2021	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	NOVEMBER 2021
ENROLLMENT							
Members - MCAL	287,199	289,309	290,980	292,271	294,672	295,865	296,989
REVENUES							
Title XIX - Medicaid - Family and Other	177.71	181.55	180.10	173.76	179.43	183.53	183.31
Title XIX - Medicaid - Expansion Members	381.99	388.41	387.35	380.84	383.93	383.57	393.96
Title XIX - Medicaid - SPD Members	1,017.24	1,020.90	1,029.14	1,023.27	1,017.48	1,018.29	1,026.19
Premium - MCO Tax	34.39	34.43	34.45	34.45	34.40	34.57	34.44
Premium - Hospital Directed Payments	51.57	76.52	56.15	55.98	56.18	56.53	56.41
Investment Earnings And Other Income	0.68	(1.41)	(0.13)	1.94	(0.20)	0.44	0.53
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate Adjustments - Hospital Directed Payments	0.28	0.02	(100.18)	0.03	0.02	0.02	0.03
Rate/Income Adjustments	2.07	(0.32)	(1.01)	(1.57)	0.42	0.18	0.22
TOTAL REVENUES	366.24	390.54	270.05	365.32	368.98	373.59	375.72
EXPENSES							
Medical Costs:							
Physician Services	54.82	55.96	52.60	54.13	60.73	59.31	58.11
Other Professional Services	16.22	15.42	15.82	16.51	14.75	16.38	16.26
Emergency Room	17.49	17.42	16.61	15.30	12.68	15.23	16.23
Inpatient	71.65	71.69	70.60	70.42	68.90	78.44	71.57
Reinsurance Expense	0.29	0.29	0.29	0.29	0.29	0.29	0.29
Outpatient Hospital	30.79	30.42	27.28	27.18	25.55	23.93	26.24
Other Medical	38.16	42.97	34.12	33.92	35.88	36.45	42.25
Pharmacy	32.55	36.10	33.59	35.24	33.64	34.60	34.33
Pay for Performance Quality Incentive	1.88	1.89	1.90	1.89	0.00	0.00	0.00
Hospital Directed Payments	51.57	76.52	56.15	55.98	56.18	56.53	56.41
Hospital Directed Payment Adjustment	0.00	0.01	(100.18)	0.03	(0.45)	0.02	0.03
Non-Claims Expense Adjustment	0.20	0.16	(0.04)	0.12	0.07	0.03	0.08
IBNR, Incentive, Paid Claims Adjustment	1.57	(7.70)	1.40	(0.19)	0.05	(3.12)	(4.64)
Total Medical Costs	317.21	341.14	210.13	310.81	308.27	318.08	317.17
GROSS MARGIN	49.03	49.39	59.92	54.52	60.71	55.51	58.54
Administrative:							
Compensation	9.57	9.44	9.64	9.52	9.47	9.28	9.35
Purchased Services	3.47	3.41	3.23	2.89	3.29	3.35	3.69
Supplies	0.20	0.30	0.54	0.66	(0.06)	0.20	0.63
Depreciation	1.47	1.47	1.46	1.46	1.45	1.43	2.41
Other Administrative Expenses	0.80	0.81	0.94	0.73	1.51	1.18	0.93
Administrative Expense Adjustment	(0.00)	(0.22)	(0.01)	(0.01)	0.01	0.00	0.26
Total Administrative Expenses	15.52	15.20	15.81	15.26	15.67	15.44	17.27
TOTAL EXPENSES	332.73	356.35	225.94	326.07	323.94	333.53	334.45
OPERATING INCOME (LOSS) BEFORE TAX	33.52	34.19	44.10	39.25	45.04	40.06	41.27
MCO TAX	31.01	30.78	34.00	33.85	33.58	33.44	33.31
OPERATING INCOME (LOSS) NET OF TAX	2.51	3.41	10.10	5.40	11.46	6.62	7.96
TOTAL NONOPERATING REVENUE (EXPENSE)	(0.86)	(0.57)	(2.87)	(3.25)	(8.28)	(3.47)	(5.11)
NET INCREASE (DECREASE) IN NET POSITION	1.65	2.84	7.24	2.15	3.19	3.15	2.85
MEDICAL LOSS RATIO	94.9%	94.6%	90.9%	92.7%	90.7%	92.6%	91.5%
ADMINISTRATIVE EXPENSE RATIO	5.5%	5.4%	5.7%	5.6%	5.6%	5.5%	6.1%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH MAY 31, 2022	DECEMBER 2021	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	13 MONTH TOTAL
ENROLLMENT							
Members - MCAL	298,205	309,342	310,281	312,490	314,691	315,663	3,907,957
REVENUES							
Title XIX - Medicaid - Family and Other	181.56	177.17	177.17	173.28	173.44	168.25	177.62
Title XIX - Medicaid - Expansion Members	382.19	357.24	355.03	344.90	345.21	341.10	370.39
Title XIX - Medicaid - SPD Members	1,042.14	903.21	907.36	895.60	912.10	913.04	978.35
Premium - MCO Tax	34.45	32.00	31.89	31.66	31.44	31.28	33.33
Premium - Hospital Directed Payments	56.46	56.92	56.90	57.44	56.90	56.80	57.72
Investment Earnings And Other Income	(2.33)	1.07	0.28	(3.97)	(1.04)	1.13	(0.24)
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate Adjustments - Hospital Directed Payments	(0.01)	0.74	0.08	86.11	0.01	(0.08)	(0.49)
Rate/Income Adjustments	0.02	3.10	3.15	1.58	0.19	(14.73)	(0.55)
TOTAL REVENUES	369.09	358.68	356.35	431.00	346.49	328.64	361.68
EXPENSES							
Medical Costs:							
Physician Services	60.27	56.69	62.26	63.74	58.13	56.69	58.01
Other Professional Services	14.57	16.30	15.80	16.82	17.04	15.32	14.71
Emergency Room	14.73	16.84	16.43	16.48	16.20	13.11	14.68
Inpatient	57.47	66.63	64.56	64.75	64.71	67.78	62.84
Reinsurance Expense	0.29	0.17	0.17	0.18	0.18	0.18	0.23
Outpatient Hospital	20.40	26.55	26.50	27.80	26.88	26.23	24.46
Other Medical	38.57	55.81	56.51	50.53	51.93	51.64	39.81
Pharmacy	35.61	0.00	0.00	0.00	0.00	0.00	20.68
Pay for Performance Quality Incentive	4.76	1.50	1.50	1.49	1.50	1.50	1.40
Hospital Directed Payments	56.46	56.92	56.90	57.44	56.90	56.80	53.13
Hospital Directed Payment Adjustment	(0.01)	0.74	0.08	85.37	0.01	(0.01)	(0.59)
Non-Claims Expense Adjustment	(0.15)	0.14	0.01	1.83	0.20	(4.35)	0.21
IBNR, Incentive, Paid Claims Adjustment	(3.43)	0.00	(3.26)	(12.76)	(8.94)	(11.80)	(3.21)
Total Medical Costs	299.54	298.30	297.48	373.67	284.74	273.10	286.36
GROSS MARGIN	69.55	60.38	58.87	57.34	61.75	55.54	75.31
Administrative:							
Compensation	8.69	10.08	9.18	9.95	9.77	10.32	9.57
Purchased Services	4.55	2.74	2.83	3.52	2.49	2.94	3.25
Supplies	0.55	0.62	(0.03)	0.33	0.13	0.46	0.35
Depreciation	2.50	1.85	1.84	1.83	1.81	1.82	1.76
Other Administrative Expenses	2.03	1.26	0.84	1.11	0.80	0.95	1.07
Administrative Expense Adjustment	(0.65)	(0.01)	(0.14)	0.10	0.52	(0.01)	(0.01)
Total Administrative Expenses	17.67	16.53	14.51	16.83	15.53	16.49	15.99
TOTAL EXPENSES	317.21	314.83	311.99	390.50	300.27	289.59	302.35
OPERATING INCOME (LOSS) BEFORE TAX	51.88	43.85	44.36	40.51	46.22	39.05	41.85
MCO TAX	33.18	31.98	31.89	31.66	31.44	31.32	32.41
OPERATING INCOME (LOSS) NET OF TAX	18.70	11.87	12.47	8.84	14.78	7.73	9.44
TOTAL NONOPERATING REVENUE (EXPENSE)	(0.59)	(1.29)	(3.18)	(3.20)	(3.53)	2.36	(2.59)
NET INCREASE (DECREASE) IN NET POSITION	18.11	10.57	9.29	5.64	11.25	10.09	6.85
MEDICAL LOSS RATIO	87.4%	89.4%	89.9%	90.2%	88.3%	89.9%	86.2%
ADMINISTRATIVE EXPENSE RATIO	6.4%	6.1%	5.4%	6.6%	6.0%	6.9%	5.9%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED MAY 31, 2022	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
REVENUES						
Title XIX - Medicaid - Family & Other						
26,589,090	26,698,368	(109,278)	Premium - Medi-Cal	135,324,136	132,000,850	3,323,286
2,505,346	2,764,572	(259,226)	Premium - Maternity Kick	12,688,703	13,822,861	(1,134,158)
522,856	467,614	55,242	Premium - Enhanced Care Management	2,578,979	2,318,480	260,499
137,720	130,680	7,040	Premium - Major Organ Transplant	686,499	646,920	39,579
802,209	490,053	312,156	Premium - Cal AIM	4,011,090	2,419,875	1,591,215
686,650	756,766	(70,116)	Premium - BHT Kick	3,191,295	3,736,902	(545,607)
4,044,210	4,011,742	32,468	Premium - Provider Enhancement	20,089,832	19,812,318	277,514
207,208	202,979	4,229	Premium - Ground Emergency Medical Transportation	1,030,926	1,003,025	27,901
145,808	103,008	42,800	Premium - Behavioral Health Integration Program	1,967,094	508,654	1,458,440
1,558	-	1,558	Premium - Vaccine Incentive	1,015,146	-	1,015,146
124,256	108,458	15,798	Other	621,687	536,064	85,623
35,766,911	35,734,242	32,669	Total Title XIX - Medicaid - Family & Other	183,205,387	176,805,951	6,399,436
Title XIX - Medicaid - Expansion Members						
25,508,976	24,746,569	762,407	Premium - Medi-Cal	127,933,438	122,515,591	5,417,847
637,397	234,964	402,433	Premium - Maternity Kick	2,812,046	1,174,820	1,637,226
935,126	829,378	105,748	Premium - Enhanced Care Management	4,575,936	4,105,744	470,192
223,025	207,143	15,882	Premium - Major Organ Transplant	1,092,866	1,025,438	67,428
327,521	454,663	(127,142)	Premium - Cal AIM	1,623,103	2,251,035	(627,932)
(3,165)	-	(3,165)	Premium - BHT Kick	-	-	0
1,693,083	1,630,575	62,508	Premium - Provider Enhancement	8,299,532	5,072,971	3,226,561
219,579	206,442	13,137	Premium - Ground Emergency Medical Transportation	1,076,269	1,022,095	54,174
59,526	95,570	(36,044)	Premium - Behavioral Health Integration Program	793,410	473,165	320,245
(34,642)	-	(34,642)	Premium - Vaccine Incentive	303,467	-	303,467
34,287	29,016	5,271	Other	167,928	143,496	24,432
29,600,713	28,434,319	1,166,394	Total Title XIX - Medicaid - Expansion Members	148,677,995	137,784,354	10,893,641
Title XIX - Medicaid - SPD Members						
12,882,471	12,660,368	222,104	Premium - Medi-Cal	64,651,275	62,507,088	2,144,188
467,161	455,439	11,722	Premium - Enhanced Care Management	2,366,738	2,248,605	118,133
145,207	144,804	403	Premium - Major Organ Transplant	736,539	714,930	21,609
59,622	232,595	(172,973)	Premium - Cal AIM	312,563	1,148,375	(835,812)
707,663	769,281	(61,618)	Premium - BHT Kick	2,996,625	3,798,112	(801,487)
475,075	473,182	1,893	Premium - Provider Enhancement	2,409,740	2,336,207	73,533
142,493	142,414	79	Premium - Ground Emergency Medical Transportation	722,771	703,130	19,641
11,182	48,891	(37,709)	Premium - Behavioral Health Integration Program	154,078	241,386	(87,308)
(3,716)	-	(3,716)	Premium - Vaccine Incentive	65,828	-	65,828
14,887,158	14,926,974	(39,816)	Total Title XIX - Medicaid - SPD Members	74,416,157	73,697,833	718,324

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED MAY 31, 2022	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
PHYSICIAN SERVICES						
3,710,885	3,953,470	242,585	Primary Care Physician Services	19,220,078	19,535,841	315,763
12,666,671	11,607,912	(1,058,759)	Referral Specialty Services	62,619,350	57,379,563	(5,239,787)
1,508,987	1,620,991	112,004	Urgent Care & After Hours Advise	11,079,115	8,011,574	(3,067,541)
9,300	9,300	-	Hospital Admitting Team	45,300	45,300	-
17,895,843	17,191,673	(704,170)	TOTAL PHYSICIAN SERVICES	92,963,843	84,972,277	(7,991,566)
OTHER PROFESSIONAL SERVICES						
312,490	322,828	10,338	Vision Service Capitation	1,543,884	1,595,226	51,342
1,920,750	2,154,062	233,312	Medical Departments - UM Allocation *	9,339,362	10,770,310	1,430,948
1,172,372	1,526,047	353,675	Behavior Health Treatment	6,132,735	7,535,014	1,402,279
69,233	153,059	83,826	Mental Health Services	879,535	756,325	(123,210)
1,360,230	1,676,994	316,764	Other Professional Services	7,499,626	8,290,359	790,733
4,835,075	5,832,990	997,915	TOTAL OTHER PROFESSIONAL SERVICES	25,395,142	28,947,234	3,552,092
4,139,529	5,595,258	1,455,729	EMERGENCY ROOM	24,697,422	27,652,871	2,955,449
21,395,635	20,093,782	(1,301,853)	INPATIENT HOSPITAL	102,634,660	99,326,851	(3,307,809)
56,248	55,296	(952)	REINSURANCE EXPENSE PREMIUM	277,899	273,240	(4,659)
8,281,163	8,542,334	261,171	OUTPATIENT HOSPITAL SERVICES	41,863,459	42,225,965	362,506
OTHER MEDICAL						
1,405,832	1,608,933	203,101	Ambulance and NEMT	6,826,791	7,950,343	1,123,552
1,039,980	693,635	(346,345)	Home Health Services & CBAS	4,210,553	3,427,045	(783,508)
1,037,565	1,106,708	69,143	Utilization and Quality Review Expenses	3,789,628	5,533,540	1,743,912
1,770,701	1,449,316	(321,385)	Long Term/SNF/Hospice	8,940,065	7,161,465	(1,778,600)
5,871,736	5,836,874	(34,862)	Provider Enhancement Expense - Prop. 56	29,264,408	28,841,675	(422,733)
480,313	524,244	43,931	Provider Enhancement Expense - GEMT	2,062,297	2,591,841	529,544
739	-	(739)	Vaccine Incentive Program Expense	3,082,291	-	(3,082,291)
216,518	247,469	30,951	Behavioral Health Integration Program	2,914,583	1,223,206	(1,691,377)
1,820,636	1,752,430	(68,206)	Enhanced Care Management	9,045,570	8,672,827	(372,743)
480,654	482,386	1,732	Major Organ Transplant	2,403,673	2,384,474	(19,199)
1,268,891	1,177,311	(91,580)	Cal AIM Incentive Programs	6,142,630	5,819,288	(323,342)
907,459	909,958	2,499	DME/Rebates	4,547,930	4,496,043	(51,887)
16,301,024	15,789,265	(511,759)	TOTAL OTHER MEDICAL	83,230,419	78,101,746	(5,128,673)
473,494	460,800	(12,694)	PAY FOR PERFORMANCE QUALITY INCENTIVE	2,340,387	2,277,000	(63,387)
17,928,276	17,196,796	(731,480)	HOSPITAL DIRECTED PAYMENTS	89,044,693	85,073,772	(3,970,921)
(3,419)	-	3,419	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	26,932,825	-	(26,932,825)
(1,371,999)	-	1,371,999	NON-CLAIMS EXPENSE ADJUSTMENT	(689,849)	-	689,849
(3,724,314)	-	3,724,314	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(11,534,457)	-	11,534,457
86,206,555	90,758,194	4,551,639	Total Medical Costs	477,156,443	448,850,956	(28,305,487)

KHS7/26/2022 Management Use Only * Medical costs per DMHC regulations

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED MAY 31, 2022	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			PHYSICIAN SERVICES			
11.76	12.87	1.11	Primary Care Physician Services	12.30	12.87	0.57
40.13	37.79	(2.34)	Referral Specialty Services	40.08	37.80	(2.28)
4.78	5.28	0.50	Urgent Care & After Hours Advise	7.09	5.28	(1.81)
0.03	0.03	0.00	Hospital Admitting Team	0.03	0.03	0.00
56.69	55.96	(0.73)	TOTAL PHYSICIAN SERVICES	59.50	55.98	(3.52)
			OTHER PROFESSIONAL SERVICES			
0.99	1.05	0.06	Vision Service Capitation	0.99	1.05	0.06
6.08	7.01	0.93	Medical Departments - UM Allocation *	5.98	7.10	1.12
3.71	4.97	1.25	Behavior Health Treatment	3.93	4.96	1.04
0.22	0.50	0.28	Mental Health Services	0.56	0.50	(0.06)
4.31	5.46	1.15	Other Professional Services	4.80	5.46	0.66
15.32	18.99	3.67	TOTAL OTHER PROFESSIONAL SERVICES	16.25	19.07	2.82
13.11	18.21	5.10	EMERGENCY ROOM	15.81	18.22	2.41
67.78	65.41	(2.37)	INPATIENT HOSPITAL	65.69	65.43	(0.25)
0.18	0.18	0.00	REINSURANCE EXPENSE PREMIUM	0.18	0.18	0.00
26.23	27.81	1.57	OUTPATIENT HOSPITAL SERVICES	26.79	27.82	1.02
			OTHER MEDICAL			
4.45	5.24	0.78	Ambulance and NEMT	4.37	5.24	0.87
3.29	2.26	(1.04)	Home Health Services & CBAS	2.69	2.26	(0.44)
3.29	3.60	0.32	Utilization and Quality Review Expenses	2.43	3.65	1.22
5.61	4.72	(0.89)	Long Term/SNF/Hospice	5.72	4.72	(1.00)
18.60	19.00	0.40	Provider Enhancement Expense - Prop. 56	18.73	19.00	0.27
1.52	1.71	0.18	Provider Enhancement Expense - GEMT	1.32	1.71	0.39
0.00	0.00	(0.00)	Vaccine Incentive Program Expense	1.97	0.00	(1.97)
0.69	0.81	0.12	Behaviorial Health Integration Program	1.87	0.81	(1.06)
5.77	5.70	(0.06)	Enhanced Care Management	5.79	5.71	(0.08)
1.52	1.57	0.05	Major Organ Transplant	1.54	1.57	0.03
4.02	3.83	(0.19)	Cal AIM Incentive Programs	3.93	3.83	(0.10)
2.87	2.96	0.09	DME	2.91	2.96	0.05
51.64	51.40	(0.24)	TOTAL OTHER MEDICAL	53.27	51.45	(1.82)
1.50	1.50	0.00	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.50	1.50	0.00
56.80	55.98	(0.82)	HOSPITAL DIRECTED PAYMENTS	56.99	56.04	(0.95)
(0.01)	0.00	0.01	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	17.24	0.00	(17.24)
(4.35)	0.00	4.35	NON-CLAIMS EXPENSE ADJUSTMENT	(0.44)	0.00	0.44
(11.80)	0.00	11.80	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(7.38)	0.00	7.38
273.10	295.44	22.34	Total Medical Costs	305.39	295.69	(9.70)

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH MAY 31, 2022	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	YEAR TO DATE 2022
PHYSICIAN SERVICES						
Primary Care Physician Services	3,472,901	3,950,940	3,869,340	4,216,012	3,710,885	19,220,078
Referral Specialty Services	11,390,029	12,825,148	13,133,782	12,603,720	12,666,671	62,619,350
Urgent Care & After Hours Advise	2,665,800	2,534,829	2,906,730	1,462,769	1,508,987	11,079,115
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	45,300
TOTAL PHYSICIAN SERVICES	17,538,030	19,319,317	19,919,152	18,291,501	17,895,843	92,963,843
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	298,113	299,421	320,479	313,381	312,490	1,543,884
Medical Departments - UM Allocation *	1,874,290	1,814,144	1,930,871	1,799,307	1,920,750	9,339,362
Behavior Health Treatment	1,143,733	984,520	1,425,684	1,406,426	1,172,372	6,132,735
Mental Health Services	385,915	151,598	138,742	134,047	69,233	879,535
Other Professional Services	1,338,982	1,653,027	1,439,003	1,708,384	1,360,230	7,499,626
TOTAL OTHER PROFESSIONAL SERVICES	5,041,033	4,902,710	5,254,779	5,361,545	4,835,075	25,395,142
EMERGENCY ROOM	5,209,937	5,098,972	5,150,400	5,098,584	4,139,529	24,697,422
INPATIENT HOSPITAL	20,610,105	20,031,970	20,232,342	20,364,608	21,395,635	102,634,660
REINSURANCE EXPENSE PREMIUM	53,660	53,896	57,686	56,409	56,248	277,899
OUTPATIENT HOSPITAL SERVICES	8,214,215	8,223,126	8,686,122	8,458,833	8,281,163	41,863,459
OTHER MEDICAL						
Ambulance and NEMT	1,321,069	1,293,500	1,339,544	1,466,846	1,405,832	6,826,791
Home Health Services & CBAS	733,519	813,833	841,676	781,545	1,039,980	4,210,553
Utilization and Quality Review Expenses	767,373	755,405	504,541	724,744	1,037,565	3,789,628
Long Term/SNF/Hospice	1,585,601	1,669,982	1,938,253	1,975,528	1,770,701	8,940,065
Provider Enhancement Expense - Prop. 56	5,806,204	5,819,707	5,888,710	5,878,051	5,871,736	29,264,408
Provider Enhancement Expense - GEMT	463,070	463,069	300,851	354,994	480,313	2,062,297
Vaccine Incentive Program Expense	1,143,595	1,628,354	173,216	136,387	739	3,082,291
Behaviorial Health Integration Program	824,339	824,339	824,339	225,048	216,518	2,914,583
Enhanced Care Management	2,023,406	1,561,486	1,821,649	1,818,393	1,820,636	9,045,570
Major Organ Transplant	472,866	473,613	496,178	480,362	480,654	2,403,673
Cal AIM Incentive Programs	1,241,196	1,257,731	1,089,466	1,285,346	1,268,891	6,142,630
DME	881,383	973,969	570,456	1,214,663	907,459	4,547,930
TOTAL OTHER MEDICAL	17,263,621	17,534,988	15,788,879	16,341,907	16,301,024	83,230,419
PAY FOR PERFORMANCE QUALITY INCENTIVE	464,013	465,422	465,421	472,037	473,494	2,340,387
HOSPITAL DIRECTED PAYMENTS	17,606,870	17,654,496	17,949,134	17,905,917	17,928,276	89,044,693
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	230,177	24,013	26,678,156	3,898	(3,419)	26,932,825
NON-CLAIMS EXPENSE ADJUSTMENT	43,538	4,118	572,469	62,025	(1,371,999)	(689,849)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	627	(1,010,781)	(3,987,493)	(2,812,496)	(3,724,314)	(11,534,457)
Total Medical Costs	92,275,826	92,302,247	116,767,047	89,604,769	86,206,555	477,156,443

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH MAY 31, 2022	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	YEAR TO DATE 2022
PHYSICIAN SERVICES						
Primary Care Physician Services	11.23	12.73	12.38	13.40	11.76	12.30
Referral Specialty Services	36.82	41.33	42.03	40.05	40.13	40.08
Urgent Care & After Hours Advise	8.62	8.17	9.30	4.65	4.78	7.09
Hospital Admitting Team	0.03	0.03	0.03	0.03	0.03	0.03
TOTAL PHYSICIAN SERVICES	56.69	62.26	63.74	58.13	56.69	59.50
OTHER PROFESSIONAL SERVICES						
Vision Service Capitation	0.96	0.96	1.03	1.00	0.99	0.99
Medical Departments - UM Allocation *	6.06	5.85	6.18	5.72	6.08	5.98
Behavior Health Treatment	3.70	3.17	4.56	4.47	3.71	3.93
Mental Health Services	1.25	0.49	0.44	0.43	0.22	0.56
Other Professional Services	4.33	5.33	4.60	5.43	4.31	4.80
TOTAL OTHER PROFESSIONAL SERVICES	16.30	15.80	16.82	17.04	15.32	16.25
EMERGENCY ROOM	16.84	16.43	16.48	16.20	13.11	15.81
INPATIENT HOSPITAL	66.63	64.56	64.75	64.71	67.78	65.69
REINSURANCE EXPENSE PREMIUM	0.17	0.17	0.18	0.18	0.18	0.18
OUTPATIENT HOSPITAL SERVICES	26.55	26.50	27.80	26.88	26.23	26.79
OTHER MEDICAL						
Ambulance and NEMT	4.27	4.17	4.29	4.66	4.45	4.37
Home Health Services & CBAS	2.37	2.62	2.69	2.48	3.29	2.69
Utilization and Quality Review Expenses	2.48	2.43	1.61	2.30	3.29	2.43
Long Term/SNF/Hospice	5.13	5.38	6.20	6.28	5.61	5.72
Provider Enhancement Expense - Prop. 56	18.77	18.76	18.84	18.68	18.60	18.73
Provider Enhancement Expense - GEMT	1.50	1.49	0.96	1.13	1.52	1.32
Vaccine Incentive Program Expense	3.70	5.25	0.55	0.43	0.00	1.97
Behaviorial Health Integration Program	2.66	2.66	2.64	0.72	0.69	1.87
Enhanced Care Management	6.54	5.03	5.83	5.78	5.77	5.79
Major Organ Transplant	1.53	1.53	1.59	1.53	1.52	1.54
Cal AIM Incentive Programs	4.01	4.05	3.49	4.08	4.02	3.93
DME	2.85	3.14	1.83	3.86	2.87	2.91
TOTAL OTHER MEDICAL	55.81	56.51	50.53	51.93	51.64	53.27
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.50	1.50	1.49	1.50	1.50	1.50
HOSPITAL DIRECTED PAYMENTS	56.92	56.90	57.44	56.90	56.80	56.99
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	0.74	0.08	85.37	0.01	(0.01)	17.24
NON-CLAIMS EXPENSE ADJUSTMENT	0.14	0.01	1.83	0.20	(4.35)	(0.44)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.00	(3.26)	(12.76)	(8.94)	(11.80)	(7.38)
Total Medical Costs	298.30	297.48	373.67	284.74	273.10	305.39

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CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED MAY 31, 2022	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
470,648	459,798	(10,850)	110 - Executive	2,174,403	2,298,989	124,586
225,728	234,469	8,741	210 - Accounting	1,054,737	1,172,345	117,608
352,473	359,967	7,494	220 - Management Information Systems	1,617,181	1,799,835	182,654
45,708	54,298	8,590	221 - Business Intelligence	201,779	271,490	69,711
303,353	383,664	80,311	222 - Enterprise Development	1,414,284	1,918,320	504,036
562,405	533,193	(29,212)	225 - Infrastructure	2,344,194	2,665,965	321,771
590,588	615,321	24,733	230 - Claims	2,872,626	3,076,605	203,979
152,467	187,947	35,480	240 - Project Management	774,689	939,735	165,046
154,797	180,989	26,192	310 - Health Services - Utilization Management	681,622	904,945	223,323
(15,257)	14,039	29,296	311 - Health Services - Quality Improvement	661	70,195	69,534
89	513	424	312 - Health Services - Education	2,753	2,565	(188)
35,680	50,828	15,148	313- Pharmacy	187,484	254,140	66,656
22,519	2,308	(20,211)	314 - Enhanced Care Management	38,065	11,540	(26,525)
66,172	74,558	8,386	316 -Population Health Management	321,300	372,790	51,490
5	333	328	317 - Community Based Services	68	1,665	1,597
9,346	-	(9,346)	318 - Housing & Homeless Incentive Program	9,346	-	(9,346)
308,858	359,942	51,084	320 - Provider Network Management	1,558,905	1,799,710	240,805
694,732	871,663	176,931	330 - Member Services	3,418,238	4,358,315	940,077
751,597	721,857	(29,740)	340 - Corporate Services	3,737,129	3,609,285	(127,844)
83,957	97,177	13,220	360 - Audit & Investigative Services	376,894	485,885	108,991
34,202	92,450	58,248	410 - Advertising Media	167,618	462,250	294,632
62,815	76,696	13,881	420 - Sales/Marketing/Public Relations	317,045	383,480	66,435
295,995	303,042	7,047	510 - Human Resources	1,554,070	1,515,210	(38,860)
(2,834)	(92,324)	(89,490)	Administrative Expense Adjustment	147,011	(461,620)	(608,631)
5,206,043	5,582,728	376,685	Total Administrative Expenses	24,972,102	27,913,639	2,941,537

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED MAY 31, 2022	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	YEAR TO DATE 2022
110 - Executive	424,308	403,286	429,743	446,418	470,648	2,174,403
210 - Accounting	233,241	178,928	252,864	163,976	225,728	1,054,737
220 - Management Information Systems (MIS)	335,777	238,917	337,588	352,426	352,473	1,617,181
221 - Business Intelligence	13,042	65,687	31,834	45,508	45,708	201,779
222 - Enterprise Development	307,654	250,898	286,566	265,813	303,353	1,414,284
225 - Infrastructure	473,799	427,685	536,529	343,776	562,405	2,344,194
230 - Claims	582,040	548,583	591,767	559,648	590,588	2,872,626
240 - Project Management	171,917	152,433	174,210	123,662	152,467	774,689
310 - Health Services - Utilization Management	139,536	126,622	128,165	132,502	154,797	681,622
311 - Health Services - Quality Improvement	277	15,545	(90)	186	(15,257)	661
312 - Health Services - Education	-	180	2,174	310	89	2,753
313- Pharmacy	39,824	36,716	38,879	36,385	35,680	187,484
314 - Enhanced Care Management	3,281	241	19	12,005	22,519	38,065
316 -Population Health Management	65,121	62,696	63,150	64,161	66,172	321,300
317 - Community Based Services	-	24	22	17	5	68
318 - Housing & Homeless Incentive Program	-	-	-	-	9,346	9,346
320 - Provider Network Management	327,923	326,761	325,559	269,804	308,858	1,558,905
330 - Member Services	754,477	623,424	700,611	644,994	694,732	3,418,238
340 - Corporate Services	786,930	685,514	778,083	735,005	751,597	3,737,129
360 - Audit & Investigative Services	69,757	69,895	71,016	82,269	83,957	376,894
410 - Advertising Media	11,825	27,353	55,984	38,254	34,202	167,618
420 - Sales/Marketing/Public Relations	66,531	51,460	70,326	65,913	62,815	317,045
510 - Human Resources	309,451	254,507	352,740	341,377	295,995	1,554,070
Total Department Expenses	5,116,711	4,547,355	5,227,739	4,724,409	5,208,877	24,825,091
ADMINISTRATIVE EXPENSE ADJUSTMENT	(1,904)	(44,283)	31,776	164,256	(2,834)	147,011
Total Administrative Expenses	5,114,807	4,503,072	5,259,515	4,888,665	5,206,043	24,972,102

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KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF MAY 31, 2022			
ASSETS	MAY 2022	APRIL 2022	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,139,898	\$ 1,139,898	-
Interest Receivable	400	200	200
TOTAL CURRENT ASSETS	\$ 1,140,298	\$ 1,140,098	\$ 200
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Other Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	\$ -	\$ -	\$ -
NET POSITION:			
Net Position- Beg. of Year	1,136,102	1,136,102	-
Increase (Decrease) in Net Position - Current Year	4,196	3,996	200
Total Net Position	\$ 1,140,298	\$ 1,140,098	\$ 200
TOTAL LIABILITIES AND NET POSITION	\$ 1,140,298	\$ 1,140,098	\$ 200

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED MAY 31, 2022			YEAR-TO-DATE		
ENROLLMENT								
-	-	-	Members			-	-	-
REVENUES								
-	-	-	Premium			-	-	-
200	-	200	Interest			1,294	-	1,294
-	-	-	Other Investment Income			2,902	-	2,902
200	-	200	TOTAL REVENUES			4,196	-	4,196
EXPENSES								
-	-	-	Medical Costs			-	-	-
-	-	-	IBNR and Paid Claims Adjustment			-	-	-
-	-	-	Total Medical Costs			-	-	-
200	-	200	GROSS MARGIN			4,196	-	4,196
Administrative								
-	-	-	Management Fee Expense and Other Admin Exp			-	-	-
-	-	-	Total Administrative Expenses			-	-	-
-	-	-	TOTAL EXPENSES			-	-	-
200	-	200	OPERATING INCOME (LOSS)			4,196	-	4,196
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)			-	-	-
200	-	200	NET INCREASE (DECREASE) IN NET POSITION			4,196	-	4,196
0%	0%	0%	MEDICAL LOSS RATIO			0%	0%	0%
0%	0%	0%	ADMINISTRATIVE EXPENSE RATIO			0%	0%	0%

**KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT**

KERN HEALTH SYSTEMS

		2022 MEMBER MONTHS	JAN'22	FEB'22	MAR'22	APR'22	MAY'22
MEDI-CAL							
ADULT AND FAMILY							
ADULT	306,434	60,708	60,882	61,379	61,726	61,739	
CHILD	701,557	139,223	139,605	140,344	141,029	141,356	
SUB-TOTAL ADULT & FAMILY	1,007,991	199,931	200,487	201,723	202,755	203,095	
OTHER MEMBERS							
PARTIAL DUALS - FAMILY	4,047	824	801	811	796	815	
PARTIAL DUALS - CHILD	0	0	0	0	0	0	
PARTIAL DUALS - BCCTP	33	4	13	6	5	5	
FULL DUALS (SPD)							
SPD FULL DUALS	41,804	8,138	8,257	8,336	8,411	8,662	
SUBTOTAL OTHER MEMBERS	45,884	8,966	9,071	9,153	9,212	9,482	
TOTAL FAMILY & OTHER	1,053,875	208,897	209,558	210,876	211,967	212,577	
SPD							
SPD (AGED AND DISABLED)	82,116	16,556	16,376	16,516	16,363	16,305	
MEDI-CAL EXPANSION							
ACA Expansion Adult-Citizen	420,279	82,803	83,199	83,828	85,037	85,412	
ACA Expansion Duals	6,197	1,086	1,148	1,270	1,324	1,369	
SUB-TOTAL MED-CAL EXPANSION	426,476	83,889	84,347	85,098	86,361	86,781	
TOTAL KAISER	66,031	12,787	13,032	13,253	13,407	13,552	
TOTAL MEDI-CAL MEMBERS	1,628,498	322,129	323,313	325,743	328,098	329,215	



To: KHS Board of Directors

From: Robert Landis, CFO

Date: August 11, 2022

Re: June 2022 Financial Results

The June results reflect a \$7,058,247 Net Increase in Net Position which is a \$7,393,833 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$3.9 million favorable variance primarily due to:
 - A) \$4.2 million favorable variance primarily due to higher-than-expected budgeted membership.

- 2) Total Medical Costs reflect a \$5.0 million favorable variance primarily due to:
 - A) \$1.6 million unfavorable variance in Physician Services primarily due to higher-than-expected utilization of Referral Specialty Services over the last several months by Family and Expansion members.
 - B) \$2.5 million favorable variance in Emergency Room primarily due to lower-than-expected utilization over the last several months.
 - C) \$4.1 million favorable variance primarily from IBNR Adjustments relating to the prior year.

The June Medical Loss Ratio is 82.2% which is favorable to the 92.9 % budgeted amount. The June Administrative Expense Ratio is 6.9% which is favorable to the 7.0% budgeted amount.

The results for the 6 months ended June 30, 2022 reflect a Net Increase in Net Position of \$21,696,725. This is a \$23,837,379 favorable variance to budget and includes approximately \$13.0 million of favorable adjustments from the prior year. The year-to-date Medical Loss Ratio is 88.3% which is favorable to the 92.8% budgeted amount. The year-to-date Administrative Expense Ratio is 6.3% which is favorable to the 7.1% budgeted amount.

**Kern Health Systems
Financial Packet
June 2022**

KHS – Medi-Cal Line of Business

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KHS Group Health Plan – Healthy Families Line of Business

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KHS Administrative Analysis and Other Reporting

Monthly Member Count	Page 17
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF JUNE 30, 2022			
ASSETS	JUNE 2022	MAY 2022	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	132,621,402	\$ 105,503,419	\$ 27,117,983
Short-Term Investments	215,983,233	232,414,237	(16,431,004)
Premiums Receivable - Net	102,070,490	102,145,248	(74,758)
Premiums Receivable - Hospital Direct Payments	359,499,791	341,214,297	18,285,494
Interest Receivable	217,982	38,006	179,976
Provider Advance Payment	3,716,379	3,908,707	(192,328)
Other Receivables	220,274	187,127	33,147
Prepaid Expenses & Other Current Assets	2,283,343	2,790,733	(507,390)
Total Current Assets	816,612,894	\$ 788,201,774	\$ 28,411,120
CAPITAL ASSETS - NET OF ACCUM DEPREE:			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	1,419,675	1,467,584	(47,909)
Computer Hardware and Software - Net	19,760,173	20,250,590	(490,417)
Building and Building Improvements - Net	34,171,851	34,255,772	(83,921)
Capital Projects in Progress	5,476,237	5,175,577	300,660
Total Capital Assets	64,918,642	\$ 65,240,229	\$ (321,587)
LONG TERM ASSETS:			
Restricted Investments	300,000	300,000	-
Net Pension Asset	-	693,712	(693,712)
Officer Life Insurance Receivables	1,623,201	1,640,053	(16,852)
Total Long Term Assets	1,923,201	\$ 2,633,765	\$ (710,564)
DEFERRED OUTFLOWS OF RESOURCES	3,665,821	3,665,821	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	887,120,558	\$ 859,741,589	\$ 27,378,969
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accrued Salaries and Employee Benefits	4,214,445	\$ 3,989,982	224,463
Accrued Other Operating Expenses	1,731,854	2,287,103	(555,249)
Accrued Taxes and Licenses	29,527,123	19,633,072	9,894,051
Claims Payable (Reported)	20,748,386	26,389,202	(5,640,816)
IBNR - Inpatient Claims	40,700,319	41,096,945	(396,626)
IBNR - Physician Claims	18,619,898	20,070,387	(1,450,489)
IBNR - Accrued Other Medical	21,394,218	27,743,377	(6,349,159)
Risk Pool and Withholds Payable	6,918,268	6,439,268	479,000
Statutory Allowance for Claims Processing Expense	2,509,938	2,389,766	120,172
Other Liabilities	106,744,949	101,035,068	5,709,881
Accrued Hospital Directed Payments	359,499,791	341,214,297	18,285,494
Total Current Liabilities	612,609,189	\$ 592,288,467	\$ 20,320,722
NONCURRENT LIABILITIES:			
Net Pension Liability	-	-	-
TOTAL NONCURRENT LIABILITIES	\$ -	\$ -	\$ -
DEFERRED INFLOWS OF RESOURCES	5,338,319.00	\$ 5,338,319	\$ -
NET POSITION:			
Net Position - Beg. of Year	247,476,325	247,476,325	-
Increase (Decrease) in Net Position - Current Year	21,696,725	14,638,478	7,058,247
Total Net Position	269,173,050	\$ 262,114,803	\$ 7,058,247
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	887,120,558	\$ 859,741,589	\$ 27,378,969

KERN HEALTH SYSTEMS MEDI-CAL - ALL COA			STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JUNE 30, 2022		
CURRENT MONTH MEMBERS			YEAR-TO-DATE MEMBER MONTHS		
ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
204,178	203,200	978	1,212,169	1,199,700	12,469
88,947	82,030	6,917	515,423	486,180	29,243
16,794	16,030	764	98,910	94,680	4,230
9,414	7,740	1,674	55,298	46,440	8,858
13,722	13,000	722	79,753	78,000	1,753
333,055	322,000	11,055	1,961,553	1,905,000	56,553
Family Members					
Expansion Members					
SPD Members					
Other Members					
Kaiser Members					
Total Members - MCAL					
REVENUES					
37,731,384	35,920,768	1,810,616	220,936,771	212,726,720	8,210,051
30,533,210	28,573,043	1,960,167	179,211,205	169,357,397	9,853,808
15,402,431	15,020,677	381,754	89,818,588	88,718,510	1,100,078
9,910,584	10,034,285	(123,701)	59,364,325	59,364,325	(0)
18,280,365	17,287,817	992,548	107,325,058	102,361,589	4,963,469
(633,952)	83,077	(717,029)	(1,427,758)	490,784	(1,918,542)
	55,620	(55,620)	-	328,860	(328,860)
5,129	-	5,129	27,146,634	-	27,146,634
(364,397)	-	(364,397)	(2,525,656)	-	(2,525,656)
110,864,754	106,975,288	3,889,466	679,849,167	633,348,185	46,500,982
EXPENSES					
Medical Costs:					
18,921,901	17,290,282	(1,631,619)	111,885,744	102,262,559	(9,623,185)
5,112,961	5,854,761	741,800	30,508,103	34,801,995	4,293,892
3,167,228	5,627,600	2,460,372	27,864,650	33,280,471	5,415,821
19,551,774	20,207,988	656,214	122,186,434	119,534,840	(2,651,594)
57,216	55,620	(1,596)	335,115	328,860	(6,255)
9,196,013	8,590,904	(605,109)	51,059,472	50,816,869	(242,603)
15,522,071	15,873,722	351,651	98,752,490	93,975,468	(4,777,022)
478,060	463,500	(14,560)	2,818,447	2,740,500	(77,947)
18,280,365	17,287,817	(992,548)	107,325,058	102,361,589	(4,963,469)
5,129	-	(5,129)	26,937,954	-	(26,937,954)
29,799	-	(29,799)	(660,050)	-	660,050
(4,072,490)	-	4,072,490	(15,606,947)	-	15,606,947
86,250,027	91,252,195	5,002,168	563,406,470	540,103,151	(23,303,319)
24,614,727	15,723,093	8,891,634	116,442,697	93,245,034	23,197,663
GROSS MARGIN					
Administrative:					
2,980,813	3,394,438	413,625	18,387,613	20,241,631	1,854,018
850,526	1,108,544	258,018	5,385,047	6,651,265	1,266,218
66,970	212,108	145,138	540,849	1,272,645	731,796
626,073	526,572	(99,501)	3,486,185	3,159,432	(326,753)
329,335	366,066	36,731	1,879,114	2,196,394	317,280
811,890	-	(811,890)	958,901	-	(958,901)
5,665,607	5,607,728	(57,879)	30,637,709	33,521,367	2,883,658
91,915,634	96,859,923	4,944,289	594,044,179	573,624,518	(20,419,661)
18,949,120	10,115,365	8,833,755	85,804,988	59,723,667	26,081,321
9,894,051	10,034,285	140,234	59,358,057	59,364,325	6,268
9,055,069	81,080	8,973,989	26,446,931	359,342	26,087,589
NONOPERATING REVENUE (EXPENSE)					
-	-	-	-	-	-
(1,657,655)	(333,333)	(1,324,322)	(4,095,846)	(1,999,998)	(2,095,848)
(339,167)	(83,333)	(255,834)	(654,360)	(499,998)	(154,362)
(1,996,822)	(416,666)	(1,580,156)	(4,750,206)	(2,499,996)	(2,250,210)
7,058,247	(335,586)	7,393,833	21,696,725	(2,140,654)	23,837,379
82.2%	92.9%	10.6%	88.3%	92.8%	4.5%
6.9%	7.0%	0.2%	6.3%	7.1%	0.8%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED JUNE 30, 2022			YEAR-TO-DATE		
						ACTUAL	BUDGET	VARIANCE
			ENROLLMENT					
204,178	203,200	978	Family Members			1,212,169	1,199,700	12,469
88,947	82,030	6,917	Expansion Members			515,423	486,180	29,243
16,794	16,030	764	SPD Members			98,910	94,680	4,230
9,414	7,740	1,674	Other Members			55,298	46,440	8,858
13,722	13,000	722	Kaiser Members			79,753	78,000	1,753
333,055	322,000	11,055	Total Members - MCAL			1,961,553	1,905,000	56,553
			REVENUES					
176.65	170.29	6.36	Title XIX - Medicaid - Family and Other			174.31	170.71	3.61
343.27	348.32	(5.05)	Title XIX - Medicaid - Expansion Members			347.70	348.34	(0.65)
917.14	937.04	(19.90)	Title XIX - Medicaid - SPD Members			908.08	937.04	(28.95)
31.04	32.47	(1.44)	Premium - MCO Tax			31.55	32.49	(0.95)
57.25	55.95	1.30	Premium - Hospital Directed Payments			57.03	56.03	1.01
(1.99)	0.27	(2.25)	Investment Earnings And Other Income			(0.76)	0.27	(1.03)
0.00	0.18	(0.18)	Reinsurance Recoveries			0.00	0.18	(0.18)
0.02	0.00	0.02	Rate Adjustments - Hospital Directed Payments			14.43	0.00	14.43
(1.14)	0.00	(1.14)	Rate/Income Adjustments			(1.34)	0.00	(1.34)
347.18	346.20	0.98	TOTAL REVENUES			361.28	346.66	14.62
			EXPENSES					
			Medical Costs:					
59.25	55.96	(3.30)	Physician Services			59.46	55.97	(3.48)
16.01	18.95	2.94	Other Professional Services			16.21	19.05	2.84
9.92	18.21	8.29	Emergency Room			14.81	18.22	3.41
61.23	65.40	4.17	Inpatient			64.93	65.43	0.50
0.18	0.18	0.00	Reinsurance Expense			0.18	0.18	0.00
28.80	27.80	(1.00)	Outpatient Hospital			27.13	27.81	0.68
48.61	51.37	2.76	Other Medical			52.48	51.44	(1.04)
1.50	1.50	0.00	Pay for Performance Quality Incentive			1.50	1.50	0.00
57.25	55.95	(1.30)	Hospital Directed Payments			57.03	56.03	(1.01)
0.02	0.00	(0.02)	Hospital Directed Payment Adjustment			14.31	0.00	(14.31)
0.09	0.00	(0.09)	Non-Claims Expense Adjustment			(0.35)	0.00	0.35
(12.75)	0.00	12.75	IBNR, Incentive, Paid Claims Adjustment			(8.29)	0.00	8.29
270.09	295.31	25.22	Total Medical Costs			299.40	295.62	(3.77)
77.08	50.88	26.20	GROSS MARGIN			61.88	51.04	10.84
			Administrative:					
9.33	10.99	1.65	Compensation			9.77	11.08	1.31
2.66	3.59	0.92	Purchased Services			2.86	3.64	0.78
0.21	0.69	0.48	Supplies			0.29	0.70	0.41
1.96	1.70	(0.26)	Depreciation			1.85	1.73	(0.12)
1.03	1.18	0.15	Other Administrative Expenses			1.00	1.20	0.20
2.54	0.00	(2.54)	Administrative Expense Adjustment			0.51	0.00	(0.51)
17.74	18.15	0.41	Total Administrative Expenses			16.28	18.35	2.07
287.84	313.46	25.63	TOTAL EXPENSES			315.68	313.97	(1.71)
59.34	32.74	26.60	OPERATING INCOME (LOSS) BEFORE TAX			45.60	32.69	12.91
30.98	32.47	1.49	MCO TAX			31.54	32.49	0.95
28.36	0.26	28.09	OPERATING INCOME (LOSS) NET OF TAX			14.05	0.20	13.86
			NONOPERATING REVENUE (EXPENSE)					
0.00	0.00	0.00	Gain on Sale of Assets			0.00	0.00	0.00
(5.19)	(1.08)	(4.11)	Reserve Fund Projects/Community Grants			(2.18)	(1.09)	(1.08)
(1.06)	(0.27)	(0.79)	Health Home			(0.35)	(0.27)	(0.07)
(6.25)	(1.35)	(4.90)	TOTAL NONOPERATING REVENUE (EXPENSE)			(2.52)	(1.37)	(1.16)
22.10	(1.09)	23.19	NET INCREASE (DECREASE) IN NET POSITION			11.53	(1.17)	12.70
82.2%	92.9%	10.6%	MEDICAL LOSS RATIO			88.3%	92.8%	4.5%
6.9%	7.0%	0.2%	ADMINISTRATIVE EXPENSE RATIO			6.3%	7.1%	0.8%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH JUNE 30, 2022	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
	2021	2021	2021	2021	2021	2021	2021
ENROLLMENT							
Members - MCAL	289,309	290,980	292,271	294,672	295,865	296,989	298,205
REVENUES							
Title XIX - Medicaid - Family and Other	35,878,342	35,761,670	34,569,656	35,961,464	37,040,845	37,111,335	36,899,197
Title XIX - Medicaid - Expansion Members	29,533,533	29,676,566	29,540,608	29,932,046	30,140,656	31,001,586	30,241,720
Title XIX - Medicaid - SPD Members	15,971,978	16,260,445	16,115,519	16,075,172	16,206,131	16,254,790	16,506,513
Premium - MCO Tax	9,961,634	10,025,153	10,069,582	10,136,079	10,229,218	10,229,533	10,273,393
Premium - Hospital Directed Payments	22,138,233	16,337,340	16,361,944	16,554,814	16,726,476	16,753,272	16,836,470
Investment Earnings And Other Income	(408,458)	(39,267)	567,469	(59,079)	131,645	157,659	(694,967)
Rate Adjustments - Hospital Directed Payments	4,445	(29,149,066)	7,365	5,709	4,491	8,691	(3,586)
Rate/Income Adjustments	(93,658)	(294,637)	(458,866)	122,473	52,871	66,815	5,625
TOTAL REVENUES	112,986,049	78,578,204	106,773,277	108,728,678	110,532,333	111,583,681	110,064,365
EXPENSES							
Medical Costs:							
Physician Services	16,190,717	15,305,367	15,819,470	17,895,535	17,549,058	17,258,969	17,972,930
Other Professional Services	4,460,451	4,604,443	4,825,412	4,347,759	4,846,005	4,829,415	4,344,076
Emergency Room	5,040,670	4,833,831	4,472,304	3,735,609	4,506,067	4,818,883	4,391,622
Inpatient	20,739,625	20,542,490	20,581,248	20,303,427	23,207,054	21,256,426	17,137,562
Reinsurance Expense	82,530	84,045	84,997	84,384	85,133	86,151	86,147
Outpatient Hospital	8,800,023	7,937,455	7,942,981	7,529,697	7,080,379	7,793,785	6,083,159
Other Medical	12,430,651	9,927,247	9,914,269	10,572,454	10,784,127	12,549,269	11,502,354
Pharmacy	10,442,688	9,774,211	10,298,442	9,913,574	10,236,384	10,196,195	10,620,178
Pay for Performance Quality Incentive	545,673	552,862	552,862	-	-	-	1,420,000
Hospital Directed Payments	22,138,233	16,337,330	16,361,944	16,554,814	16,726,476	16,753,272	16,836,470
Hospital Directed Payment Adjustment	3,943	(29,149,382)	7,365	(132,637)	4,491	8,691	(3,586)
Non-Claims Expense Adjustment	46,953	(11,833)	34,433	20,737	8,907	24,857	(44,256)
IBNR, Incentive, Paid Claims Adjustment	(2,226,487)	406,066	(55,915)	14,595	(924,120)	(1,378,922)	(1,022,824)
Total Medical Costs	98,695,670	61,144,132	90,839,812	90,839,948	94,109,961	94,196,991	89,323,832
GROSS MARGIN	14,290,379	17,434,072	15,933,465	17,888,730	16,422,372	17,386,690	20,740,533
Administrative:							
Compensation	2,731,289	2,805,915	2,781,896	2,791,543	2,746,218	2,775,542	2,592,690
Purchased Services	985,876	939,689	845,393	968,021	991,178	1,095,098	1,355,474
Supplies	85,576	156,626	193,504	(17,330)	58,257	188,536	164,659
Depreciation	425,837	425,522	427,805	427,804	424,376	716,552	746,072
Other Administrative Expenses	233,637	274,638	214,396	443,524	348,575	276,718	605,706
Administrative Expense Adjustment	(63,654)	(1,674)	(2,367)	3,540	300	77,569	(194,326)
Total Administrative Expenses	4,398,561	4,600,716	4,460,627	4,617,102	4,568,904	5,130,015	5,270,275
TOTAL EXPENSES	103,094,231	65,744,848	95,300,439	95,457,050	98,678,865	99,327,006	94,594,107
OPERATING INCOME (LOSS) BEFORE TAX	9,891,818	12,833,356	11,472,838	13,271,628	11,853,468	12,256,675	15,470,258
MCO TAX	8,904,648	9,894,054	9,894,055	9,894,054	9,894,054	9,894,054	9,895,157
OPERATING INCOME (LOSS) NET OF TAX	987,170	2,939,302	1,578,783	3,377,574	1,959,414	2,362,621	5,575,101
TOTAL NONOPERATING REVENUE (EXPENSE)	(164,148)	(833,809)	(949,330)	(2,438,918)	(1,027,231)	(1,516,642)	(175,210)
NET INCREASE (DECREASE) IN NET POSITION	823,022	2,105,493	629,453	938,656	932,183	845,979	5,399,891
MEDICAL LOSS RATIO	94.6%	90.9%	92.7%	90.7%	92.6%	91.5%	87.4%
ADMINISTRATIVE EXPENSE RATIO	5.4%	5.7%	5.6%	5.6%	5.5%	6.1%	6.4%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH JUNE 30, 2022	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	13 MONTH
	2022	2022	2022	2022	2022	2022	TOTAL
ENROLLMENT							
Members - MCAL	309,342	310,281	312,490	314,691	315,663	319,333	3,940,091
REVENUES							
Title XIX - Medicaid - Family and Other	37,009,614	37,126,546	36,539,594	36,762,722	35,766,911	37,731,384	474,159,280
Title XIX - Medicaid - Expansion Members	29,968,453	29,945,915	29,350,530	29,812,384	29,600,713	30,533,210	389,277,920
Title XIX - Medicaid - SPD Members	14,953,594	14,858,906	14,791,754	14,924,745	14,887,158	15,402,431	203,209,136
Premium - MCO Tax	9,899,314	9,894,054	9,893,826	9,894,054	9,872,493	9,910,584	130,288,917
Premium - Hospital Directed Payments	17,606,870	17,654,496	17,949,134	17,905,917	17,928,276	18,280,365	229,033,607
Investment Earnings And Other Income	329,573	86,457	(1,241,065)	(326,288)	357,517	(633,952)	(1,772,756)
Rate Adjustments - Hospital Directed Payments	230,177	24,013	26,907,309	3,898	(23,892)	5,129	(1,975,317)
Rate/Income Adjustments	957,475	977,794	493,268	59,935	(4,649,731)	(364,397)	(3,125,033)
TOTAL REVENUES	110,955,070	110,568,181	134,684,350	109,037,367	103,739,445	110,864,754	1,419,095,754
EXPENSES							
Medical Costs:							
Physician Services	17,538,030	19,319,317	19,919,152	18,291,501	17,895,843	18,921,901	229,877,790
Other Professional Services	5,041,033	4,902,710	5,254,779	5,361,545	4,835,075	5,112,961	62,765,664
Emergency Room	5,209,937	5,098,972	5,150,400	5,098,584	4,139,529	3,167,228	59,663,636
Inpatient	20,610,105	20,031,970	20,232,342	20,364,608	21,395,635	19,551,774	265,954,266
Reinsurance Expense	53,660	53,896	57,686	56,409	56,248	57,216	928,502
Outpatient Hospital	8,214,215	8,223,126	8,686,122	8,458,833	8,281,163	9,196,013	104,226,951
Other Medical	17,263,621	17,534,988	15,788,879	16,341,907	16,301,024	15,522,071	176,432,861
Pharmacy	-	-	-	-	-	-	71,481,672
Pay for Performance Quality Incentive	464,013	465,422	465,421	472,037	473,494	478,060	5,889,844
Hospital Directed Payments	17,606,870	17,654,496	17,949,134	17,905,917	17,928,276	18,280,365	229,033,597
Hospital Directed Payment Adjustment	230,177	24,013	26,678,156	3,898	(3,419)	5,129	(2,323,161)
Non-Claims Expense Adjustment	43,538	4,118	572,469	62,025	(1,371,999)	29,799	(580,252)
IBNR, Incentive, Paid Claims Adjustment	627	(1,010,781)	(3,987,493)	(2,812,496)	(3,724,314)	(4,072,490)	(20,794,554)
Total Medical Costs	92,275,826	92,302,247	116,767,047	89,604,768	86,206,555	86,250,027	1,182,556,816
GROSS MARGIN	18,679,244	18,265,934	17,917,303	19,432,599	17,532,890	24,614,727	236,538,938
Administrative:							
Compensation	3,116,842	2,847,002	3,108,703	3,075,151	3,259,102	2,980,813	37,612,706
Purchased Services	846,917	877,498	1,098,614	783,960	927,532	850,526	12,565,776
Supplies	191,908	(8,268)	103,207	41,533	145,499	66,970	1,370,677
Depreciation	571,126	571,126	571,126	570,835	575,899	626,073	7,080,153
Other Administrative Expenses	389,918	259,997	346,089	252,930	300,845	329,335	4,276,308
Administrative Expense Adjustment	(1,904)	(44,283)	31,776	164,256	(2,834)	811,890	778,289
Total Administrative Expenses	5,114,807	4,503,072	5,259,515	4,888,665	5,206,043	5,665,607	63,683,909
TOTAL EXPENSES	97,390,633	96,805,319	122,026,562	94,493,433	91,412,598	91,915,634	1,246,240,725
OPERATING INCOME (LOSS) BEFORE TAX	13,564,437	13,762,862	12,657,788	14,543,934	12,326,847	18,949,120	172,855,029
MCO TAX	9,894,054	9,894,054	9,893,826	9,894,054	9,888,018	9,894,051	127,628,133
OPERATING INCOME (LOSS) NET OF TAX	3,670,383	3,868,808	2,763,962	4,649,880	2,438,829	9,055,069	45,226,896
TOTAL NONOPERATING REVENUE (EXPENSE)	(400,389)	(986,700)	(1,001,012)	(1,110,153)	744,870	(1,996,822)	(11,855,494)
NET INCREASE (DECREASE) IN NET POSITION	3,269,994	2,882,108	1,762,950	3,539,727	3,183,699	7,058,247	33,371,402
MEDICAL LOSS RATIO	89.4%	89.9%	90.2%	88.3%	89.9%	82.2%	90.0%
ADMINISTRATIVE EXPENSE RATIO	6.1%	5.4%	6.6%	6.0%	6.9%	6.9%	6.0%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH JUNE 30, 2022	JUNE 2021	JULY 2021	AUGUST 2021	SEPTEMBER 2021	OCTOBER 2021	NOVEMBER 2021	DECEMBER 2021
ENROLLMENT							
Members - MCAL	289,309	290,980	292,271	294,672	295,865	296,989	298,205
REVENUES							
Title XIX - Medicaid - Family and Other	181.55	180.10	173.76	179.43	183.53	183.31	181.56
Title XIX - Medicaid - Expansion Members	388.41	387.35	380.84	383.93	383.57	393.96	382.19
Title XIX - Medicaid - SPD Members	1,020.90	1,029.14	1,023.27	1,017.48	1,018.29	1,026.19	1,042.14
Premium - MCO Tax	34.43	34.45	34.45	34.40	34.57	34.44	34.45
Premium - Hospital Directed Payments	76.52	56.15	55.98	56.18	56.53	56.41	56.46
Investment Earnings And Other Income	(1.41)	(0.13)	1.94	(0.20)	0.44	0.53	(2.33)
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate Adjustments - Hospital Directed Payments	0.02	(100.18)	0.03	0.02	0.02	0.03	(0.01)
Rate/Income Adjustments	(0.32)	(1.01)	(1.57)	0.42	0.18	0.22	0.02
TOTAL REVENUES	390.54	270.05	365.32	368.98	373.59	375.72	369.09
EXPENSES							
Medical Costs:							
Physician Services	55.96	52.60	54.13	60.73	59.31	58.11	60.27
Other Professional Services	15.42	15.82	16.51	14.75	16.38	16.26	14.57
Emergency Room	17.42	16.61	15.30	12.68	15.23	16.23	14.73
Inpatient	71.69	70.60	70.42	68.90	78.44	71.57	57.47
Reinsurance Expense	0.29	0.29	0.29	0.29	0.29	0.29	0.29
Outpatient Hospital	30.42	27.28	27.18	25.55	23.93	26.24	20.40
Other Medical	42.97	34.12	33.92	35.88	36.45	42.25	38.57
Pharmacy	36.10	33.59	35.24	33.64	34.60	34.33	35.61
Pay for Performance Quality Incentive	1.89	1.90	1.89	0.00	0.00	0.00	4.76
Hospital Directed Payments	76.52	56.15	55.98	56.18	56.53	56.41	56.46
Hospital Directed Payment Adjustment	0.01	(100.18)	0.03	(0.45)	0.02	0.03	(0.01)
Non-Claims Expense Adjustment	0.16	(0.04)	0.12	0.07	0.03	0.08	(0.15)
IBNR, Incentive, Paid Claims Adjustment	(7.70)	1.40	(0.19)	0.05	(3.12)	(4.64)	(3.43)
Total Medical Costs	341.14	210.13	310.81	308.27	318.08	317.17	299.54
GROSS MARGIN	49.39	59.92	54.52	60.71	55.51	58.54	69.55
Administrative:							
Compensation	9.44	9.64	9.52	9.47	9.28	9.35	8.69
Purchased Services	3.41	3.23	2.89	3.29	3.35	3.69	4.55
Supplies	0.30	0.54	0.66	(0.06)	0.20	0.63	0.55
Depreciation	1.47	1.46	1.46	1.45	1.43	2.41	2.50
Other Administrative Expenses	0.81	0.94	0.73	1.51	1.18	0.93	2.03
Administrative Expense Adjustment	(0.22)	(0.01)	(0.01)	0.01	0.00	0.26	(0.65)
Total Administrative Expenses	15.20	15.81	15.26	15.67	15.44	17.27	17.67
TOTAL EXPENSES	356.35	225.94	326.07	323.94	333.53	334.45	317.21
OPERATING INCOME (LOSS) BEFORE TAX	34.19	44.10	39.25	45.04	40.06	41.27	51.88
MCO TAX	30.78	34.00	33.85	33.58	33.44	33.31	33.18
OPERATING INCOME (LOSS) NET OF TAX	3.41	10.10	5.40	11.46	6.62	7.96	18.70
TOTAL NONOPERATING REVENUE (EXPENSE)	(0.57)	(2.87)	(3.25)	(8.28)	(3.47)	(5.11)	(0.59)
NET INCREASE (DECREASE) IN NET POSITION	2.84	7.24	2.15	3.19	3.15	2.85	18.11
MEDICAL LOSS RATIO	94.6%	90.9%	92.7%	90.7%	92.6%	91.5%	87.4%
ADMINISTRATIVE EXPENSE RATIO	5.4%	5.7%	5.6%	5.6%	5.5%	6.1%	6.4%

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH JUNE 30, 2022	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	JUNE 2022	13 MONTH TOTAL
ENROLLMENT							
Members - MCAL	309,342	310,281	312,490	314,691	315,663	319,333	3,940,091
REVENUES							
Title XIX - Medicaid - Family and Other	177.17	177.17	173.28	173.44	168.25	176.65	177.53
Title XIX - Medicaid - Expansion Members	357.24	355.03	344.90	345.21	341.10	343.27	367.29
Title XIX - Medicaid - SPD Members	903.21	907.36	895.60	912.10	913.04	917.14	970.53
Premium - MCO Tax	32.00	31.89	31.66	31.44	31.28	31.04	33.07
Premium - Hospital Directed Payments	56.92	56.90	57.44	56.90	56.80	57.25	58.13
Investment Earnings And Other Income	1.07	0.28	(3.97)	(1.04)	1.13	(1.99)	(0.45)
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate Adjustments - Hospital Directed Payments	0.74	0.08	86.11	0.01	(0.08)	0.02	(0.50)
Rate/Income Adjustments	3.10	3.15	1.58	0.19	(14.73)	(1.14)	(0.79)
TOTAL REVENUES	358.68	356.35	431.00	346.49	328.64	347.18	360.17
EXPENSES							
Medical Costs:							
Physician Services	56.69	62.26	63.74	58.13	56.69	59.25	58.34
Other Professional Services	16.30	15.80	16.82	17.04	15.32	16.01	15.93
Emergency Room	16.84	16.43	16.48	16.20	13.11	9.92	15.14
Inpatient	66.63	64.56	64.75	64.71	67.78	61.23	67.50
Reinsurance Expense	0.17	0.17	0.18	0.18	0.18	0.18	0.24
Outpatient Hospital	26.55	26.50	27.80	26.88	26.23	28.80	26.45
Other Medical	55.81	56.51	50.53	51.93	51.64	48.61	44.78
Pharmacy	0.00	0.00	0.00	0.00	0.00	0.00	18.14
Pay for Performance Quality Incentive	1.50	1.50	1.49	1.50	1.50	1.50	1.49
Hospital Directed Payments	56.92	56.90	57.44	56.90	56.80	57.25	58.13
Hospital Directed Payment Adjustment	0.74	0.08	85.37	0.01	(0.01)	0.02	(0.59)
Non-Claims Expense Adjustment	0.14	0.01	1.83	0.20	(4.35)	0.09	(0.15)
IBNR, Incentive, Paid Claims Adjustment	0.00	(3.26)	(12.76)	(8.94)	(11.80)	(12.75)	(5.28)
Total Medical Costs	298.30	297.48	373.67	284.74	273.10	270.09	300.13
GROSS MARGIN	60.38	58.87	57.34	61.75	55.54	77.08	60.03
Administrative:							
Compensation	10.08	9.18	9.95	9.77	10.32	9.33	9.55
Purchased Services	2.74	2.83	3.52	2.49	2.94	2.66	3.19
Supplies	0.62	(0.03)	0.33	0.13	0.46	0.21	0.35
Depreciation	1.85	1.84	1.83	1.81	1.82	1.96	1.80
Other Administrative Expenses	1.26	0.84	1.11	0.80	0.95	1.03	1.09
Administrative Expense Adjustment	(0.01)	(0.14)	0.10	0.52	(0.01)	2.54	0.20
Total Administrative Expenses	16.53	14.51	16.83	15.53	16.49	17.74	16.16
TOTAL EXPENSES	314.83	311.99	390.50	300.27	289.59	287.84	316.30
OPERATING INCOME (LOSS) BEFORE TAX	43.85	44.36	40.51	46.22	39.05	59.34	43.87
MCO TAX	31.98	31.89	31.66	31.44	31.32	30.98	32.39
OPERATING INCOME (LOSS) NET OF TAX	11.87	12.47	8.84	14.78	7.73	28.36	11.48
TOTAL NONOPERATING REVENUE (EXPENSE)	(1.29)	(3.18)	(3.20)	(3.53)	2.36	(6.25)	(3.01)
NET INCREASE (DECREASE) IN NET POSITION	10.57	9.29	5.64	11.25	10.09	22.10	8.47
MEDICAL LOSS RATIO	89.4%	89.9%	90.2%	88.3%	89.9%	82.2%	90.0%
ADMINISTRATIVE EXPENSE RATIO	6.1%	5.4%	6.6%	6.0%	6.9%	6.9%	6.0%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED JUNE 30, 2022	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
REVENUES						
Title XIX - Medicaid - Family & Other						
27,477,512	26,847,524	629,988	Premium - Medi-Cal	162,801,648	40,048,375	122,753,273
2,917,029	2,764,572	152,457	Premium - Maternity Kick	15,605,732	16,587,434	(981,702)
525,802	469,573	56,229	Premium - Enhanced Care Management	3,104,781	2,788,053	316,728
139,634	131,328	8,306	Premium - Major Organ Transplant	826,133	778,248	47,885
795,520	493,092	302,428	Premium - Cal AIM	4,806,610	2,912,967	1,893,643
924,204	761,459	162,745	Premium - BHT Kick	4,115,499	4,498,361	(382,862)
4,073,365	4,036,382	36,983	Premium - Provider Enhancement	24,163,197	23,848,701	314,496
209,209	204,166	5,043	Premium - Ground Emergency Medical Transportation	1,240,135	1,207,191	32,944
147,675	103,647	44,028	Premium - Behavioral Health Integration Program	2,114,769	612,301	1,502,468
30,211	-	30,211	Premium - Vaccine Incentive	1,045,357	-	1,045,357
364,822	-	364,822	Premium - Student Behavioral Health Incentive	364,822	-	364,822
126,401	109,024	17,377	Other	748,088	645,088	103,000
37,731,384	35,920,768	1,810,616	Total Title XIX - Medicaid - Family & Other	220,936,771	93,926,720	127,010,051
Title XIX - Medicaid - Expansion Members						
26,566,872	24,868,309	1,698,563	Premium - Medi-Cal	154,500,310	147,383,899	7,116,411
232,463	234,964	(2,501)	Premium - Maternity Kick	3,044,509	1,409,784	1,634,725
951,566	833,492	118,074	Premium - Enhanced Care Management	5,527,502	4,939,236	588,266
226,845	208,171	18,674	Premium - Major Organ Transplant	1,319,711	1,233,609	86,102
331,281	456,891	(125,610)	Premium - Cal AIM	1,954,384	2,707,926	(753,542)
6,330	-	6,330	Premium - BHT Kick	6,330	-	6,330
1,721,666	1,638,565	83,101	Premium - Provider Enhancement	10,021,198	6,711,536	3,309,662
223,300	207,454	15,846	Premium - Ground Emergency Medical Transportation	1,299,569	1,229,549	70,020
61,497	96,038	(34,541)	Premium - Behavioral Health Integration Program	854,907	569,203	285,704
27,565	-	27,565	Premium - Vaccine Incentive	331,032	-	331,032
148,933	-	148,933	Premium - Student Behavioral Health Incentive	148,933	-	148,933
34,892	29,160	5,732	Other	202,820	172,656	30,164
30,533,210	28,573,043	1,960,167	Total Title XIX - Medicaid - Expansion Members	179,211,205	166,357,397	12,853,808
Title XIX - Medicaid - SPD Members						
13,311,744	12,739,843	571,902	Premium - Medi-Cal	77,963,019	75,246,931	2,716,089
487,745	458,298	29,447	Premium - Enhanced Care Management	2,854,483	2,706,903	147,580
151,654	145,713	5,941	Premium - Major Organ Transplant	888,193	860,643	27,550
62,549	234,056	(171,507)	Premium - Cal AIM	375,112	1,382,431	(1,007,319)
697,884	774,110	(76,226)	Premium - BHT Kick	3,694,509	4,572,222	(877,713)
496,167	476,153	20,014	Premium - Provider Enhancement	2,905,907	2,812,360	93,547
148,819	143,308	5,511	Premium - Ground Emergency Medical Transportation	871,590	846,438	25,152
11,612	49,198	(37,586)	Premium - Behavioral Health Integration Program	165,690	290,584	(124,894)
6,275	-	6,275	Premium - Vaccine Incentive	72,103	-	72,103
27,982	-	27,982	Premium - Student Behavioral Health Incentive	27,982	-	27,982
15,402,431	15,020,677	381,754	Total Title XIX - Medicaid - SPD Members	89,818,588	88,718,510	1,100,078

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CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED JUNE 30, 2022	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			PHYSICIAN SERVICES			
3,643,312	3,976,620	333,308	Primary Care Physician Services	22,863,390	23,512,461	649,071
14,157,633	11,673,912	(2,483,721)	Referral Specialty Services	76,776,983	69,053,474	(7,723,509)
1,111,956	1,630,749	518,793	Urgent Care & After Hours Advise	12,191,071	9,642,323	(2,548,748)
9,000	9,000	-	Hospital Admitting Team	54,300	54,300	-
18,921,901	17,290,282	(1,631,619)	TOTAL PHYSICIAN SERVICES	111,885,744	102,262,559	(9,623,185)
			OTHER PROFESSIONAL SERVICES			
317,864	324,719	6,855	Vision Service Capitation	1,861,748	1,919,945	58,197
1,835,227	2,154,062	318,835	Medical Departments - UM Allocation *	11,174,589	12,924,372	1,749,783
1,493,794	1,535,569	41,775	Behavior Health Treatment	7,626,529	9,070,582	1,444,053
98,672	153,956	55,284	Mental Health Services	978,207	910,281	(67,926)
1,367,404	1,686,455	319,051	Other Professional Services	8,867,030	9,976,814	1,109,784
5,112,961	5,854,761	741,800	TOTAL OTHER PROFESSIONAL SERVICES	30,508,103	34,801,995	4,293,892
3,167,228	5,627,600	2,460,372	EMERGENCY ROOM	27,864,650	33,280,471	5,415,821
19,551,774	20,207,988	656,214	INPATIENT HOSPITAL	122,186,434	119,534,840	(2,651,594)
57,216	55,620	(1,596)	REINSURANCE EXPENSE PREMIUM	335,115	328,860	(6,255)
9,196,013	8,590,904	(605,109)	OUTPATIENT HOSPITAL SERVICES	51,059,472	50,816,869	(242,603)
			OTHER MEDICAL			
825,707	1,618,365	792,658	Ambulance and NEMT	7,652,498	9,568,708	1,916,210
1,056,675	697,747	(358,928)	Home Health Services & CBAS	5,267,228	4,124,792	(1,142,436)
642,907	1,106,708	463,801	Utilization and Quality Review Expenses	4,432,535	6,640,248	2,207,713
1,113,446	1,457,828	344,382	Long Term/SNF/Hospice	10,053,511	8,619,293	(1,434,218)
6,032,156	5,871,143	(161,013)	Provider Enhancement Expense - Prop. 56	35,296,564	34,712,818	(583,746)
494,051	527,182	33,131	Provider Enhancement Expense - GEMT	2,556,348	3,119,023	562,675
85,682	-	(85,682)	Vaccine Incentive Program Expense	3,167,973	-	(3,167,973)
220,783	248,883	28,100	Behaviorial Health Integration Program	3,135,366	1,472,090	(1,663,276)
1,866,858	1,761,363	(105,495)	Enhanced Care Management	10,912,428	10,434,189	(478,239)
492,226	485,131	(7,095)	Major Organ Transplant	2,895,899	2,869,605	(26,294)
1,807,413	1,184,038	(623,375)	Cal AIM Incentive Programs	7,950,043	7,003,326	(946,717)
884,167	915,333	31,166	DME/Rebates	5,432,097	5,411,376	(20,721)
15,522,071	15,873,722	351,651	TOTAL OTHER MEDICAL	98,752,490	93,975,468	(4,777,022)
478,060	463,500	(14,560)	PAY FOR PERFORMANCE QUALITY INCENTIVE	2,818,447	2,740,500	(77,947)
18,280,365	17,287,817	(992,548)	HOSPITAL DIRECTED PAYMENTS	107,325,058	102,361,589	(4,963,469)
5,129	-	(5,129)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	26,937,954	-	(26,937,954)
29,799	-	(29,799)	NON-CLAIMS EXPENSE ADJUSTMENT	(660,050)	-	660,050
(4,072,490)	-	4,072,490	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(15,606,947)	-	15,606,947
86,250,027	91,252,195	5,002,168	Total Medical Costs	563,406,470	540,103,151	(23,303,319)

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* Medical costs per DMHC regulations

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED JUNE 30, 2022	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			PHYSICIAN SERVICES			
11.41	12.87	1.46	Primary Care Physician Services	12.15	12.87	0.72
44.34	37.78	(6.56)	Referral Specialty Services	40.80	37.80	(3.00)
3.48	5.28	1.80	Urgent Care & After Hours Advise	6.48	5.28	(1.20)
0.03	0.03	0.00	Hospital Admitting Team	0.03	0.03	0.00
59.25	55.96	(3.30)	TOTAL PHYSICIAN SERVICES	59.46	55.97	(3.48)
			OTHER PROFESSIONAL SERVICES			
1.00	1.05	0.06	Vision Service Capitation	0.99	1.05	0.06
5.75	6.97	1.22	Medical Departments - UM Allocation *	5.94	7.07	1.14
4.68	4.97	0.29	Behavior Health Treatment	4.05	4.96	0.91
0.31	0.50	0.19	Mental Health Services	0.52	0.50	(0.02)
4.28	5.46	1.18	Other Professional Services	4.71	5.46	0.75
16.01	18.95	2.94	TOTAL OTHER PROFESSIONAL SERVICES	16.21	19.05	2.84
9.92	18.21	8.29	EMERGENCY ROOM	14.81	18.22	3.41
61.23	65.40	4.17	INPATIENT HOSPITAL	64.93	65.43	0.50
0.18	0.18	0.00	REINSURANCE EXPENSE PREMIUM	0.18	0.18	0.00
28.80	27.80	(1.00)	OUTPATIENT HOSPITAL SERVICES	27.13	27.81	0.68
			OTHER MEDICAL			
2.59	5.24	2.65	Ambulance and NEMT	4.07	5.24	1.17
3.31	2.26	(1.05)	Home Health Services & CBAS	2.80	2.26	(0.54)
2.01	3.58	1.57	Utilization and Quality Review Expenses	2.36	3.63	1.28
3.49	4.72	1.23	Long Term/SNF/Hospice	5.34	4.72	(0.62)
18.89	19.00	0.11	Provider Enhancement Expense - Prop. 56	18.76	19.00	0.24
1.55	1.71	0.16	Provider Enhancement Expense - GEMT	1.36	1.71	0.35
0.27	0.00	(0.27)	Vaccine Incentive Program Expense	1.68	0.00	(1.68)
0.69	0.81	0.11	Behaviorial Health Integration Program	1.67	0.81	(0.86)
5.85	5.70	(0.15)	Enhanced Care Management	5.80	5.71	(0.09)
1.54	1.57	0.03	Major Organ Transplant	1.54	1.57	0.03
5.66	3.83	(1.83)	Cal AIM Incentive Programs	4.22	3.83	(0.39)
2.77	2.96	0.19	DME	2.89	2.96	0.08
48.61	51.37	2.76	TOTAL OTHER MEDICAL	52.48	51.44	(1.04)
1.50	1.50	0.00	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.50	1.50	0.00
57.25	55.95	(1.30)	HOSPITAL DIRECTED PAYMENTS	57.03	56.03	(1.01)
0.02	0.00	(0.02)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	14.31	0.00	(14.31)
0.09	0.00	(0.09)	NON-CLAIMS EXPENSE ADJUSTMENT	(0.35)	0.00	0.35
(12.75)	0.00	12.75	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(8.29)	0.00	8.29
270.09	295.31	25.22	Total Medical Costs	299.40	295.62	(3.77)

* Medical costs per DMHC regulations

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH JUNE 30, 2022	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	JUNE 2022	YEAR TO DATE 2022
PHYSICIAN SERVICES							
Primary Care Physician Services	3,472,901	3,950,940	3,869,340	4,216,012	3,710,885	3,643,312	22,863,390
Referral Specialty Services	11,390,029	12,825,148	13,133,782	12,603,720	12,666,671	14,157,633	76,776,983
Urgent Care & After Hours Advise	2,665,800	2,534,829	2,906,730	1,462,769	1,508,987	1,111,956	12,191,071
Hospital Admitting Team	9,300	8,400	9,300	9,000	9,300	9,000	54,300
TOTAL PHYSICIAN SERVICES	17,538,030	19,319,317	19,919,152	18,291,501	17,895,843	18,921,901	111,885,744
OTHER PROFESSIONAL SERVICES							
Vision Service Capitation	298,113	299,421	320,479	313,381	312,490	317,864	1,861,748
Medical Departments - UM Allocation *	1,874,290	1,814,144	1,930,871	1,799,307	1,920,750	1,835,227	11,165,789
Behavior Health Treatment	1,143,733	984,520	1,425,684	1,406,426	1,172,372	1,493,794	7,626,529
Mental Health Services	385,915	151,598	138,742	134,047	69,233	98,672	978,207
Other Professional Services	1,338,982	1,653,027	1,439,003	1,708,384	1,360,230	1,367,404	8,867,030
TOTAL OTHER PROFESSIONAL SERVICES	5,041,033	4,902,710	5,254,779	5,361,545	4,835,075	5,112,961	30,499,303
EMERGENCY ROOM	5,209,937	5,098,972	5,150,400	5,098,584	4,139,529	3,167,228	27,864,650
INPATIENT HOSPITAL	20,610,105	20,031,970	20,232,342	20,364,608	21,395,635	19,551,774	122,186,434
REINSURANCE EXPENSE PREMIUM	53,660	53,896	57,686	56,409	56,248	57,216	335,115
OUTPATIENT HOSPITAL SERVICES	8,214,215	8,223,126	8,686,122	8,458,833	8,281,163	9,196,013	51,059,472
OTHER MEDICAL							
Ambulance and NEMT	1,321,069	1,293,500	1,339,544	1,466,846	1,405,832	825,707	7,652,498
Home Health Services & CBAS	733,519	813,833	841,676	781,545	1,039,980	1,056,675	5,267,228
Utilization and Quality Review Expenses	767,373	755,405	504,541	724,744	1,037,565	642,907	4,432,535
Long Term/SNF/Hospice	1,585,601	1,669,982	1,938,253	1,975,528	1,770,701	1,113,446	10,053,511
Provider Enhancement Expense - Prop. 56	5,806,204	5,819,707	5,888,710	5,878,051	5,871,736	6,032,156	35,296,564
Provider Enhancement Expense - GEMT	463,070	463,069	300,851	354,994	480,313	494,051	2,556,348
Vaccine Incentive Program Expense	1,143,595	1,628,354	173,216	136,387	739	85,682	3,167,973
Behavioral Health Integration Program	824,339	824,339	824,339	225,048	216,518	220,783	3,135,366
Enhanced Care Management	2,023,406	1,561,486	1,821,649	1,818,393	1,820,636	1,866,858	10,912,428
Major Organ Transplant	472,866	473,613	496,178	480,362	480,654	492,226	2,895,899
Cal AIM Incentive Programs	1,241,196	1,257,731	1,089,466	1,285,346	1,268,891	1,807,413	7,950,043
DME	881,383	973,969	570,456	1,214,663	907,459	884,167	5,432,097
TOTAL OTHER MEDICAL	17,263,621	17,534,988	15,788,879	16,341,907	16,301,024	15,522,071	98,752,490
PAY FOR PERFORMANCE QUALITY INCENTIVE	464,013	465,422	465,421	472,037	473,494	478,060	2,818,447
HOSPITAL DIRECTED PAYMENTS	17,606,870	17,654,496	17,949,134	17,905,917	17,928,276	18,280,365	107,325,058
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	230,177	24,013	26,678,156	3,898	(3,419)	5,129	26,937,954
NON-CLAIMS EXPENSE ADJUSTMENT	43,538	4,118	572,469	62,025	(1,371,999)	29,799	(660,050)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	627	(1,010,781)	(3,987,493)	(2,812,496)	(3,724,314)	(4,072,490)	(15,606,947)
Total Medical Costs	92,275,826	92,302,247	116,767,047	89,604,769	86,206,555	86,250,027	563,397,670

KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH JUNE 30, 2022	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	JUNE 2022	YEAR TO DATE 2022
PHYSICIAN SERVICES							
Primary Care Physician Services	11.23	12.73	12.38	13.40	11.76	11.41	12.15
Referral Specialty Services	36.82	41.33	42.03	40.05	40.13	44.34	40.80
Urgent Care & After Hours Advise	8.62	8.17	9.30	4.65	4.78	3.48	6.48
Hospital Admitting Team	0.03	0.03	0.03	0.03	0.03	0.03	0.03
TOTAL PHYSICIAN SERVICES	56.69	62.26	63.74	58.13	56.69	59.25	59.46
OTHER PROFESSIONAL SERVICES							
Vision Service Capitation	0.96	0.96	1.03	1.00	0.99	1.00	0.99
Medical Departments - UM Allocation *	6.06	5.85	6.18	5.72	6.08	5.75	5.94
Behavior Health Treatment	3.70	3.17	4.56	4.47	3.71	4.68	4.05
Mental Health Services	1.25	0.49	0.44	0.43	0.22	0.31	0.52
Other Professional Services	4.33	5.33	4.60	5.43	4.31	4.28	4.71
TOTAL OTHER PROFESSIONAL SERVICES	16.30	15.80	16.82	17.04	15.32	16.01	16.21
EMERGENCY ROOM	16.84	16.43	16.48	16.20	13.11	9.92	14.81
INPATIENT HOSPITAL	66.63	64.56	64.75	64.71	67.78	61.23	64.93
REINSURANCE EXPENSE PREMIUM	0.17	0.17	0.18	0.18	0.18	0.18	0.18
OUTPATIENT HOSPITAL SERVICES	26.55	26.50	27.80	26.88	26.23	28.80	27.13
OTHER MEDICAL							
Ambulance and NEMT	4.27	4.17	4.29	4.66	4.45	2.59	4.07
Home Health Services & CBAS	2.37	2.62	2.69	2.48	3.29	3.31	2.80
Utilization and Quality Review Expenses	2.48	2.43	1.61	2.30	3.29	2.01	2.36
Long Term/SNF/Hospice	5.13	5.38	6.20	6.28	5.61	3.49	5.34
Provider Enhancement Expense - Prop. 56	18.77	18.76	18.84	18.68	18.60	18.89	18.76
Provider Enhancement Expense - GEMT	1.50	1.49	0.96	1.13	1.52	1.55	1.36
Vaccine Incentive Program Expense	3.70	5.25	0.55	0.43	0.00	0.27	1.68
Behavioral Health Integration Program	2.66	2.66	2.64	0.72	0.69	0.69	1.67
Enhanced Care Management	6.54	5.03	5.83	5.78	5.77	5.85	5.80
Major Organ Transplant	1.53	1.53	1.59	1.53	1.52	1.54	1.54
Cal AIM Incentive Programs	4.01	4.05	3.49	4.08	4.02	5.66	4.22
DME	2.85	3.14	1.83	3.86	2.87	2.77	2.89
TOTAL OTHER MEDICAL	55.81	56.51	50.53	51.93	51.64	48.61	52.48
PAY FOR PERFORMANCE QUALITY INCENTIVE	1.50	1.50	1.49	1.50	1.50	1.50	1.50
HOSPITAL DIRECTED PAYMENTS	56.92	56.90	57.44	56.90	56.80	57.25	57.03
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	0.74	0.08	85.37	0.01	(0.01)	0.02	14.31
NON-CLAIMS EXPENSE ADJUSTMENT	0.14	0.01	1.83	0.20	(4.35)	0.09	(0.35)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.00	(3.26)	(12.76)	(8.94)	(11.80)	(12.75)	(8.29)
Total Medical Costs	298.30	297.48	373.67	284.74	273.10	270.09	299.40

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED JUNE 30, 2022	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
353,073	484,798	131,725	110 - Executive	2,527,476	2,783,787	256,311
222,884	234,469	11,585	210 - Accounting	1,277,621	1,406,814	129,193
336,194	359,967	23,773	220 - Management Information Systems	1,953,375	2,159,802	206,427
16,186	54,298	38,112	221 - Business Intelligence	217,965	325,788	107,823
291,350	383,664	92,314	222 - Enterprise Development	1,705,634	2,301,984	596,350
524,493	533,193	8,700	225 - Infrastructure	2,868,687	3,199,158	330,471
529,776	615,321	85,545	230 - Claims	3,402,402	3,691,926	289,524
105,055	187,947	82,892	240 - Project Management	879,744	1,127,682	247,938
166,719	180,989	14,270	310 - Health Services - Utilization Management	848,341	1,085,934	237,593
178	14,039	13,861	311 - Health Services - Quality Improvement	839	84,234	83,395
222	513	291	312 - Health Services - Education	2,975	3,078	103
34,727	50,828	16,101	313- Pharmacy	222,211	304,968	82,757
12,559	2,308	(10,251)	314 - Enhanced Care Management	50,624	13,848	(36,776)
55,430	74,558	19,128	316 -Population Health Management	376,730	447,348	70,618
36	333	297	317 - Community Based Services	104	1,998	1,894
(9,346)	-	9,346	318 - Housing & Homeless Incentive Program	-	-	-
305,807	359,942	54,135	320 - Provider Network Management	1,864,712	2,159,652	294,940
635,012	871,663	236,651	330 - Member Services	4,053,250	5,229,978	1,176,728
842,924	721,857	(121,067)	340 - Corporate Services	4,580,053	4,331,142	(248,911)
69,158	97,177	28,019	360 - Audit & Investigative Services	446,052	583,062	137,010
52,260	92,450	40,190	410 - Advertising Media	219,878	554,700	334,822
72,927	76,696	3,769	420 - Sales/Marketing/Public Relations	389,972	460,176	70,204
236,093	303,042	66,949	510 - Human Resources	1,790,163	1,818,252	28,089
811,890	(92,324)	(904,214)	Administrative Expense Adjustment	958,901	(553,944)	(1,512,845)
5,665,607	5,607,728	(57,879)	Total Administrative Expenses	30,637,709	33,521,367	2,883,658

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED JUNE 30, 2022	JANUARY 2022	FEBRUARY 2022	MARCH 2022	APRIL 2022	MAY 2022	JUNE 2022	YEAR TO DATE 2022
110 - Executive	424,308	403,286	429,743	446,418	470,648	353,073	2,527,476
210 - Accounting	233,241	178,928	252,864	163,976	225,728	222,884	1,277,621
220 - Management Information Systems (MIS)	335,777	238,917	337,588	352,426	352,473	336,194	1,953,375
221 - Business Intelligence	13,042	65,687	31,834	45,508	45,708	16,186	217,965
222 - Enterprise Development	307,654	250,898	286,566	265,813	303,353	291,350	1,705,634
225 - Infrastructure	473,799	427,685	536,529	343,776	562,405	524,493	2,868,687
230 - Claims	582,040	548,583	591,767	559,648	590,588	529,776	3,402,402
240 - Project Management	171,917	152,433	174,210	123,662	152,467	105,055	879,744
310 - Health Services - Utilization Management	139,536	126,622	128,165	132,502	154,797	166,719	848,341
311 - Health Services - Quality Improvement	277	15,545	(90)	186	(15,257)	178	839
312 - Health Services - Education	-	180	2,174	310	89	222	2,975
313- Pharmacy	39,824	36,716	38,879	36,385	35,680	34,727	222,211
314 - Enhanced Care Management	3,281	241	19	12,005	22,519	12,559	50,624
316 -Population Health Management	65,121	62,696	63,150	64,161	66,172	55,430	376,730
317 - Community Based Services	-	24	22	17	5	36	104
318 - Housing & Homeless Incentive Program	-	-	-	-	9,346	(9,346)	-
320 - Provider Network Management	327,923	326,761	325,559	269,804	308,858	305,807	1,864,712
330 - Member Services	754,477	623,424	700,611	644,994	694,732	635,012	4,053,250
340 - Corporate Services	786,930	685,514	778,083	735,005	751,597	842,924	4,580,053
360 - Audit & Investigative Services	69,757	69,895	71,016	82,269	83,957	69,158	446,052
410 - Advertising Media	11,825	27,353	55,984	38,254	34,202	52,260	219,878
420 - Sales/Marketing/Public Relations	66,531	51,460	70,326	65,913	62,815	72,927	389,972
510 - Human Resources	309,451	254,507	352,740	341,377	295,995	236,093	1,790,163
Total Department Expenses	5,116,711	4,547,355	5,227,739	4,724,409	5,208,877	4,853,717	29,678,808
ADMINISTRATIVE EXPENSE ADJUSTMENT	(1,904)	(44,283)	31,776	164,256	(2,834)	811,890	958,901
Total Administrative Expenses	5,114,807	4,503,072	5,259,515	4,888,665	5,206,043	5,665,607	30,637,709

KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF JUNE 30, 2022			
ASSETS	JUNE 2022	MAY 2022	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,139,898	\$ 1,139,898	-
Interest Receivable	600	400	200
TOTAL CURRENT ASSETS	\$ 1,140,498	\$ 1,140,298	\$ 200
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Other Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	\$ -	\$ -	\$ -
NET POSITION:			
Net Position- Beg. of Year	1,136,102	1,136,102	-
Increase (Decrease) in Net Position - Current Year	4,396	4,196	200
Total Net Position	\$ 1,140,498	\$ 1,140,298	\$ 200
TOTAL LIABILITIES AND NET POSITION	\$ 1,140,498	\$ 1,140,298	\$ 200

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED JUNE 30, 2022			YEAR-TO-DATE		
ENROLLMENT								
-	-	-	Members			-	-	-
REVENUES								
-	-	-	Premium			-	-	-
200	-	200	Interest			1,494	-	1,494
-	-	-	Other Investment Income			2,902	-	2,902
200	-	200	TOTAL REVENUES			4,396	-	4,396
EXPENSES								
-	-	-	Medical Costs			-	-	-
-	-	-	IBNR and Paid Claims Adjustment			-	-	-
-	-	-	Total Medical Costs			-	-	-
200	-	200	GROSS MARGIN			4,396	-	4,396
Administrative								
-	-	-	Management Fee Expense and Other Admin Exp			-	-	-
-	-	-	Total Administrative Expenses			-	-	-
-	-	-	TOTAL EXPENSES			-	-	-
200	-	200	OPERATING INCOME (LOSS)			4,396	-	4,396
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)			-	-	-
200	-	200	NET INCREASE (DECREASE) IN NET POSITION			4,396	-	4,396
0%	0%	0%	MEDICAL LOSS RATIO			0%	0%	0%
0%	0%	0%	ADMINISTRATIVE EXPENSE RATIO			0%	0%	0%

KERN HEALTH SYSTEMS							
MONTHLY MEMBERS COUNT							
KERN HEALTH SYSTEMS							
MEDI-CAL	2022 MEMBER MONTHS	JAN'22	FEB'22	MAR'22	APR'22	MAY'22	JUN'22
ADULT AND FAMILY							
ADULT	368,710	60,708	60,882	61,379	61,726	61,739	62,276
CHILD	843,459	139,223	139,605	140,344	141,029	141,356	141,902
SUB-TOTAL ADULT & FAMILY	1,212,169	199,931	200,487	201,723	202,755	203,095	204,178
OTHER MEMBERS							
PARTIAL DUALS - FAMILY	4,884	824	801	811	796	815	837
PARTIAL DUALS - CHILD	0	0	0	0	0	0	0
PARTIAL DUALS - BCCTP	38	4	13	6	5	5	5
FULL DUALS (SPD)							
SPD FULL DUALS	50,376	8,138	8,257	8,336	8,411	8,662	8,572
SUBTOTAL OTHER MEMBERS	55,298	8,966	9,071	9,153	9,212	9,482	9,414
TOTAL FAMILY & OTHER	1,267,467	208,897	209,558	210,876	211,967	212,577	213,592
SPD							
SPD (AGED AND DISABLED)	98,910	16,556	16,376	16,516	16,363	16,305	16,794
MEDI-CAL EXPANSION							
ACA Expansion Adult-Citizen	507,805	82,803	83,199	83,828	85,037	85,412	87,526
ACA Expansion Duals	7,618	1,086	1,148	1,270	1,324	1,369	1,421
SUB-TOTAL MED-CAL EXPANSION	515,423	83,889	84,347	85,098	86,361	86,781	88,947
TOTAL KAISER	79,753	12,787	13,032	13,253	13,407	13,552	13,722
TOTAL MEDI-CAL MEMBERS	1,961,553	322,129	323,313	325,743	328,098	329,215	333,055

KERN·HEALTH SYSTEMS

May AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1071	CLINICA SIERRA VISTA ****	1,007,991.33	1,164,224.44	SEPT., DEC. 21 HEALTH HOMES GRANT & 2020-2021 PROVIDER QUALITY CARE PROGRAM	COMMUNITY GRANTS
T1045	KAISER FOUNDATION HEALTH - HMO	521,844.41	2,486,336.94	MAY. 2022 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T3130	OPTUMINSIGHT, INC ****	452,610.00	452,610.00	ANNUAL LICENSE SOFTWARE EASYGROUP & INCREMENTAL LICENSE -YR 4	MIS INFRASTRUCTURE
T4350	COMPUTER ENTERPRISE INC.	404,026.52	1,730,527.33	MAR. & APR. 2022 PROFESSIONAL SERVICES / CONSULTING SERVICES	VARIOUS
T4982	NGC US, LLC	313,124.74	1,716,225.92	PREFUND MEMBER INCENTIVES - COVID 19 INCENTIVE PROGRAM	VARIOUS
T4165	SHI INTERNATIONAL CO. ****	201,191.91	233,653.97	SOFTWARE LICENSES & MAINTENANCE	MIS INFRASTRUCTURE
T5319	CITIUSTECH INC. ****	120,000.00	176,664.00	FAST+ PHASE 2 IMPLEMENTATION (PAYER TO PAYER DATA EXCHANGE)	MIS INFRASTRUCTURE
T5111	ENTISYS 360 ****	99,999.00	850,833.77	ANNUAL DISASTER RECOVERY CONTINUITY PROJECT	CAPITAL PROJECT/MIS INFRASTRUCTURE
T1180	LANGUAGE LINE SERVICES INC.	58,868.96	302,439.44	APR. 2022 INTERPRETATION SERVICES	MEMBER SERVICES
T5022	SVAM INTERNATIONAL INC	56,497.50	231,712.50	MAR. & APR. 2022 PROFESSIONAL SERVICES	IT BUSINESS INTELLIGENCE
T4737	TEKSYSTEMS, INC	56,388.50	160,539.50	APR. 2022 PROFESSIONAL SERVICES	IT BUSINESS INTELLIGENCE
T4733	UNITED STAFFING ASSOCIATES	45,496.92	309,777.78	APR. & MAY. 2022 TEMPORARY HELP - (11) MS; (1) HHP; (1) HE	VARIOUS
T1272	COFFEY COMMUNICATIONS INC. ****	45,097.27	60,818.50	SPRING 2022 MEMBER NEWSLETTER/APR. & MAY 2022 WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE

KERN HEALTH SYSTEMS

May AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4237	FLUIDEDGE CONSULTING, INC.	43,105.00	339,272.10	APR. 2022 CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING-CALAIM EXPANSION	VARIOUS
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	41,728.12	194,549.88	MAY 2022 EMPLOYEE HEALTH BENEFITS	VARIOUS
T2584	UNITED STATES POSTAL SVC.-HASLER ****	40,000.00	160,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T4460	PAYSPAN, INC ****	39,729.47	93,229.30	MAR. & APR. 2022 ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5421	PREMIER ACCESS INSURANCE COMPANY	38,949.55	186,143.83	MAY. 2022 EMPLOYEE DENTAL BENEFITS PREMIUM	VARIOUS
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	37,960.00	121,550.00	APR. 2022 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T5398	GOLDEN EMPIRE GLEANERS ****	35,747.69	35,747.69	NOV. 2021 PROVIDER GRANT PROGRAM	COMMUNITY GRANT
T1861	CERIDIAN HCM, INC ****	35,612.00	105,708.45	APR. & MAY 2022 MONTHLY SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T5322	MANINDER KHALSA	33,540.00	97,935.50	APR. 2022 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK ****	32,500.00	49,500.00	2021 AUDIT FEES	FINANCE
T4483	INFUSION AND CLINICAL SERVICES, INC	32,208.35	591,534.41	TOC & COPD CLINIC GRANTS	COMMUNITY GRANT
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	31,214.24	953,917.58	FEB., MAR. & APR. 2022 PROFESSIONAL SERVICES & EDI CLAIM PROCESSING	VARIOUS
T4193	STRIA LLC	28,732.78	187,541.79	APR. 2022 OCR SERVICES AND PROFESSIONAL SERVICES	VARIOUS

KERN·HEALTH SYSTEMS

May AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4452	WELLS FARGO	26,284.45	122,968.11	MAY - ACH MISC CREDIT CARD PURCHASES	VARIOUS
T5389	ADAKC ****	24,766.90	26,016.90	OCT. 2021 & FEB. 2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANT
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	24,727.98	146,652.16	APR. 2022 EDI CLAIM PROCESSING	CLAIMS
T2167	PG&E	22,291.55	108,020.98	MAY 2022 USAGE / UTILITIES	CORPORATE SERVICES
T5426	UNIVERSAL HEALTHCARE SERVICES, INC ****	21,546.78	49,546.78	APR. 2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANT
T4657	DAPONDE SIMPSON ROWE PC ****	20,909.00	141,614.81	MAR.2022 LEGAL FEES	VARIOUS
T5435	TEGRIA SERVICES GROUP - US, INC	20,000.00	53,500.00	APR. 2022 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T5483	JOSE GARAY, APLC ****	19,999.00	19,999.00	LEGAL FEES	ADMINISTRATION
T5145	CCS ENGINEERING FRESNO INC.	18,750.00	92,200.00	APR. & MAY 2022 JANITORIAL & ADDITIONAL DAY PORTER	CORPORATE SERVICES
T4792	KP LLC ****	17,096.63	36,330.44	PRENATAL GUIDE/POSTPARTUM GUIDE, KERN PROVIDER DIRECTORY	VARIOUS
T5488	SALUSKY LAW GROUP ****	15,417.00	15,417.00	LEGAL FEES	ADMINISTRATION

KERN HEALTH SYSTEMS

May AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5275	CREATIVE FINANCIAL STAFFING, LLC	15,109.12	40,059.92	RECRUITMENT FEE - BUSINESS INTELLIGENCE ANALYST I	HUMAN RESOURCES
T1183	MILLIMAN USA ****	14,444.75	14,444.75	MAR. 2022 TNE & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T5329	RELAY NETWORK, LLC ****	13,333.34	33,333.35	MAR. & APR. 2022 TEXT MESSAGING SUBSCRIPTION	MIS INFRASTRUCTURE
T5337	CAZADOR CONSULTING GROUP INC	12,756.82	127,219.88	APR. & MAY 2022 TEMPORARY HELP - (1) MS; (1) UM; (1) QI; (1) IT; (1) HR	VARIOUS
T5300	CENTRAL VALLEY OCCUPATIONAL MEDICAL GROUP, INC ****	12,480.00	45,920.00	MAR. 2022 COVID-19 TESTING	HUMAN RESOURCES
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING ****	12,150.90	60,416.73	APR. 2022 EMPLOYEE PREMIUM - ACCIDENT & CRITICAL ILLNESS	VARIOUS
T5366	CONCUR TECHNOLOGIES, INC ****	12,065.65	12,065.65	OCT. 2021 - APR. 2022 SAP PROFESSIONAL SERVICES	FINANCE
T2726	DST PHARMACY SOLUTIONS, INC.	10,113.80	169,063.91	APR. 2022 PHARMACY CLAIMS	PHARMACY
		4,188,407.93			
	TOTAL VENDORS OVER \$10,000	4,188,407.93			
	TOTAL VENDORS UNDER \$10,000	278,195.10			
	TOTAL VENDOR EXPENSES- MAY	\$ 4,466,603.03			

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

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	2,486,336.94	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	1,730,527.33	PROFESSIONAL SERVICES / CONSULTING SERVICES	VARIOUS
T4982	NGC US, LLC	1,716,225.92	PREFUND MEMBER INCENTIVES - COVID 19 INCENTIVE PROGRAM	VARIOUS
T1071	CLINICA SIERRA VISTA	1,164,224.44	HEALTH HOMES GRANT & PROVIDER CARE QUALITY PROGRAM	COMMUNITY GRANTS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	953,917.58	PROFESSIONAL SERVICES & ANNUAL LICENSING	VARIOUS
T4391	OMNI FAMILY HEALTH	936,463.50	HEALTH HOMES GRANT	COMMUNITY GRANTS
T5111	ENTISYS 360	850,833.77	ACROPOLIS ANNUAL LICENSE 2022	MIS INFRASTRUCTURE
T1408	DELL MARKETING L.P.	611,163.81	HARDWARE & COMPUTER EQUIPMENT & LICENSE FEES	MIS INFRASTRUCTURE
T4483	INFUSION AND CLINICAL SERVICES, INC	591,534.41	HEALTH HOMES GRANT	COMMUNITY GRANT
T3130	OPTUMINSIGHT, INC ****	452,610.00	ANNUAL LICENSED SOFTWARE EASYGROUP & INCREMENTAL LICENSE	MIS INFRASTRUCTURE
T4237	FLUIDEDGE CONSULTING, INC.	339,272.10	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING-CALAIM EXPANSION	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4733	UNITED STAFFING ASSOCIATES	309,777.78	TEMPORARY HELP	VARIOUS
T1180	LANGUAGE LINE SERVICES INC.	302,439.44	INTERPRETATION SERVICES	MEMBER SERVICES
T4165	SHI INTERNATIONAL CO.	233,653.97	NETWORK SWITCHES WITH SUPPORT	MIS INFRASTRUCTURE
T5005	CRAYON SOFTWARE EXPERTS LLC	233,512.45	ANNUAL SOFTWARE LICENSE AND ESD AZURE OVERAGE	MIS INFRASTRUCTURE
T5022	SVAM INTERNATIONAL INC	231,712.50	PROFESSIONAL SERVICES	IT BUSINESS INTELLIGENCE
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	194,549.88	VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS
T4193	STRIA LLC	187,541.79	OCR SERVICES AND PROFESSIONAL SERVICES	VARIOUS
T5421	PREMIER ACCESS INSURANCE COMPANY	186,143.83	EMPLOYEE DENTAL BENEFITS PREMIUM	VARIOUS
T5319	CITIUSTECH INC.	176,664.00	FAST+ ANNUAL MAINTENANCE & SUPPORT	MIS INFRASTRUCTURE
T2726	DST PHARMACY SOLUTIONS, INC.	169,063.91	PHARMACY CLAIMS	PHARMACY
T4737	TEKSYSTEMS, INC.	160,539.50	PROFESSIONAL SERVICES	IT BUSINESS INTELLIGENCE
T2584	UNITED STATES POSTAL SVC. - HASLER	160,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2469	DST HEALTH SOLUTIONS, LLC.	156,427.30	ANNUAL ACG LICENSE & SUPPORT	BUSINESS INTELLEGENCE
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	146,652.16	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4657	DAPONDE SIMPSON ROWE PC	141,614.81	LEGAL FEES	VARIOUS
T4699	ZEOMEGA, INC.	130,388.46	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4452	WELLS FARGO	122,968.11	ACH- MISC CREDIT CARD PURCHASES	VARIOUS
T5337	CAZADOR CONSULTING GROUP INC	127,219.88	TEMPORARY HELP	VARIOUS
T4582	HEALTHX, INC.	124,728.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	121,550.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T5360	SYNERGY PHARMACY SOLUTIONS INC.	108,900.00	2021 KOMOTO ASTHMA PROGRAM	POPULATION HEALTH MANAGEMENT
T2167	PG&E	108,020.98	USAGE / UTILITIES	CORPORATE SERVICES
T1861	CERIDIAN HCM, INC.	105,708.45	MONTHLY SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5322	MANINDER KHALSA	97,935.50	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4353	TWE SOLUTIONS, INC	93,590.40	INTERNAL AUDIT SOFTWARE	MIS INFRASTRUCTURE
T4460	PAYSPAN, INC	93,229.30	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5145	CCS ENGINEERING FRESNO INC.	92,200.00	JANITORIAL & ADDITIONAL DAY PORTER	CORPORATE SERVICES
T3011	OFFICE ALLY, INC	88,383.25	EDI CLAIM PROCESSING	CLAIMS
T4686	CENTRIC HEALTH	86,939.92	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T2933	SIERRA PRINTERS, INC	77,810.77	PRINTING OF MEMBER EDUCATION MATERIAL/PROVIDER DIRECTORY/BUSINESS CARDS	VARIOUS
T3001	MERCER	76,000.00	PROFESSIONAL SERVICES	HUMAN RESOURCES
T2458	HEALTHCARE FINANCIAL, INC	75,000.00	PROFESSIONAL SERVICES	ADMINISTRATION
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	73,600.00	2022 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T1128	HALL LETTER SHOP	70,238.88	MEMBER ID CARDS, MEMBER SURVEY & MAIL PREP, NEW MEMBER PACKETS	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
WT/ACH	USPS	70,000.00	FUND KHS POSTAL ONE/EPS ACCOUNT	CORPORATE SERVICES
T4963	LINKEDIN CORPORATION	63,954.00	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES
T4052	RAHUL SHARMA	61,591.19	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT
T5333	CENTRAL CALIFORNIA ASTHMA COLLABORATIVE	61,559.59	PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T1272	COFFEY COMMUNICATIONS INC.	60,818.50	MEMBER NEWSLETTER/WEBSITE IMPLEMENTATION	HEALTH EDUCATION/MEDIA & ADVERTISING
T1005	COLONIAL LIFE & ACCIDENT	60,416.73	LIFE INSURANCE PREMIUM	VARIOUS
T5292	ALL'S WELL HEALTH CARE SERVICES	58,505.08	TEMPORARY HELP	VARIOUS
T4708	HEALTH MANAGEMENT ASSOCIATES, INC.	55,273.75	CONSULTING SERVICES	ADMINISTRATION
T5376	KCHCC	53,700.00	COVID-19 VACCINE CAMPAIGN GRANT	HEALTH EDUCATION
T5435	TEGRIA SERVICES GROUP - US, INC.	53,500.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4585	DELANO UNION SCHOOL DISTRICT	50,000.00	COVID-19 VACCINE CAMPAIGN GRANT	HEALTH EDUCATION
T5426	UNIVERSAL HEALTHCARE SERVICES, INC	49,546.78	PROVIDER GRANT PROGRAM	COMMUNITY GRANTS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	49,500.00	2021 AUDIT FEES	FINANCE
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC	45,920.00	COVID-19 TESTING	HUMAN RESOURCES
T5420	PAYPRO ADMINISTRATORS	45,001.12	FSA EMPLOYEE BENEFIT	VARIOUS
T5340	GARTNER INC	42,391.67	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T5109	RAND EMPLOYMENT SOLUTIONS	41,110.26	TEMPORARY HELP	VARIOUS
T1022	UNUM LIFE INSURANCE CO.	41,073.40	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T5275	CREATIVE FINANCIAL STAFFING, LLC.	40,059.92	RECRUITMENT FEES	HUMAN RESOURCES
T4503	VISION SERVICE PLAN	39,767.75	EMPLOYEE HEALTH BENEFITS	VARIOUS
T5396	NYMI INC	39,040.00	WEARABLES/ SOFTWARE/MAINTENANCE FOR TRACING DEVICES	CORPORATE SERVICES
T5107	CITRIX SYSTEMS, INC.	38,250.00	ANNUAL SERVICE RENEWAL	MIS INFRASTRUCTURE
T5447	PROSPHIRE, LLC	38,000.00	CONSULTING - CLINICAL ADMINISTRATOR STAFF AUGMENTATION	UTILIZATION MANAGEMENT
T4792	KP LLC	36,330.44	PROVIDER DIRECTORIES & FORMULARY (SUPPORT/MAINT.)	PHARMACY/PROVIDER RELATIONS

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	36,296.80	HEADSETS, CABLES & ADOBE LICENSES	MIS INFRASTRUCTURE
T5121	TPX COMMUNICATIONS	36,091.79	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T5398	GOLDEN EMPIRE GLEANERS ****	35,747.69	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	34,880.12	EDI CLAIM PROCESSING	CLAIMS
T4182	THE LAMAR COMPANIES	33,575.00	OUTDOOR ADVERTISEMENT - BILLBOARDS	ADVERTISING
T5329	RELAY NETWORK, LLC	33,333.35	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T4038	POLYCLINIC MEDICAL CENTER, INC	33,100.14	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT
T5132	TIME WARNER CABLE LLC	32,506.97	INTERNET SERVICES	MIS INFRASTRUCTURE
T5286	BROOKLYNNS BOX INC.	32,350.00	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT
T5325	WADE A MCNAIR	30,000.00	LEADERSHIP ACADEMY TRAINING	HUMAN RESOURCES
T2509	USPS	29,467.33	FUND MAILING PERMIT #88	CORPORATE SERVICES
T4944	CENTRAL VALLEY FARMWORKER FOUNDATION	28,600.50	COVID EDUCATION OUTREACH SPECIALIST	PROVIDER NETWORK MANAGEMENT

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5387	NAVIA BENEFITS SOLUTIONS, INC.	28,207.23	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T4501	ALLIED UNIVERSAL SECURITY SERVICES	27,780.17	ONSITE SECURITY	CORPORATE SERVICES
T4496	VOX NETWORK SOLUTIONS, INC	27,715.89	TELSTRAT LICENSES & ANNUAL HOSTING	MIS INFRASTRUCTURE
T2961	SOLUTION BENCH, LLC	27,600.00	2022/2023 ANNUAL M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE
T2851	SINCLAIR TELEVISION OF BAKERSFIELD, LLC	27,530.00	ADVERTISEMENT - MEDIA	MARKETING
T4607	AGILITY RECOVERY SOLUTIONS INC.	26,509.00	PROFESSIONAL SERVICES	ADMINISTRATION
T4563	SPH ANALYTICS	26,127.90	2021/2022 PROVIDER SATISFACTION SURVEYS	MEMBER SERVICES
T5389	ADAKC ****	26,016.90	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T3986	JACQUELYN S. JANS	26,000.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING
T2918	STINSONS	25,451.81	2022 OFFICE SUPPLIES	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	24,999.99	COMMUNITY SPONSORSHIP	ADMINISTRATION
T2441	LAURA J. BREZINSKI	24,100.00	MARKETING MATERIALS	MARKETING
T5317	PRESIDIO NETWORKED SOLUTIONS GROUP LLC.	23,612.50	NUTANIX HARDWARE & SOFTWARE - SECURITY PROGRAM ASSESSMENT	MIS INFRASTRUCTURE
T4785	COMMGAP	23,583.75	INTERPRETATION SERVICES	HEALTH EDUCATION
T4731	LOGMEIN USA, INC.	23,137.81	INTERNET SERVICES	MIS INFRASTRUCTURE
T5480	PRESS GANEY ASSOCIATES LLC	22,500.00	PROVIDER AND MEMBER SATISFACTION SURVEYS	VARIOUS
T2413	TREK IMAGING INC	21,977.89	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T5377	TELEHEALTHDOCS MEDICAL GROUP	21,027.06	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT
T4216	NEXSTAR BROADCASTING INC	20,650.00	ADVERTISEMENT - MEDIA	MARKETING
T5408	MARY HARRIS	20,640.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4059	KERN VALLEY HEALTHCARE DISTRICT	20,277.50	2022 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5483	JOSE GARAY, APLC ****	19,999.00	LEGAL FEES	ADMINISTRATION
T2446	AT&T MOBILITY	19,615.15	CELLULAR PHONE/INTERNET USAGE	MIS INFRASTRUCTURE
T3092	LINKS FOR LIFE, INC.	18,600.00	COMMUNITY RESOURCES GRANT PROGRAM	COMMUNITY GRANT
T4514	A.J. KLEIN, INC. T.DENATALE, B. GOLDNER	17,837.00	LEGAL FEES	ADMINISTRATION
T5313	HEALTH LITERACY INNOVATIONS, LLC	17,505.00	LITERACY ADVISOR ANNUAL SOFTWARE LICENSE	MIS INFRASTRUCTURE
T2969	AMERICAN BUSINESS MACHINES INC	17,375.94	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T1152	MICHAEL K. BROWN LANDSCAPE & MAINTENANCE CO. II	15,928.91	2022 BUILDING MAINTENANCE	CORPORATE SERVICE
T5455	HC2 STRATEGIES, INC ****	15,782.00	CALAIM ROUNDTABLE SUPPORT	COMMUNITY SUPPORT SERVICES
T5488	SALUSKY LAW GROUP ****	15,417.00	LEGAL FEES	ADMINISTRATION
T5411	EVA C BUCH	15,127.75	RN REMOTE HOURS	UTILIZATION MANAGEMENT-UM
T4466	SMOOTH MOVE USA ****	14,667.15	OFF SITE STORAGE	CORPORATE SERVICES
T1183	MILLIMAN USA ****	14,444.75	CY2020/2021 TNE & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4265	SIERRA SCHOOL EQUIPMENT COMPANY	12,919.54	OFFICE FURNITURE	CORPORATE SERVICES
T1986	BOYS AND GIRLS CLUB OF BAKERSFIELD	12,500.00	COMMUNITY SPONSORSHIP	MARKETING
T2938	SAP AMERICA, INC	12,308.32	SAP BUSINESS OBJECTS SOFTWARE ANNUAL MAINTENANCE FEE	BUSINESS INTELLIGENCE
T5401	KERN MEDICAL SUPPLY, LLC	12,262.15	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5366	CONCUR TECHNOLOGIES, INC ****	12,065.65	2021 - 2022 SAP PROFESSIONAL SERVICES	FINANCE
T5161	INTEGRATED HEALTHCARE ASSOCIATION ****	12,011.08	CONSULTING SERVICES	PROVIDER NETWORK MANAGEMENT
T1655	KERN, KXXX, KISV, KGEO, KGFM, KEBT, KZOZ, KKJG, KVEC, KSTT, KRQK, KPAT,	12,000.00	DIGITAL ADS	MARKETING
T5450	OPEN REEL	12,000.00	EMPLOYEE TRAINING EQUIPMENT	HUMAN RESOURCES
T4993	LEGALSHIELD ****	11,836.45	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION
T5281	THE MISSION AT KERN COUNTY ****	11,247.13	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4873	L5 HEALTHCARE SOLUTIONS, INC	11,192.50	ANNUAL LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	CLAIMS
T5434	CHARGEPOINT, INC.	10,864.00	EV CHARGERS 2YR MAINTENANCE	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4523	BERKSHIRE LIFE INSURANCE COMPANY OF AMERICA ****	10,747.03	EMPLOYEE PREMIUM	ADMINISTRATION
T5336	TEAMDYNAMIX SOLUTIONS LLC	10,306.00	SOFTWARE LICENSE	MIS INFRASTRUCTURE
T1347	ADVANCED DATA STORAGE ****	10,085.30	STORAGE AND SHREDDING SERVICES	CORPORATE SERVICES
T4228	THE SSI GROUP, LLC ****	10,017.20	EDI CLAIM PROCESSING	CLAIMS
		<u>19,191,182.29</u>		
	TOTAL VENDORS OVER \$10,000	19,191,182.29		
	TOTAL VENDORS UNDER \$10,000	481,833.95		
	TOTAL VENDOR EXPENSES-YTD	<u>19,673,016.24</u>		

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

KERN·HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	520,289.71	3,006,626.65	JUN. 2022 EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4982	NGC US, LLC	280,000.00	1,996,225.92	PREFUND MEMBER INCENTIVES - COVID 19 INCENTIVE PROGRAM	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	264,414.08	1,994,941.41	APR. & MAY 2022 PROFESSIONAL SERVICES / CONSULTING SERVICES	VARIOUS
T1071	CLINICA SIERRA VISTA	214,742.98	1,378,967.42	FEB. & MAR. 2022 HEALTH HOMES GRANT & PROVIDER CARE QUALITY GRANT PROGRAM	COMMUNITY GRANTS
T5466	ZIPARI, INC ****	134,875.28	134,875.28	APR., MAY & JUN. 2022 JIVA MEMBER PORTAL	MIS INFRASTRUCTURE
T1408	DELL MARKETING L.P. ****	104,986.60	716,150.41	HARDWARE- (2) PRECISION 5820 TOWER, (5) THUNDERBOLT DOCKING & JAN.-APR. 2022 AZURE OVERAGES	MIS INFRASTRUCTURE
T4699	ZEOMEGA, INC. ****	77,674.00	208,062.46	APR. 2022 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4217	CONTEXT 4 HEALTHCARE, INC. ****	75,142.83	75,142.83	AMA ROYALTY FEE & CPT RENEWAL	MIS INFRASTRUCTURE
T4737	TEKSYSTEMS, INC	68,958.00	229,497.50	MAY 2022 PROFESSIONAL SERVICES	IT BUSINESS INTELLIGENCE
T4237	FLUIDEDGE CONSULTING, INC.	62,385.00	401,657.10	MAY 2022 CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING-CALAIM EXPANSION	VARIOUS
T4165	SHI INTERNATIONAL CO.	56,951.85	290,605.82	SOFTWARE LICENSES & MAINTENANCE	MIS INFRASTRUCTURE

KERN HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	56,290.00	177,840.00	MAY 2022 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T5185	HOUSING AUTHORITY COUNTY OF KERN ****	53,250.00	53,250.00	AUG.-DEC. 2021 PROFESSIONAL SERVICES	POPULATION HEALTH MANAGEMEN
T4733	UNITED STAFFING ASSOCIATES	51,350.00	361,127.78	MAY. 2022 TEMPORARY HELP - (11) MS; (1) HHP; (1) HE	VARIOUS
T5486	ALLIED GENERAL CONTRACTORS, INC ****	46,045.76	51,925.76	BUILDING IMPROVEMENTS	CORPORATE SERVICES
T3011	OFFICE ALLY, INC. ****	41,176.25	129,559.50	APR. & MAY 2022 EDI CLAIMS PROCESSING	CLAIMS
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	40,557.31	235,107.19	JUN. 2022 EMPLOYEE HEALTH BENEFITS	VARIOUS
T2584	UNITED STATES POSTAL SVC.-HASLER	40,000.00	200,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5421	PREMIER ACCESS INSURANCE COMPANY	38,586.85	224,730.68	MAY. 2022 EMPLOYEE DENTAL BENEFITS PREMIUM	VARIOUS
T3449	CDW GOVERNMENT ****	38,546.87	74,843.67	HARDWARE- COMPUTER MONITORS & DOCKS	MIS INFRASTRUCTURE
T5322	MANINDER KHALSA	37,472.50	135,408.00	MAY 2022 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T2167	PG&E	33,614.53	141,635.51	JUN. 2022 USAGE / UTILITIES	CORPORATE SERVICES
T2918	STINSON'S ****	32,493.30	57,945.11	DEPOSIT FOR 8 SUPERVISOR WORKSTATIONS & MISC OFFICE SUPPLIES	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4193	STRIA LLC	32,348.94	219,890.73	MAY 2022 OCR SERVICES AND PROFESSIONAL SERVICES	VARIOUS
T5275	CREATIVE FINANCIAL STAFFING, LLC	27,350.00	67,409.92	RECRUITMENT FEE - SYSTEMS ARCHITECT	HUMAN RESOURCES
T5367	ADVENTIST HEALTH DELANO ****	26,219.44	26,219.44	APR. & MAY 2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	26,024.13	172,676.29	MAY 2022 EDI CLAIM PROCESSING	CLAIMS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	25,854.70	979,772.28	APR. & MAY 2022 PROFESSIONAL SERVICES & EDI CLAIM PROCESSING	VARIOUS
T5319	CITIUSTECH INC.	21,249.00	197,913.00	FAST+ PHASE 2 IMPLEMENTATION	MIS INFRASTRUCTURE
T5435	TEGRIA SERVICES GROUP - US, INC	21,000.00	74,500.00	MAY 2022 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T1861	CERIDIAN HCM, INC	20,607.24	126,315.69	APR.,MAY & JUN. 2022 MONTHLY SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T2458	HEALTHCARE FINANCIAL, INC. ****	20,500.00	95,500.00	APR. 2022 PROFESSIONAL SERVICES	ADMINISTRATION
T4483	INFUSION AND CLINICAL SERVICES, INC	19,320.00	610,854.41	TOC & COPD CLINIC GRANTS	COMMUNITY GRANT
T4695	EDIFECS, INC. ****	18,487.13	18,487.13	SEP. 2021-APR. 2022 PROFESSIONAL SERVIES	MIS ENTERPRISE DEVELOPMENT
T5145	CCS ENGINEERING FRESNO INC.	18,450.00	110,650.00	MAY & JUN. 2022 JANITORIAL & ADDITIONAL DAY PORTER	CORPORATE SERVICES
T4460	PAYSPAN, INC	17,800.32	111,029.62	MAY 2022 ELECTRONIC CLAIMS/PAYMENTS	FINANCE

KERN HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T5337	CAZADOR CONSULTING GROUP INC	17,796.87	145,016.75	MAY 2022 TEMPORARY HELP - (1) MS; (1) UM; (1) QI; (1) IT; (1) HR	VARIOUS
T4963	LINKEDIN CORPORATION ****	17,775.00	81,729.00	RECRUITING - ANNUAL RENEWAL	HUMAN RESOURCES
T2787	SAGE SOFTWARE, INC ****	17,401.92	17,401.92	LICENSE RENEWAL	FINANCE
T4688	VANGUARD MEDICAL CORPORATION ****	16,655.54	16,655.54	JUL. 2021- APR. 2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5496	GAMEDAY SPORTS ACADEMY ****	16,200.00	16,200.00	BASKETBALL SPONSORSHIP FOR 15 CHILDREN	MARKETING
T4657	DAPONDE SIMPSON ROWE PC	16,161.00	157,775.81	APR. 2022 LEGAL FEES	VARIOUS
T5377	TELEHEALTHDOCS MEDICAL GROUP ****	15,291.62	36,318.68	APR. & MAY 2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5479	TRANSFORMING LOCAL COMMUNITIES, INC ****	13,724.23	13,724.23	APR. 2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5333	CENTRAL CALIFORNIA ASTHMA COLLABORATIVE ****	13,491.74	75,051.33	MAR. 2022 PROVIDER GRANT PROGRAM & 2ND QTR 2022 AIM	COMMUNITY GRANTS
T1128	HALL LETTER SHOP ****	12,982.50	83,221.38	MEMBER HANDBOOK & WELCOME LETTERS	MEMBER SERVICES
T1183	MILLIMAN USA	12,733.50	27,178.25	MAR. 2022 TNE & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING	12,089.54	72,506.27	MAY 2022 EMPLOYEE PREMIUM - ACCIDENT & CRITICAL ILLNESS	VARIOUS
T3057	TOUCH OF GLASS ****	11,850.00	11,850.00	PRESSURE WASH BUILDING EXTERIOR	CORPORATE SERVICES
T2941	KERN PRINT SERVICES INC. ****	11,390.61	20,756.40	LETTERHEAD AND ENVELOPES	CORPORATE SERVICES

KERN·HEALTH SYSTEMS

June AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T4652	BAKERSFIELD SYMPHONY ORCHESTRA ****	10,833.35	35,833.34	2021-2022 SPONSORSHIP	ADMINISTRATION
T5215	RICHARD GARCIA ****	10,800.00	10,800.00	MAY 2022 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T1180	LANGUAGE LINE SERVICES INC.	10,603.83	313,043.27	APR. & MAY. 2022 INTERPRETATION SERVICES	MEMBER SERVICES
T3084	KERN COUNTY-COUNTY COUNSEL ****	10,296.40	13,982.70	MAR. - MAY 2022 LEGAL FEES	ADMINISTRATION
T2726	DST PHARMACY SOLUTIONS, INC.	10,166.29	179,230.20	MAY 2022 PHARMACY CLAIMS	PHARMACY
T3446	WITT/KIEFFER INC ****	10,112.41	12,426.27	FEB. & MAR. RECRUITMENT FEES - CEO SEARCH	HUMAN RESOURCES
T5488	SALUSKY LAW GROUP	10,000.00	25,417.00	LEGAL FEES	ADMINISTRATION
		2,943,370.95			
	TOTAL VENDORS OVER \$10,000	2,943,370.95			
	TOTAL VENDORS UNDER \$10,000	329,833.48			
	TOTAL VENDOR EXPENSES- JUNE	\$ 3,273,204.43			

Note:

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

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	3,006,626.65	EMPLOYEE HMO HEALTH BENEFITS PREMIUM	VARIOUS
T4982	NGC US, LLC	1,996,225.92	PREFUND MEMBER INCENTIVES - COVID 19 INCENTIVE PROGRAM	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	1,994,941.41	PROFESSIONAL SERVICES / CONSULTING SERVICES	VARIOUS
T1071	CLINICA SIERRA VISTA	1,378,967.42	2022 HEALTH HOMES GRANT & PROVIDER CARE QUALITY GRANT PROGRAM	COMMUNITY GRANTS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	979,772.28	PROFESSIONAL SERVICES & ANNUAL LICENSING	VARIOUS
T4391	OMNI FAMILY HEALTH	936,463.50	HEALTH HOMES GRANT	COMMUNITY GRANTS
T5111	ENTISYS 360	850,833.77	ACROPOLIS ANNUAL LICENSE 2022	MIS INFRASTRUCTURE
T1408	DELL MARKETING L.P.	716,150.41	HARDWARE & COMPUTER EQUIPMENT & LICENSE FEES	MIS INFRASTRUCTURE
T4483	INFUSION AND CLINICAL SERVICES, INC	610,854.41	HEALTH HOMES GRANT	COMMUNITY GRANT
T3130	OPTUMINSIGHT, INC	452,610.00	ANNUAL LICENSED SOFTWARE EASYGROUP & INCREMENTAL LICENSE	MIS INFRASTRUCTURE
T4237	FLUIDEDGE CONSULTING, INC.	401,657.10	CONSULTING SERVICES/UPDATE TO STANDARD BUSINESS REPORTING-CALAIM EXPANSION	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4733	UNITED STAFFING ASSOCIATES	361,127.78	TEMPORARY HELP	VARIOUS
T1180	LANGUAGE LINE SERVICES INC.	313,043.27	INTERPRETATION SERVICES	MEMBER SERVICES
T4165	SHI INTERNATIONAL CO.	290,605.82	NETWORK SWITCHES WITH SUPPORT	MIS INFRASTRUCTURE
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	235,107.19	VOLUNTARY LIFE, AD&D INSURANCE PREMIUM	VARIOUS
T5005	CRAYON SOFTWARE EXPERTS LLC	233,512.45	ANNUAL SOFTWARE LICENSE AND ESD AZURE OVERAGE	MIS INFRASTRUCTURE
T5022	SVAM INTERNATIONAL INC	231,712.50	PROFESSIONAL SERVICES	IT BUSINESS INTELLIGENCE
T4737	TEKSYSTEMS, INC.	229,497.50	PROFESSIONAL SERVICES	IT BUSINESS INTELLIGENCE
T5421	PREMIER ACCESS INSURANCE COMPANY	224,730.68	EMPLOYEE DENTAL BENEFITS PREMIUM	VARIOUS
T4193	STRIA LLC	219,890.73	OCR SERVICES AND PROFESSIONAL SERVICES	VARIOUS
T4699	ZEOMEGA, INC.	208,062.46	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T2584	UNITED STATES POSTAL SVC. - HASLER	200,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T5319	CITIUSTECH INC.	197,913.00	FAST+ ANNUAL MAINTENANCE & 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
T2726	DST PHARMACY SOLUTIONS, INC.	179,230.20	PHARMACY CLAIMS	PHARMACY
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	177,840.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	172,676.29	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4657	DAPONDE SIMPSON ROWE PC	157,775.81	LEGAL FEES	VARIOUS
T2469	DST HEALTH SOLUTIONS, LLC.	156,427.30	ANNUAL ACG LICENSE & SUPPORT	BUSINESS INTELLEGENGE
T5337	CAZADOR CONSULTING GROUP INC	145,016.75	TEMPORARY HELP	VARIOUS
T2167	PG&E	141,635.51	USAGE / UTILITIES	CORPORATE SERVICES
T4452	WELLS FARGO	136,583.00	ACH- MISC CREDIT CARD PURCHASES	VARIOUS
T5322	MANINDER KHALSA	135,408.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T5466	ZIPARI, INC ****	134,875.28	2022 JIVA MEMBER PORTAL	MIS INFRASTRUCTURE
T3011	OFFICE ALLY, INC	129,559.50	EDI CLAIM PROCESSING	CLAIMS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1861	CERIDIAN HCM, INC.	126,315.69	MONTHLY SUBSCRIPTION FEES/PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT	HUMAN RESOURCES
T4582	HEALTHX, INC.	124,728.00	MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T4460	PAYSPAN, INC	111,029.62	ELECTRONIC CLAIMS/PAYMENTS	FINANCE
T5145	CCS ENGINEERING FRESNO INC.	110,650.00	JANITORIAL & ADDITIONAL DAY PORTER	CORPORATE SERVICES
T5360	SYNERGY PHARMACY SOLUTIONS INC.	108,900.00	2021 KOMOTO ASTHMA PROGRAM	POPULATION HEALTH MANAGEMENT
T2458	HEALTHCARE FINANCIAL, INC	95,500.00	PROFESSIONAL SERVICES	ADMINISTRATION
T4353	TWE SOLUTIONS, INC	93,590.40	INTERNAL AUDIT SOFTWARE	MIS INFRASTRUCTURE
T4686	CENTRIC HEALTH	86,939.92	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T3001	MERCER	85,000.00	PROFESSIONAL SERVICES	HUMAN RESOURCES
T1128	HALL LETTER SHOP	83,221.38	MEMBER ID CARDS, MEMBER SURVEY & MAIL PREP, NEW MEMBER PACKETS	VARIOUS
T4963	LINKEDIN CORPORATION	81,729.00	ANNUAL ONLINE TRAINING FOR ALL EMPLOYEES	HUMAN RESOURCES

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2933	SIERRA PRINTERS, INC	78,393.02	PRINTING OF MEMBER EDUCATION MATERIAL/PROVIDER DIRECTORY/BUSINESS CARDS	VARIOUS
T4217	CONTEXT 4 HEALTHCARE, INC ****	75,142.83	AMA ROYALTY FEE & CPT RENEWAL	MIS INFRASTRUCTURE
T5333	CENTRAL CALIFORNIA ASTHMA COLLABORATIVE	75,051.33	PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T3449	CDW GOVERNMENT	74,843.67	HEADSETS, CABLES & ADOBE LICENSES	MIS INFRASTRUCTURE
T5435	TEGRIA SERVICES GROUP - US, INC.	74,500.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	73,600.00	2022 ANNUAL DUES ASSESSMENT	ADMINISTRATION
T1005	COLONIAL LIFE & ACCIDENT	72,506.27	LIFE INSURANCE PREMIUM	VARIOUS
WT/ACH	USPS	70,000.00	FUND KHS POSTAL ONE/EPS ACCOUNT	CORPORATE SERVICES
T5275	CREATIVE FINANCIAL STAFFING, LLC.	67,409.92	RECRUITMENT FEES	HUMAN RESOURCES
T5292	ALL'S WELL HEALTH CARE SERVICES	66,158.74	TEMPORARY HELP	VARIOUS
T1272	COFFEY COMMUNICATIONS INC.	65,446.51	MEMBER NEWSLETTER/WEBSITE IMPLEMENTATION	HEALTH EDUCATION/MEDIA & ADVERTISING

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4708	HEALTH MANAGEMENT ASSOCIATES, INC.	62,823.75	CONSULTING SERVICES	ADMINISTRATION
T4052	RAHUL SHARMA	61,591.19	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT
T2918	STINSONS	57,945.11	2022 OFFICE SUPPLIES	VARIOUS
T5376	KCHCC	53,700.00	COVID-19 VACCINE CAMPAIGN GRANT	HEALTH EDUCATION
T5185	HOUSING AUTHORITY COUNTY OF KERN ****	53,250.00	2021 HOUSING AUTHORITY GRANT	POPULATION HEALTH MANAGEMENT
T5486	ALLIED GENERAL CONTRACTORS, INC ****	51,925.76	BUILDING IMPROVEMENTS	CORPORATE SERVICES
T4585	DELANO UNION SCHOOL DISTRICT	50,000.00	COVID-19 VACCINE CAMPAIGN GRANT	HEALTH EDUCATION
T5426	UNIVERSAL HEALTHCARE SERVICES, INC	49,546.78	PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	49,500.00	2021 AUDIT FEES	FINANCE
T1022	UNUM LIFE INSURANCE CO.	49,199.80	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T4503	VISION SERVICE PLAN	47,982.15	EMPLOYEE HEALTH BENEFITS	VARIOUS
T5420	PAYPRO ADMINISTRATORS	46,701.12	FSA EMPLOYEE BENEFIT	VARIOUS

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5300	CENTRAL VALLEY OCCUPATION MEDICAL GROUP, INC	45,920.00	COVID-19 TESTING	HUMAN RESOURCES
T5109	RAND EMPLOYMENT SOLUTIONS	45,083.54	TEMPORARY HELP	VARIOUS
T5121	TPX COMMUNICATIONS	43,415.80	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T5340	GARTNER INC	42,391.67	ANNUAL LEADERS INDIVIDUAL ACCESS ADVISOR - PROFESSIONAL SERVICES	MIS ADMINISTRATION
T4792	KP LLC	40,370.25	PROVIDER DIRECTORIES & FORMULARY (SUPPORT/MAINT.)	PHARMACY/PROVIDER RELATIONS
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	40,260.88	EDI CLAIM PROCESSING	CLAIMS
T5396	NYMI INC	39,040.00	15 WEARABLES/ SOFTWARE/MAINTENANCE FOR TRACING DEVICES	CORPORATE SERVICES
T5132	TIME WARNER CABLE LLC	39,008.43	INTERNET SERVICES	MIS INFRASTRUCTURE
T5107	CITRIX SYSTEMS, INC.	38,250.00	ANNUAL SERVICE RENEWAL	MIS INFRASTRUCTURE
T5447	PROSPHIRE, LLC	38,000.00	CONSULTING - CLINICAL ADMINISTRATOR STAFF AUGMENTATION	UTILIZATION MANAGEMENT
T4038	POLYCLINIC MEDICAL CENTER, INC	37,348.65	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4182	THE LAMAR COMPANIES	36,447.00	OUTDOOR ADVERTISEMENT - BILLBOARDS	ADVERTISING
T5286	BROOKLYNNS BOX INC.	36,350.00	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT
T5377	TELEHEALTHDOCS MEDICAL GROUP	36,318.68	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	35,833.34	COMMUNITY SPONSORSHIP	ADMINISTRATION
T5398	GOLDEN EMPIRE GLEANERS	35,747.69	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5389	ADAKC	34,453.97	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5329	RELAY NETWORK, LLC	33,333.35	TEXT MESSAGING SUBSCRIPTION	CAPITAL PROJECT
T3986	JACQUELYN S. JANS	31,250.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING
T2413	TREK IMAGING INC	30,636.27	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T4607	AGILITY RECOVERY SOLUTIONS INC.	30,296.00	PROFESSIONAL SERVICES	ADMINISTRATION
T5325	WADE A MCNAIR	30,000.00	LEADERSHIP ACADEMY TRAINING	HUMAN RESOURCES

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Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2509	USPS	29,467.33	FUND MAILING PERMIT #88	CORPORATE SERVICES
T4785	COMMGAP	29,162.50	INTERPRETATION SERVICES	HEALTH EDUCATION
T4944	CENTRAL VALLEY FARMWORKER FOUNDATION	28,600.50	COVID EDUCATION OUTREACH SPECIALIST	PROVIDER NETWORK MANAGEMENT
T4501	ALLIED UNIVERSAL SECURITY SERVICES	28,483.42	ONSITE SECURITY	CORPORATE SERVICES
T5387	NAVIA BENEFITS SOLUTIONS, INC.	28,207.23	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS
T2441	LAURA J. BREZINSKI	28,150.00	MARKETING MATERIALS	MARKETING
T4496	VOX NETWORK SOLUTIONS, INC	27,815.07	TELSTRAT LICENSES & ANNUAL HOSTING	MIS INFRASTRUCTURE
T2961	SOLUTION BENCH, LLC	27,600.00	2022/2023 ANNUAL M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE

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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	27,530.00	ADVERTISEMENT - MEDIA	MARKETING
T1183	MILLIMAN USA	27,178.25	CY2020/2021 TNE & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T5367	ADVENTIST HEALTH DELANO ****	26,219.44	PROVIDER GRANT PROGRAM 2021-2022	COMMUNITY GRANT
T4563	SPH ANALYTICS	26,127.90	2021/2022 PROVIDER SATISFACTION SURVEYS	MEMBER SERVICES
T5488	SALUSKY LAW GROUP	25,417.00	LEGAL FEES	ADMINISTRATION
T5408	MARY HARRIS	24,945.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4059	KERN VALLEY HEALTHCARE DISTRICT	24,195.68	2022 PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T5317	PRESIDIO NETWORKED SOLUTIONS GROUP LLC.	23,612.50	NUTANIX HARDWARE & SOFTWARE - SECURITY PROGRAM ASSESSMENT	MIS INFRASTRUCTURE
T4731	LOGMEIN USA, INC.	23,137.81	INTERNET SERVICES	MIS INFRASTRUCTURE
T2446	AT&T MOBILITY	23,079.64	CELLULAR PHONE/INTERNET USAGE	MIS INFRASTRUCTURE

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Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5480	PRESS GANEY ASSOCIATES LLC	22,500.00	PROVIDER AND MEMBER SATISFACTION SURVEYS	VARIOUS
T5455	HC2 STRATEGIES, INC	21,728.00	CALAIM ROUNDTABLE SUPPORT	COMMUNITY SUPPORT SERVICES
T4514	A.J. KLEIN, INC. T.DENATALE, B. GOLDNER	21,368.89	LEGAL FEES	ADMINISTRATION
T3092	LINKS FOR LIFE, INC.	21,100.00	COMMUNITY RESOURCES GRANT PROGRAM	COMMUNITY GRANT
T2941	KERN PRINT SERVICES INC. ****	20,756.40	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T4216	NEXSTAR BROADCASTING INC	20,650.00	ADVERTISEMENT - MEDIA	MARKETING
T5483	JOSE GARAY, APLC	19,999.00	LEGAL FEES	POPULATION HEALTH MANAGEMENT
T2969	AMERICAN BUSINESS MACHINES INC	19,509.43	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T4695	EDIFECS, INC ****	18,487.13	ANNUAL TSM MAINTENANCE	MIS INFRASTRUCTURE
T1152	MICHAEL K. BROWN LANDSCAPE & MAINTENANCE CO. II	18,228.91	2022 BUILDING MAINTENANCE	CORPORATE SERVICE
T4466	SMOOTH MOVE USA	17,870.91	OFF SITE STORAGE	CORPORATE SERVICES
T5411	EVA C BUCH	17,767.75	RN REMOTE HOURS	UTILIZATION MANAGEMENT-UM

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Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5313	HEALTH LITERACY INNOVATIONS, LLC	17,505.00	LITERACY ADVISOR ANNUAL SOFTWARE LICENSE	MIS INFRASTRUCTURE
T2787	SAGE SOFTWARE, INC ****	17,401.92	2022-23 SAGE300 ERP SILVER BUSINESS ANNUAL LICENSE	FINANCE
T4688	VANGUARD MEDICAL CORPORATION ****	16,655.54	2021-2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5496	GAMEDAY SPORTS ACADEMY ****	16,200.00	BASKETBALL SPONSORSHIP FOR 15 CHILDREN	MARKETING
T4259	SKARPHOL ASSOCIATES ****	14,980.50	PROFESSIONAL SERVICES - BUILDING IMPROVEMENTS	CORPORATE SERVICES
T5366	CONCUR TECHNOLOGIES, INC	14,941.55	2021 - 2022 SAP PROFESSIONAL SERVICES	FINANCE
T1986	BOYS AND GIRLS CLUB OF BAKERSFIELD	14,084.00	COMMUNITY SPONSORSHIP	MARKETING
T5161	INTEGRATED HEALTHCARE ASSOCIATION	14,044.04	CONSULTING SERVICES	PROVIDER NETWORK MANAGEMENT
T3084	KERN COUNTY-COUNTY COUNSEL ****	13,982.70	LEGAL FEES	ADMINISTRATION
T5281	THE MISSION AT KERN COUNTY	13,732.77	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5479	TRANSFORMING LOCAL COMMUNITIES, INC ****	13,724.23	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS

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Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4265	SIERRA SCHOOL EQUIPMENT COMPANY	12,919.54	OFFICE FURNITURE	CORPORATE SERVICES
T1347	ADVANCED DATA STORAGE	12,868.81	STORAGE AND SHREDDING SERVICES	CORPORATE SERVICES
T3446	WITT/KNIEFFER INC ****	12,426.27	RECRUITMENT FEES - CEO SEARCH	HUMAN RESOURCES
T5395	LIVONGO HEALTH, INC ****	12,414.00	EMPLOYEE BENEFIT - VIRTUAL THERAPY	VARIOUS
T4228	THE SSI GROUP, LLC	12,411.60	EDI CLAIM PROCESSING	CLAIMS
T2938	SAP AMERICA, INC	12,308.32	SAP BUSINESS OBJECTS SOFTWARE ANNUAL MAINTENANCE FEE	BUSINESS INTELLIGENCE
T5401	KERN MEDICAL SUPPLY, LLC	12,262.15	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T4920	OTIS ELEVATOR COMPANY ****	12,056.10	2022 ELEVATOR MAINTENANCE SERVICES	CORPORATE SERVICES
T1655	KERN, KXXX, KISV, KGEO, KGFM, KEBT, KZOZ, KKJG, KVEC, KSTT, KRQK, KPAT,	12,000.00	DIGITAL ADS	MARKETING
T5450	OPEN REEL	12,000.00	EMPLOYEE TRAINING EQUIPMENT	HUMAN RESOURCES
T3057	TOUCH OF GLASS ****	11,850.00	PRESSURE WASH BUILDING EXTERIOR	CORPORATE SERVICES
T4993	LEGALSHIELD	11,836.45	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION

KERN·HEALTH SYSTEMS

Year to Date AP Vendor Report

Amounts over \$10,000.00

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4873	L5 HEALTHCARE SOLUTIONS, INC	11,192.50	ANNUAL LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	CLAIMS
T4707	SHAFTER PEDIATRICS ****	10,967.11	2021/2022 PROVIDER GRANT PROGRAM	COMMUNITY GRANTS
T5434	CHARGEPOINT, INC.	10,864.00	EV CHARGERS 2YR MAINTENANCE	CORPORATE SERVICES
T5215	RICHARD GARCIA ****	10,800.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT-UM
T4523	BERKSHIRE LIFE INSURANCE COMPANY OF AMERICA	10,747.03	EMPLOYEE PREMIUM	ADMINISTRATION
T5159	AT&T CORP ****	10,654.10	INTERNET SERVICES	MIS INFRASTRUCTURE
T5336	PACWEST DIRECT ****	10,508.85	MAIL PROCESSING SERVICES	CORPORATE SERVICES
T5336	TEAMDYNAMIX SOLUTIONS LLC	10,306.00	SOFTWARE LICENSE	MIS INFRASTRUCTURE
		<u>22,411,452.14</u>		
	TOTAL VENDORS OVER \$10,000	22,411,452.14		
	TOTAL VENDORS UNDER \$10,000	536,879.67		
	TOTAL VENDOR EXPENSES-YTD	<u>22,948,331.81</u>		

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

KHS Board of Directors Meeting, August 11, 2022

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
January							
FluidEdge	\$50,000.00	Yes	PNM	Emily Duran	Interim Program Manager for ECM and PNM dept. (Katie Sykes)	1/3/2022	3/31/2022
CEI	\$93,555.00	Yes	PM	LaVonne Banks	Project Manager/Scrum Master professional resources (Mark Stepko)	1/3/2022	4/30/2022
HD Dynamics	\$53,760.00	Yes	PNM	Emily Duran	Support and consulting hours for CRM for HHP	1/3/2022	12/31/2022
Symplr	\$35,700.00	Yes	IT	Richard Pruitt	Annual support for Cactus SaaS & DEA licenses	1/6/2022	1/5/2023
Mercer	\$95,000.00	Yes	HR	Anita Martin	Compensation study for 75 KHS jobs	1/20/2022	12/31/2022
KP	\$35,000.00	Yes	HE	Isabel Silva	Prenatal, postpartum, and COVID guides insert mailing	1/2/2022	12/31/2022
Lamar	\$37,336.00	Yes	MRK	Louie Iturriria	5 Billboard Advertisement	1/24/2022	1/23/2023
Jacquelyn Jans	\$63,000.00	Yes	MRK	Louie Iturriria	Marketing and corporate image consultant	1/2/2022	12/31/2022
Poppyrock	\$99,600.00	Yes	MRK	Louie Iturriria	Graphic design for KHS/KFHC members and provider	1/2/2022	12/31/2023
February							
Gartner	\$42,391.67	Yes	IT	Richard Pruitt	Individual Access Advisor license	2/1/2022	1/31/2023
MKB Landscaping	\$30,800.00	Yes	CS	Alonso Hurtado	Weekly landscaping services	2/10/2022	2/9/2023
Dell	\$56,799.22	Yes	IT	Richard Pruitt	Dell laptops (18), Docking Stations (18), and monitors (36)	2/9/2022	2/8/2026
Coffey Communications	\$70,000.00	Yes	HE	Isabel Silva	Provider Directory Print agreement	2/15/2022	2/14/2023
ZeOmega	\$57,818.70	Yes	IT	Richard Pruitt	Member portal implementation	2/9/2022	12/31/2022
March							
Wade McNair	\$30,000.00	Yes	HR	Anita Martin	Leadership Academy Training for new and experienced leaders	3/1/2022	6/17/2022
Ceridian	\$34,170.00	Yes	HR	Anita Martin	configurations	3/10/2022	3/9/2023
HC2	\$54,756.00	Yes	PNM	Emily Duran	Needs assessment for CalAIM initiatives	3/10/2022	3/9/2023
April							
TWE Solutions	\$91,450.00	Yes	IT	Richard Pruitt	1,355 Cortex XDR Pro licenses and 100 Annual Forensics licenses	4/29/2022	4/29/2023
Citrix	\$38,250.00	Yes	IT	Richard Pruitt	403 Citrix ADC Premium Edition and Desktop licenses	4/2/2022	4/1/2023
SSI Group, LLC	\$56,000.00	Yes	Claims	Robin Dow-Morales	EDI claims and electronic transactions	4/4/2022	4/3/2024
FluidEdge	\$67,200.00	Yes	PNM	Emily Duran	Interim Program Manager, Katie Sykes	4/2/2022	6/30/2022
Dell	\$53,328.33	Yes	IT	Richard Pruitt	25 Dell 5420 Laptops and 25 Docking stations	4/21/2022	4/20/2026
Cognizant	\$54,000.00	Yes	IT	Richard Pruitt	Claims Integrity Implementation for Zelis	4/21/2022	3/20/2025
Coffey Communications	\$89,360.00	Yes	MRK	Louie Iturriria	KHS Digital platform agreement	4/1/2022	3/31/2023
May							
Dell	\$98,096.46	Yes	IT	Richard Pruitt	Dell 5520 Latitude, Qnty 49	5/18/2022	5/17/2026
Cognizant	\$99,999.00	Yes	IT	Richard Pruitt	Nutanix Xi Leap Cloud annual renewal	5/27/2022	5/26/2023

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
January							
MR2	\$44,400.00	Yes	IT	Richard Pruitt	vCISO (Virtual Chief Information Security) Services	5/26/2022	5/25/2023
June							
Milliman	\$99,900.00	Yes	ACCT	Veronica Barker	D-SNP (Base, Level and Gap Analysis)	6/1/2022	5/31/2023
HMA	\$99,000.00	Yes	ACCT	Veronica Barker	Actuarial Services (RDT, SDR's & Rate Analysis)	6/1/2022	5/31/2023
LDPq	\$40,365.00	Yes	CS	Alonso Hurtado	Support and maintenance for 3 APC InRow cooling units (1st floor)	6/4/2022	6/3/2025
Presidio	\$50,550.00	Yes	IT	Richard Pruitt	Exchange Online Migration	6/14/2022	6/13/2023
Morgan Consulting	\$65,165.00	Yes	HR	Anita Martin	Search for Director of Population Health Mgt	6/14/2022	6/13/2023
Presidio	\$57,174.00	Yes	IT	Richard Pruitt	SSRS Dashboard Discovery & Power BI implementation	6/14/2022	6/13/2023
TWE Solutions	\$99,946.40	Yes	IT	Richard Pruitt	24x7 Managed Security svcs	6/14/2022	6/13/2023
Context4 Healthcare	\$75,142.83	Yes	IT	Richard Pruitt	ICD-10 and CPT codes through AMA co-termed w/HCPCS codes	6/27/2022	6/27/2023
LDP	\$41,535.00	Yes	CS	Alonso Hurtado	Support & maint. for 3 APC cooling units	6/4/2022	6/3/2025
JLL/Technologies	\$38,752.00	Yes	CS	Alonso Hurtado	Cubicle resource scheduling app	6/28/2022	6/27/2023

KHS Board of Directors Meeting, August 11, 2022

2022 TECHNOLOGY CONSULTING RESOURCES																	REMAINING	
ITEM	PROJECT	CAP/EXP	BUDGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD	TOTAL	BALANCE
1	Community Based Organization Referral System	CA	\$370,080	\$15,440	\$30,960	\$30,140	\$20,160	\$0									\$80,120	\$284,960
2	Medical Management/Fraud, Waste, and Abuse Programs	CA	\$500,000	\$21,120	\$35,798	\$25,066	\$17,472	\$0									\$99,456	\$400,544
3	Clinical Workflow Conversion (QWV)	CA	\$472,800		\$4,826	\$51,301	\$57,336	\$40,726									\$154,889	\$317,911
4	Data Image System	CA	\$184,800	\$17,472	\$0	\$19,320	\$0	\$0									\$96,992	\$87,808
5	Analytic Software (Power BI) Migration	CA	\$124,800														\$0	\$124,800
6	Communication Software Replacement	CA	\$124,800					\$17,600									\$17,600	\$107,200
7	Staff Augmentation	EXP	\$7,998,313	\$430,586	\$399,298	\$308,540	\$364,059	\$373,337									\$1,875,770	\$6,122,543
Totals: Totals			\$9,167,595	\$464,618	\$434,278	\$472,992	\$439,026	\$431,663	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,242,577	\$6,925,018	

KERN HEALTH SYSTEMS

2022 BUDGETED FTE BY DEPARTMENT

CC	DEPARTMENT	2022 Budgeted FTE ADDITIONS	2022 Budgeted Dollar Amount	JAN 2022	FEB 2022	MARCH 2022	APRIL 2022	MAY 2022	JUNE 2022	JULY 2022	AUGUST 2022	SEPT 2022	OCT 2022	NOV 2022	DEC 2022	TOTAL 2022	Remaining Balance
220	INFORMATION TECHNOLOGY	2	332,948	-	-	11,985	13,986	18,171	26,394							70,536	262,412
221	BUSINESS INTELLIGENCE	1	99,902	-	-	-	-	-	-							-	99,902
222	ENTERPRISE DEVELOPMENT	3	499,425	-	-	-	-	10,102	7,912							17,814	481,611
230	CLAIMS	2	163,393	-	-	-	-	6,707	7,693							14,400	148,993
314	ENHANCED CARE MANAGEMENT	1	88,105	-	-	-	5,037	9,020	6,400							20,457	67,648
316	POPULATION HEALTH MANAGEMENT	6	532,141	-	-	-	-	6,814	5,364							11,778	520,363
311	QUALITY IMPROVEMENT	1	113,819	-	-	-	-	-	-							-	113,819
312	HEALTH EDUCATION	3	386,098	-	-	1,519	5,994	9,216	8,016							24,745	263,353
317	COMMUNITY SUPPORT SERVICES	2	119,270	-	-	-	6,113	15,770	13,735							35,618	83,652
320	PROVIDER NETWORK MANAGEMENT	1	84,838	-	-	-	2,492	7,301	4,909							14,702	70,136
330	MEMBER SERVICES/ENGAGEMENT	9	482,067	-	-	-	2,990	6,956	4,836							14,782	467,285
360	COMPLIANCE & REGULATORY AFFAIRS	2	227,490	-	-	7,428	7,451	19,667	14,393							48,949	178,541
810	HUMAN RESOURCES	1	95,039	-	8,988	7,302	6,403	9,125	6,347							36,093	58,946
TOTAL		31	3,126,136	-	6,516	28,634	56,465	118,938	165,398	-	-	-	-	-	-	386,954	2,816,185

Major Organ Transplant Update (Jan-July 2022)

Evaluation (133 total)

- 4 Bone Marrow
- 3 Heart
- 1 Intestine
- 79 Kidney
- 45 Liver
- 1 Lung

Waitlisted (34 total)

- 1 Bone Marrow
- 29 Kidney
- 4 Liver

Post-Transplant 2021 (7 total)

- 7 Kidney

Post-Transplant 2022 (7 total)

- 3 Bone Marrow
- 1 Kidney
- 3 Liver

Total 181

**KERN HEALTH SYSTEMS
BOARD OF DIRECTORS
NEW VENDOR CONTRACTS
August 11, 2022**

Legal Name DBA	Specialty	Address	Comments	Contract Effective Date
PAC 07/01/2022				
No Meeting				
PAC 08/03/2022				
Community Action Partnership of Kern	CSS/Housing Transition, Deposits & Tenancy & Sustaining Services	5005 Business Park North Bakersfield CA 93309		9/1/2022
Blas D. Hernandez MD	Anesthesiology	3850 San Dimas Street Bakersfield CA 93301		9/1/2022
Movement Space Physical Therapy Inc	Physical Therapy	1811 Oak Street Ste 150 Bakersfield CA 93301		9/1/2022
Pacific Health Education Cognitive Center Inc	Psychiatry	5300 California Ave Ste 220 Bakersfield CA 93309		9/1/2022
Strive Medical LLC	DME	5500 Ming Ave Ste 395 Bakersfield CA 93309		9/1/2022
West Coast DME & Supplies LLC dba: Orthokinetix	DME	1835 Chicago Ave Ste. A Riverside CA 92507		9/1/2022

**KERN HEALTH SYSTEMS
BOARD OF DIRECTORS
TERMED CONTRACTS
August 11, 2022**

Legal Name DBA	Specialty	Address	Comments	Term Effective Date
C. Vincent Phillips, MD Inc	General Surgery	9300 Stockdale Hwy Ste. 300 Bakersfield CA	Retired	3/31/2022
Javier E. Miro, MD Inc.	General Surgery	9300 Stockdale Hwy Ste. 300 Bakersfield CA	Retired	3/31/2022
Renaissance Imaging Medical Associates, Inc.	Radiology	44105 W 15th Street Ste. 100 Lancaster CA	Change of Ownership	3/31/2022
Farzin Shariatmadari, MD	General Surgery	3838 San Dimas St Ste. B-231 Bakersfield CA	Retired	6/7/2022
Amwest Inc.	Transportation	13257 Saticoy Street North Hollywood CA	Voluntary Termed Contract	6/20/2022



TO: KHS Board of Directors
FROM: Alan Avery, COO
DATE: August 11, 2022
RE: 2nd Quarter 2022 Operations Report

The Kern Health Systems Operational Departments continued to meet, and in many cases exceed, all regulatory and health plan performance metrics and goals during the 2nd Quarter of 2022. Despite the lingering effects of the COVID-19 pandemic, the Plan continues to ensure provider claims are processed in a timely and accurate manner, and member inquiries and questions are adequately addressed. All plan operational units continue to work efficiently and effectively together, all while a significant portion of the staff are working remotely. The Plan continues to meet our operational performance metrics while experiencing an increase of provider claims, continued enrollment growth, incoming and outbound telephone volume remaining steady, and an uptick in member grievance submissions.

Claims

Incoming provider claims receipts for the 2nd Quarter of 2022 reflected a 4% increase, or 40,000 claims, over the 1st Quarter of 2022. Based on current claims submission trends, we project we will receive 3.8 million claims in 2022, a 400,000 increase over 2021. This increase is attributed to continued member growth, lack of member redeterminations in 2022, and potential back-to-care claims volume. Even though claim receipts continue to increase, we are not concerned with this increased volume, as 98% of claims continue to be submitted electronically, with only 2% of claims received on paper. Paper claims are forwarded to a local partner (Stria) who scans and converts them into an electronic file format, allowing them to load electronically into the KHS claims workflow. Once loaded into the claims workflow, the QNXT core system processes them automatically. Auto adjudication of claims, meaning claims received and processed without any manual intervention, continued to remain strong during the quarter, averaging 87%. Improvements in electronic claim submission, combined with increased auto adjudication of claims, has greatly decreased processing time, improved quality, and increased timely payments to providers. The Claims Department continues to meet all regulatory payment requirements for the quarter, including claims processing timeliness and inventory measures.

In January 2022, the Claims Department implemented the Claim Provider Call Center, in which provider questions and concerns are addressed in real time by Claims Department staff. Previously, providers would call the Member Services Department, leave a message, and Claims processors would return the call. Provider calls are now routed directly to Claims staff, without the requirement to speak with a Member Service Representative or leave a message. The staff responding to these calls are seasoned Claims III processors who can resolve most calls immediately or with minimal follow up. During the 2nd Quarter of 2022, the Claims Provider Call Center staff received 8,647 calls.

Member Services

The Member Services Department call volume remained in line with the past several quarters, averaging 1,100 calls per day. All regulatory call center metrics (abandonment rate, average speed to answer, and average talk time) continue to be met. The top five reasons members call Member Services remained in line with the prior quarter: (1) New Member questions, (2) Changing PCP, (3) Making demographic changes, (4) ID Card Replacement and (5) Referral status. Outbound phone activity remained at the same level as previous quarters. In order to meet the growing number of member requests for real time ID card replacement, we began printing ID cards on demand and allowing members to pick them up at the building. As of July 1st, members are once again welcomed back into the building to meet with Member Services Representatives to address their issues or concerns in person. We continue to successfully manage phone activity by encouraging members to obtain their own personal account on the KHS Member Portal, powered by the Zipari/HealthX platform. Currently 50,303 of our members have online accounts, allowing them to perform all the top five reasons they would normally call the Member Services Department.

Provider Network Management

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

In the 2nd Quarter of 2022, the Plan's network of Primary Care Providers (PCP) remained consistent, with 441 PCPs, equivalent to the end of the prior quarter. The Plan's network of Specialty providers increased slightly, adding 6 new net specialists. From a regulatory reporting perspective, there are 16 core specialties that we continually monitor: Cardiology, Dermatology, Endocrinology, Gastroenterology, General Surgery, Hematology, HIV/AIDS/Infectious Disease, Nephrology, Neurology, Oncology, Ophthalmology, Orthopedic Surgery, Otolaryngology (ENT), Physical Medicine, Psychiatry, and Pulmonology. Our complete contracted provider network increased by 79 net providers over the 1st Quarter of 2022, for a total of 2,619 providers.

The Provider Network Management Department monitors network capacity/adequacy via a Full-Time Equivalency (FTE) provider to member ratio, based on regulatory requirements. For PCPs, the regulatory standard is one FTE PCP for every 2,000 members; as of the 2nd Quarter of 2022, the Plan maintains a network of one FTE PCP for every 1,938 members, meeting the requirement. The Plan is also required to maintain a network of one FTE physician for every 1,200 members; as of the 2nd Quarter of 2022, the Plan maintains a network of one FTE Physician for every 704 members, meeting the requirement. Even as our membership continues to grow, the Plan's network continues to meet all regulatory capacity/adequacy requirements. The Plan's Provider Network Management Department maintains ongoing recruitment and contracting efforts to promote network growth and ensure access to care for Plan members.

On a quarterly basis, the Plan's Provider Network Management Department conducts an appointment availability survey. Per Plan policy and regulatory requirements, PCPs are required to offer a non-urgent appointment within 10 days of request; the results of the survey found an average wait of 6.5 days for this appointment type, meeting the requirement. Specialist providers are required to offer a non-urgent appointment within 15 days of request; the results of the survey found an average wait of 9.5 days for this appointment type, meeting the requirement.

Human Resources

During the 2nd Quarter of 2022, the Human Resources Department continued to perform ongoing staff recruitment and new employee orientation to meet the expanding personnel needs of the Plan. During the quarter, there was a net increase of 19 new staff on-boarded by Human Resources, bringing the staffing level to 478. Employee turnover is 8.8%, year to date.

Grievance Report

The volume of Formal grievances during the 2nd Quarter of 2022 remained in line with the prior quarter. The Plan did experience significant growth in the volume of Exempt grievances, increasing from 1,404 to 2,087, a 48% increase.

As required by the Department of Healthcare Services (DHCS), we continue to report a new grievance category – discrimination. DHCS All Plan Letter (APL) 21-004 requires the Plan to forward copies of all member grievances within 10 days to the DHCS Office of Civil Rights, when members allege discrimination on the basis of any characteristic protected by federal or state nondiscrimination laws. This includes sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental ability, physical disability, medical condition, genetic information, marital status, gender, gender identity, sexual orientation, creed, or health status. The Plan received 34 grievances classified as discrimination during the 2nd Quarter of 2022, and reported these to the DHCS Office of Civil Rights.

In the 2nd Quarter of 2022, Medical Necessity Grievances/Appeals had a slight increase, in line with the increase in prior authorization requests processed by the Utilization Management Department. We believe this was the result of a backlog of authorization requests and should equalize over time. The Plan will continue to monitor and track this trend with the Utilization Management Department to take any corrective action if needed.

Exempt Grievances had a sizeable increase of 683 grievances over the 1st Quarter of 2022, a 48% increase. Member Services Department leadership discovered processing discrepancies during several grievance audits based on confusion surrounding what calls should be forwarded to the Grievance Coordinators. As a result of these audits, all calls with any dissatisfaction are forwarded to the Grievance Coordinators. This has resulted in the significant increase of Exempt and Total Grievances. The Member Services Department management is currently evaluating whether this is a one-time occurrence or an ongoing trend.

All Formal grievances are now being sent to the Quality Improvement Department for review of Potential Inappropriate Care issues. Following their review of the 965 grievances received, 334 of the decisions were upheld, 380 required further review by the Quality Improvement Department, 173 were overturned and ruled in favor of the member, and 78 cases are still under review. The Quality Improvement Department has not identified any trends that need to be addressed. The primary reason for overturning the original decision occurs when we receive additional supporting documentation from the member or the provider.

To fully understand the dynamics and relativity of the grievance volume, the Plan calculates the number of grievances received in relation to the number of medical visits and Plan enrollment. During the 2nd Quarter of 2022, there were nearly 950,000 medical visits provided to over 335,000 members. Using a per 10,000 member measurement, KHS received 9.17 grievances per month during the 2nd Quarter of 2022. Comparative data from other Medi-Cal Local Health Plans of California ranged from 3.10 - 10.12/month; KHS remained within this range for the quarter.

Transportation Update

Transportation activity during the 2nd Quarter of 2022 has begun to increase back to pre-COVID levels. The rideshare program (Uber) recorded a significant increase of 35% and the Plan saw increases in medical van ridership and member reimbursement requests, doubling from the 1st quarter.



2nd Quarter 2022
Operational Report

Alan Avery
Chief Operating Officer

2nd Quarter 2022 Claims Department Indicators

Activity	Goal	2022 2 nd Quarter	Status	1 st Quarter	4 th Quarter	3 rd Quarter	2 nd Quarter
Claims Received		954,234		913,452	853,656	881,263	840,553
Electronic	95%	98%		98%	98%	98%	98%
Paper	5%	2%		2%	2%	2%	2%
Claims Processed Within 30 days	90%	99%		99%	99%	99%	98%
Claims Processed within 45 days	95%	99%		99%	99%	99%	99%
Claims Processed within 90 days	99%	100%		99%	99%	100%	99%
Claims Inventory-Under 30 days	96%	99%		99%	99%	99%	99%
31-45 days	<3%	1%		<1%	<1%	1%	1%
Over 45 days	<1%	<1%		<1%	1%	1%	0
Auto Adjudication	85%	87%		88%	87%	87%	85%
Audited Claims with Errors	<3%	2%		1%	2%	1%	1%
Claims Disputes	<5%	1%		1%	1%	1%	1%

2nd Quarter 2022 Member Service Indicators

Activity	Goal	2 nd Quarter 2022	Status	1 st Quarter 2022	4 th Quarter	3 rd Quarter	2 nd Quarter
Incoming Calls		66,410		70,459	63,724	69,132	65,968
Abandonment Rate	<5%	1.00%		3.39%	1.14%	3%	2%
Avg. Answer Speed	<2:00	:05		:23	:13	:40	:26
Average Talk Time	<8:00	7:22		7:10	8:00	8:19	8:13
Top Reasons for Member Calls	Trend	<ol style="list-style-type: none"> New Member PCP Change Demographic Changes ID Card Referrals 		<ol style="list-style-type: none"> New Member PCP Change Demo Changes Referrals ID Card 	<ol style="list-style-type: none"> New Member PCP Change Referrals Demo ID Card 	<ol style="list-style-type: none"> New Member Referrals Demo ID Card PCP Change 	Same
Outbound Calls	Trend	77,818		89,784	79,894	69,826	69,608
# of Walk Ins	Trend	0		0	0	0	0
Member Portal Accounts-Q/Total	4%	3163 50,303 (15.09%)		3640 47,937 (14.70%)	2605 44,301 (14.23%)	2842 41,697 (14.18%)	2740 38,858 (13.34%)

2nd Quarter Provider Network Indicators

Activity	Goal	2 nd Quarter	Status	1 st Quarter 2022	4 th Quarter	3 rd Quarter	2 nd Quarter
Provider Counts							
# of PCP		441		441	425	423	439
% Growth		0%		3.76%	2.84%	[3.64%]	5.28%
# of Specialist		448		442	444	422	426
% Growth		1.34%		[-.45%]	5.21%	[-.94%]	[3.40%]
FTE Ratios							
FTE PCP Ratio	1:2000	1:1938		1:1893	1:1819	1:1837	1:1742
FTE Physician Ratio	1:1200	1:704		1:685	1:671	1:680	1:620
Wait Times							
PCP	< 10 days	6.5days		4.1	2.5 days	4.2 days	3.0 days
Specialty	< 15 days	9.5 days		11.4	6.3 days	6 days	11.4 days

2nd Quarter Human Resources Indicators

Activity	Budget	2 nd Quarter	Status	1 st Quarter	4 th Quarter	3 rd Quarter	2 nd Quarter
Staffing Count	505	478		459	431	425	425
Employee Turnover	12%	8.8%		6.32%	10.83%	10.38%	10.38%
Turnover Reasons	Voluntary Involuntary Retired Deceased	65% 10% 25% 0%		85.7% 0% 14.3% 0%	60.87% 23.91% 8.70% 6.52%	66.67 23.24 3.03 6.06	63.64% 22.73% 4.54% 9.09%

2nd Quarter 2022 Grievance Report

Category	2 nd Quarter 2022	Status	Issue	Q1 2021	Q4 2021	Q3 2021	Q2 2021
Access to Care	117	Green	Appointment Availability	169	131	148	90
Coverage Dispute	0	Green	Authorizations and Pharmacy	0	0	0	0
Medical Necessity	259	Yellow	Questioning denial of service	138	266	329	308
Other Issues	20	Green	Miscellaneous	41	36	18	20
Potential Inappropriate Care	415	Green	Questioning services provided. All cases forwarded to Quality Dept.	479	256	164	183
Quality of Service	120	Green	Questioning the professionalism, courtesy and attitude of the office staff. All cases forwarded to PR Department	125	55	53	31
Discrimination (New Category)	34	Blue	Alleging discrimination based on the protected characteristics	15			
Total Formal Grievances	965	Green		967	744	712	632
Exempt	2087	Yellow	Exempt Grievances-	1404	1431	1520	1570
Total Grievances (Formal & Exempt)	3052	Green		2371	2175	2232	2202

Additional Insights-Formal Grievance Detail

Issue	2022 2 nd Quarter Grievances	Upheld Plan Decision	Further Review by Quality	Overtured Ruled for Member	Still Under Review
Access to Care	63	43	0	23	8
Coverage Dispute	0	0	0	0	0
Specialist Access	54	24	0	25	5
Medical Necessity	259	138	0	96	25
Other Issues	20	11	0	6	3
Potential Inappropriate Care	415	8	380	0	27
Quality of Service	120	90	0	23	7
Discrimination	34	31	0	0	3
Total	965	334	380	173	78

2nd Quarter 2022 Transportation Update

Operational Statistics	2 nd Quarter 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
ALC Calls	80,404	63,118	63,425	67,680	69,978
One Way Rides Scheduled	86,068	70,936	78,330	75,066	70,643
NMT	48,968	38,685	39,898	37,936	34,256
Bus Passes Distributed	878	749	1047	1065	833
GET Van Share	3720	5258	5248	8253	7619
Ride Share Rides	44,370	32,678	32,315	28,618	25,804
No Shows	4958	3866	4320	5103	3669
NEMT	37,100	32,251	38,162	37,129	36,387
Van Rides Scheduled	36,625	31,815	37,632	36,546	35,797
Gurney Rides Scheduled	475	436	530	583	590
Member Reimbursement	2975	1361	1785	2496	2377
ALC Admin Expense	\$548,696.30	\$387,173.70	\$423,776.90	\$415,333.25	\$387,345.71



To: KHS Board of Directors

From: Martha Tasinga M.D, MPH, MBA, Chief Medical Officer

Date: August 11, 2022

Re: CMO BOARD REPORT

Medical Cost and Utilization Trend Analyses: (Attachment A)

Physician Services: (PCPs, Specialists, Hospitalist, Other Professional and Urgent Care):

The metrics of performance for the physician services: cost per service, visits per 1000 and PMPM incurred costs are near budget or lower for all Aid codes including the SPDs. The top diagnosis for outpatient utilization is related to routine care: General Examinations, Routine Child Exam. The second and third diagnoses are Hypertension and Diabetes. Contact with COVID-19 is the fourth reason for utilization of professional services.

Our data consistently shows that Hypertension and Diabetes are the top chronic diseases in our population which would explain the high utilization of professional services for these diagnoses. KHS has a CDC certified Diabetic Prevention Program which we are looking for partners to expand and reach more of our members. We have also started conversations with other providers on a strategy to improve the management of Hypertension for our members. As we move into Population Health Management, patients with Hypertension and Diabetes are two targeted populations in this program.

Inpatient Services:

The metrics for measuring inpatient utilization shows decline for all Aid categories. The cost per member per month (PMPM) continues to traject lower since January. Average length of stay for hospital admissions continues to drop consistent with the cost trajectory and enough to offset higher admissions occurring in June across all aid categories.

For June 2022, the most frequent reason for inpatient utilization was pregnancy and delivery related diagnosis. The inpatient utilization for May and June was above budget for the SPDs but the cost per admission remains at or below budget for all AID categories. Root cause analysis is being done to identify the reason for the increase.

The top three hospitals used for inpatient services are Kern Medica. Bakersfield Memorial Hospital and Adventist Hospital. The latter two falling just below Kern Medical in volume. Adventist Hospital and Good Samaritan Hospital both show increases in admissions since January with Kern Medical and Bakersfield Memorial showing stable to slightly declining admissions for the same period. (**Attachment B**)

Hospital Outpatient:

Overall hospital outpatient utilization is stable and below budget for all Aid categories while cost (average cost per outpatient visit) is slightly higher on average for all aid categories. The savings in utilization as measured in visits per 1000 enrollees offsets the higher average expense to bring PMPM outpatient utilization cost inline with budget.

Health Services will be focusing on the appropriate management of chronic conditions by primary care to reduce the numbers of Provider Preventable Admissions (PPA). PPA's are defined as admissions that shouldn't occur when patients receive early and ongoing care to address their chronic condition. We have implemented an ER navigation pilot with one of our hospital partners to ensure timely follow up after ER visits. We are working with our network to ensure that members are getting appropriate care when needed augmented with other services (medical, behavioral, or social) to prevent further deterioration in their conditions leading to a hospital admission or utilization of hospital "Observation" level of care which counts here as outpatient hospital utilization.

Obstetrics Metrics:

KHS is consistently showing around 400+ deliveries each month where we have complete data available. (**Attachment C**). Since data comes from claims for births occurring within the month indicated, delays in receiving claims (hospitals typically taking 30 days to submit claims) requires looking back 30 days to get an accurate measure of new births each month. For this report, May 2022 would best indicate the latest # of deliveries occurring monthly. Kern Medical births shows wide variations month over month while Delano Regional Hospital shows a slight but steady increase in births. Other hospitals show little change month over month which is a more typical pattern. Our primary C/section rate is 17%. This is below 23% which is the State target.

Emergency Room (ER):

The PMPM cost and number of ER visits continue to be below expected benchmarks. This is a “positive” effect of COVID-19. During the pandemic people avoided crowds and only went to ERs with serious illness. It appears this may have had a lasting impact on ER access for non-emergent medical conditions. Closely watched is the unit cost compared with budget. Should the average cost be too high or too low (when compared to budget), it may indicate sicker cases showing up in ER or care being delivered that could or should be treated by the primary care physician. The trend here would indicate evidence of the latter warranting closer examination of the diagnosis to validate needing treatment in the ER.

The top diagnosis for ER visit is upper respiratory infection, Exposure to Covid-19 and urinary tract infections in that order.

Most of the ER visits are occurring at BMH (**Attachment D**).



Kern Health Systems

KHS Medical Management Performance Dashboard (Critical Performance Measurements)



Governed Reporting System

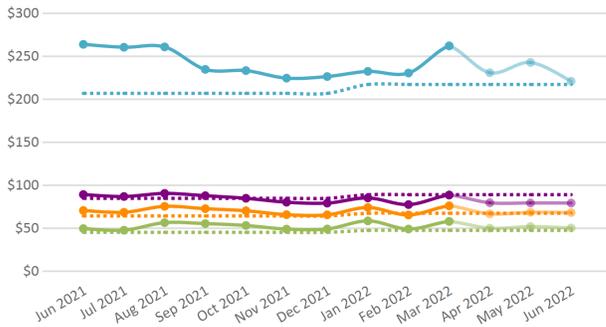


Physician Services

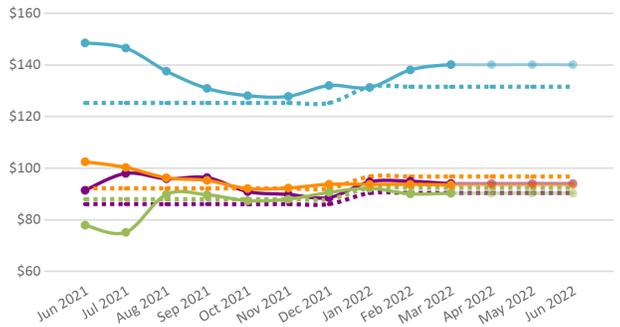
(Includes: Primary Care Physician Services, Referral Specialty Services, Other Professional Services and Urgent Care)

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

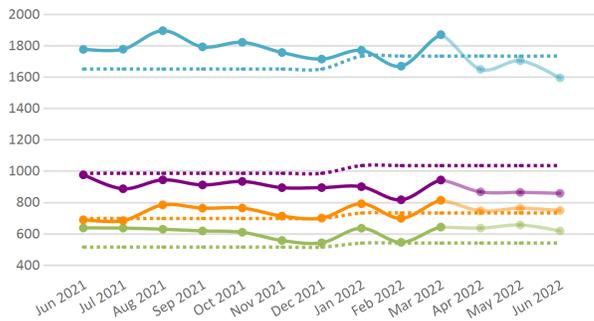
Professional Services Incurred by Aid Group PMPM



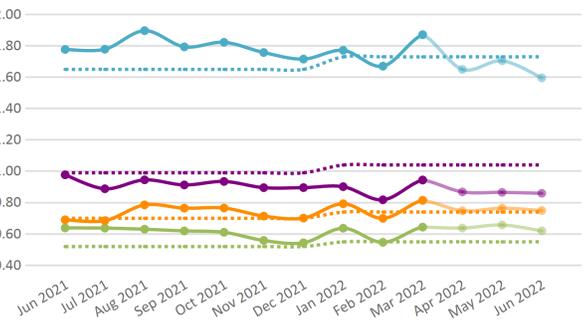
Cost per Professional Service Visit by Aid Group



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



Professional Service Visits per Member per Month by Aid Group





Governed Reporting System

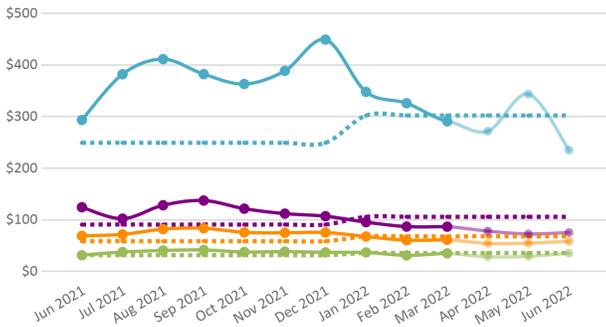


Inpatient

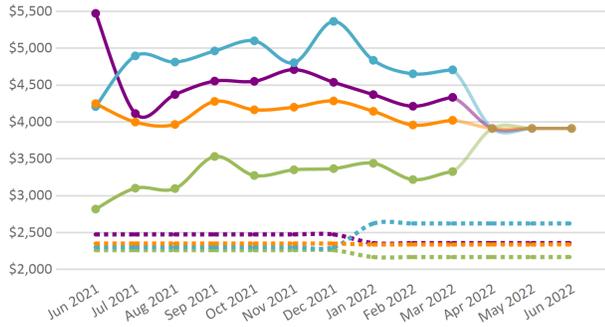
(Includes: Inpatient Hospital Claims)

- MCAL Expansion - Actual
- MCAL Family/Other - Actual
- MCAL SPD - Actual
- Total Combined - Actual
- ⋯ MCAL Expansion - Budget
- ⋯ MCAL Family/Other - Budget
- ⋯ MCAL SPD - Budget
- ⋯ Total Combined - Budget
- MCAL Expansion - Forecast
- MCAL Family/Other - Forecast
- MCAL SPD - Forecast
- Total Combined - Forecast

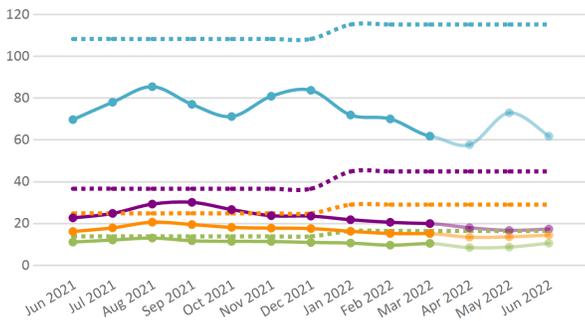
Inpatient Services Incurred by Aid Group PMPM



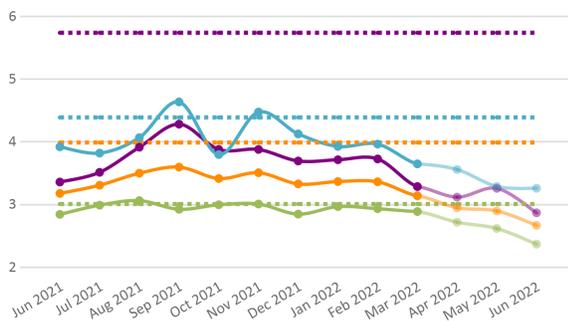
Cost Per Bed Day by Aid Group



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



Average Length of Stay in Days by Aid Group





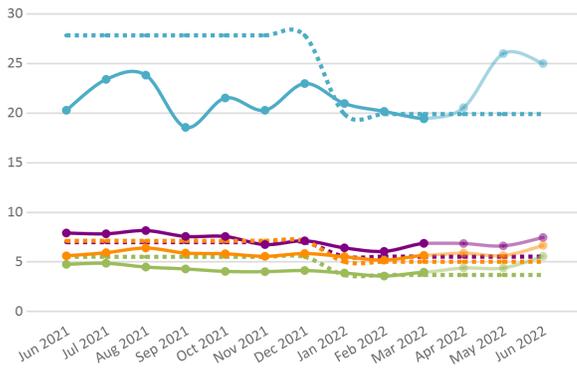
Governed Reporting System

Inpatient

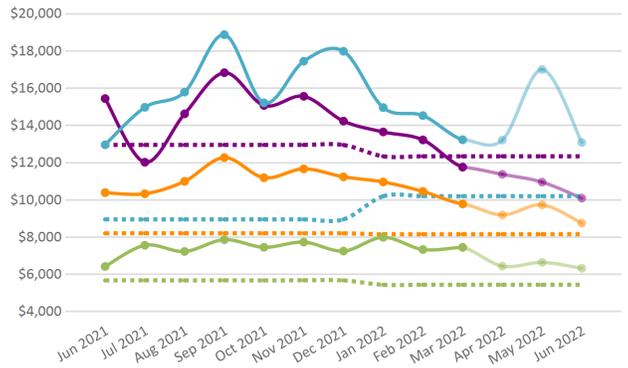
(Includes: Inpatient Hospital Claims)

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

Incurred Admits per 1,000 per Month by Aid Group



Cost per Admit by Aid Group





Governed Reporting System

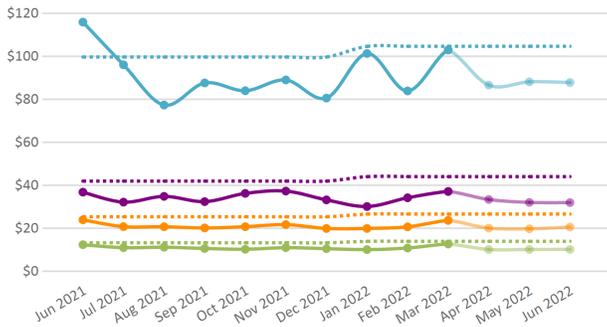


Outpatient Hospital

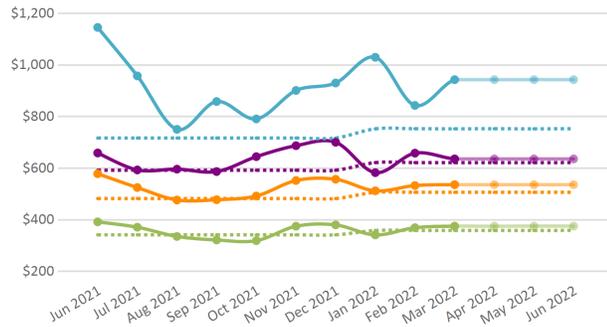
(Includes: Outpatient Diagnostic, Outpatient Surgery, Outpatient Observation, and Outpatient Other)

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

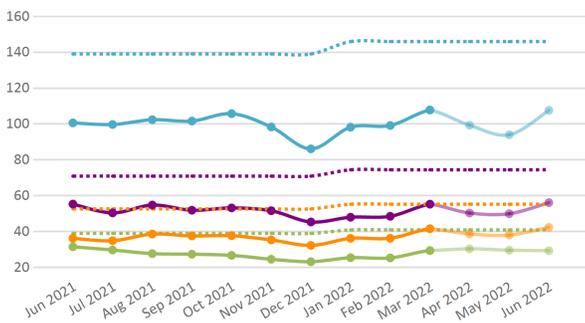
Outpatient Services Incurred by Aid Group PMPM



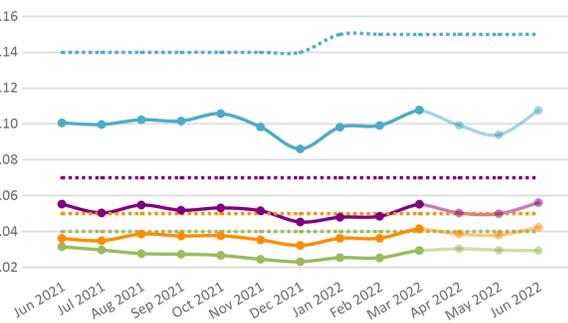
Cost Per Outpatient Visit by Aid Group



Outpatient Visits per 1,000 per Month by Aid Group



Outpatient Visits per Member per Month by Aid Group





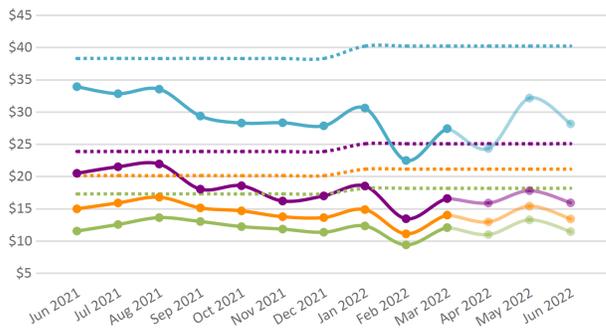
Governed Reporting System



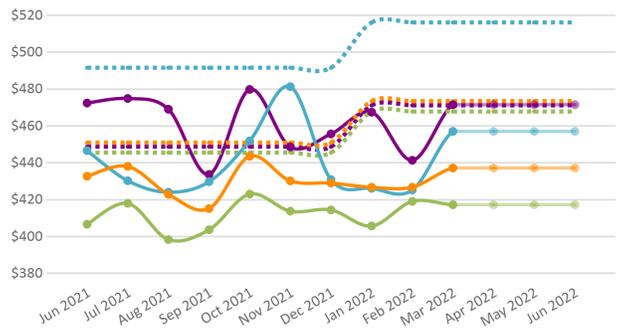
Emergency Room

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

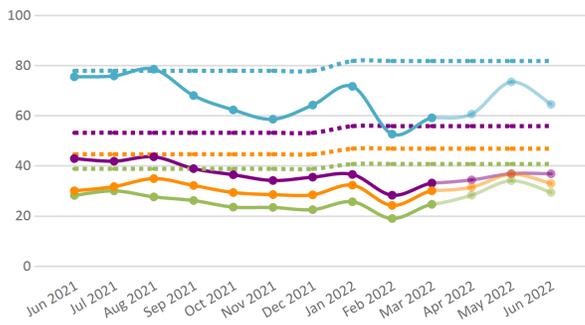
ER Services Incurred by Aid Group PMPM



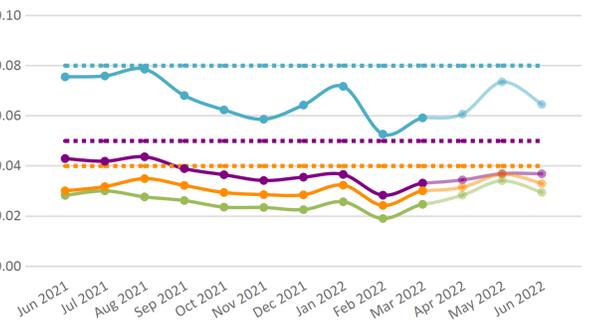
Cost Per ER Visit by Aid Group



ER Visits per 1,000 per Month by Aid Group



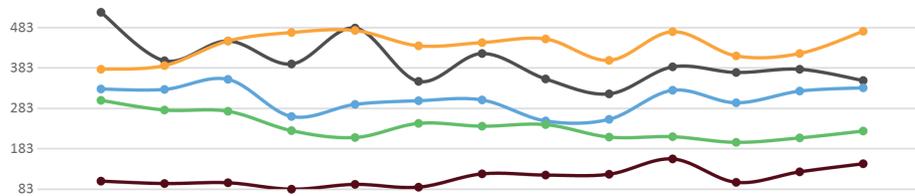
ER Visits per Member per Month by Aid Group



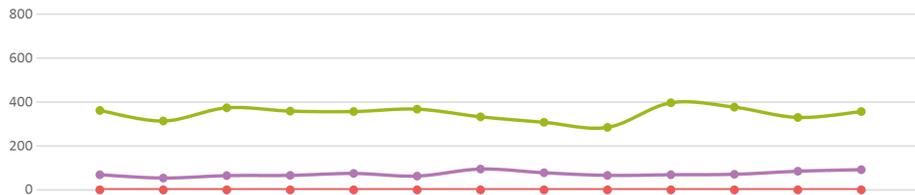


Governed Reporting System

Inpatient Admits by Hospital



	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
BAKERSFIELD MEMORIAL	521	401	450	393	482	350	419	356	319	386	372	380	352
KERN MEDICAL	380	389	450	471	476	438	446	455	402	473	413	419	474
ADVENTIST HEALTH	331	330	355	263	293	302	304	252	256	328	297	326	334
MERCY HOSPITAL	303	279	276	228	211	246	239	243	212	213	199	210	227
GOOD SAMARITAN HOSPITAL	103	97	99	83	95	88	121	118	120	158	100	126	146

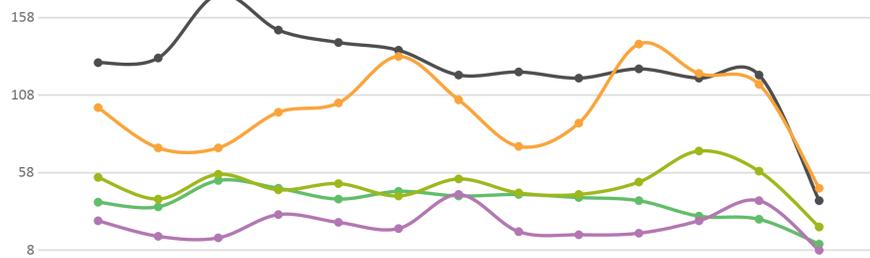


	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
DELANO REGIONAL HOSPITAL	69	54	65	66	75	63	95	78	66	69	71	85	92
OUT OF AREA	362	314	374	359	357	368	333	308	285	397	377	330	357
BAKERSFIELD HEART HOSP	36	44	35	38	34	49	39	33	38	37	22	37	42

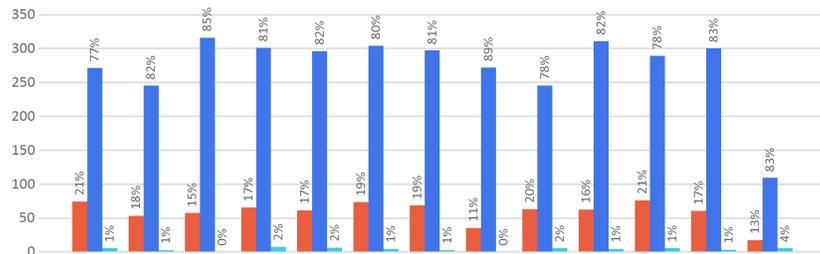


Governed Reporting System

Obstetrics Metrics



	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
BAKERSFIELD MEMORIAL	129	132	173	150	142	137	121	123	119	125	119	121	40
KERN MEDICAL	100	74	74	97	103	133	105	75	90	141	122	115	48
MERCY HOSPITAL	39	36	53	48	41	46	43	44	42	40	30	28	12
OTHER	55	41	57	47	51	43	54	45	44	52	72	59	23
DELANO REGIONAL HOSPITAL	27	17	16	31	26	22	44	20	18	19	27	40	8

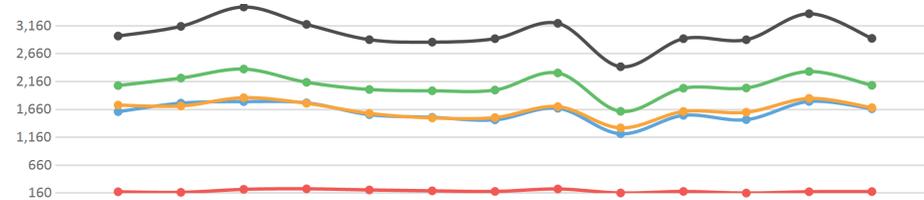


	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
VAGINAL DELIVERY	271	245	316	301	296	304	297	272	245	311	289	300	109
C-SECTION DELIVERY	74	53	57	65	61	73	68	35	63	62	76	60	17
PREVIOUS C-SECTION DELIVERY	5	2	0	7	6	4	2	0	5	4	5	3	5

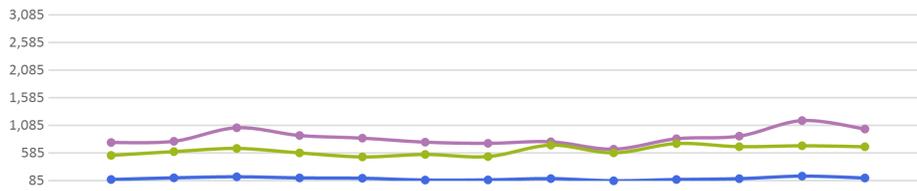


Governed Reporting System

Emergency Visits by Hospital



	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
BAKERSFIELD MEMORIAL	2,979	3,152	3,500	3,188	2,913	2,869	2,931	3,207	2,428	2,931	2,912	3,379	2,936
MERCY HOSPITAL	2,090	2,224	2,386	2,148	2,019	1,996	2,009	2,316	1,627	2,042	2,046	2,342	2,093
KERN MEDICAL	1,739	1,723	1,872	1,771	1,590	1,508	1,515	1,712	1,330	1,624	1,610	1,859	1,692
ADVENTIST HEALTH	1,621	1,774	1,801	1,780	1,567	1,520	1,474	1,682	1,224	1,554	1,477	1,804	1,673
BAKERSFIELD HEART HOSP	183	173	227	236	216	200	189	234	162	189	160	184	186



	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
DELANO REGIONAL HOSPITAL	777	799	1,043	904	856	783	762	790	656	845	892	1,173	1,021
OUT OF AREA	544	612	670	589	516	561	523	729	590	758	701	718	700
KERN VALLEY HEALTHCARE	108	138	157	137	131	98	101	124	85	108	123	169	135

KERN HEALTH SYSTEMS
CHIEF EXECUTIVE OFFICER'S REPORT
August 11, 2022
BOARD OF DIRECTORS MEETING

COMPLIANCE AND REGULATORY ACTIVITIES

The August 2022 Compliance and Regulatory Affairs Report showing recent KHS oversight activities is included under Attachment A of this report.

COVID-19 PUBLIC HEALTH EMERGENCY EXTENSION

Since early 2020, the federal Department of Health and Human Services (HHS) has continually renewed the Public Health Emergency declaration related to COVID-19. On July 15th, HHS once again renewed the PHE for another 90-days through mid-October. Declaring a PHE allows the federal government to enact numerous flexibilities. Notable to KHS, the Medi-Cal redeterminations process is currently on-hold, and various telehealth flexibilities are in place, due to the PHE. It also generally provides expanded coverage to COVID vaccines and therapeutics. It is unclear at this time if HHS will continue to renew the PHE in 90-day increments after October. HHS has committed to giving 60-days' advance notice before ending the PHE, to allow for unwinding preparations. This means we should know by mid-August whether the PHE will end in October.

STRATEGIC PLANINNING TIMILINE UPDATE

As previously reported to the Board, the new KHS three-year strategic plan will be developed later this year to guide management with planning, development and implementation of initiatives scheduled for launch between CY 2023 to 2025. These initiatives will focus on the continued implementation of the CalAIM projects that include expansion of Enhanced Care Management and Community Supports Services, focus on Population Health Management programs, Long Term Care eligible population, Dual Eligible Special Needs Plan (D-SNP) evaluation and operational preparation to enroll Medicare eligible members with Medi-Cal coverage, and NCQA preparations.

Management has engaged Pacific Health Consulting Group (PHCG) to assist in the facilitation of the creation of the Strategic Plan. The timeline for the strategic planning activities is as follows:

- July/August 2022 – Engagement with PHCG to initiate planning and timeline development. Survey Board of Directors for availability for a Strategic Planning Session in October/November.

- September 2022 – Board members and KHS executives/senior staff will receive background information and questionnaire/survey in preparation for upcoming strategic planning session.
- October/November 2022 – Board of Directors and KHS Executives to participate in a one-day strategic planning session to be held onsite at Kern Health Systems.
- November-December 2022 – From information and feedback obtained during the session, a draft version of the 2023 -2025 Three Year Strategic Plan will be developed.
- February 2023 Board Meeting – Board to adopt the 2023 -2025 Three Year Strategic Plan

PROGRAM DEVELOPMENT ACTIVITIES (UPDATES)

2024 Contract Amendment

DHCS recently announced they would be undertaking a Statewide re-procurement of the Commercial Health Plans who serve Medi-Cal. The re-procurement would be effective January 2024. Part of this process requires Plans to meet updated contract requirements which incorporate DHCS' vision to advance equity, quality, access, accountability, and transparency to reduce health disparities and improve health outcomes for Medi-Cal members. This includes many items covered under the CalAIM initiative, as well as other requirements. While KHS is not subject to the re-procurement process, all Plans will be held to the new contract standards in 2024. Thus, DHCS recently engaged KHS on preparations for the 2024 contract amendment. This includes demonstrating operational readiness over the remainder of 2022 and 2023. Currently, KHS staff are working to complete the required DHCS deliverables according to their timeline and assess the internal impacts to the organization. Further details on impacts to staffing, processes, technology, and budget will be included in 2023 planning and beyond.

CalAIM

As outlined in the 2022 Corporate Goals and the Project Portfolio, there are several CalAIM initiatives being worked on this year. This includes further expanding ECM and Community Supports to offer additional services to additional members, taking on responsibility for Long Term Care services, and aligning our Population Health Management program with DHCS' CalAIM requirements. DHCS conducted internal and external policy development throughout Q1 and Q2. Final policy guidance for initiatives effective 1/1/23 is being released publicly over the course of the year. Internal implementation efforts are also progressing for the various initiatives. Concurrently, staff are participating in policy development discussions for future CalAIM transitions in 2023 and beyond. This includes internal analysis for the future requirements related to NCQA Accreditation and the development of a Dual-Eligible Special Needs Plan (D-SNP).

Other New Benefits and Populations

The State Budget for 2021-2022 included several population and benefit changes that DHCS is implementing this year. This includes expanding Medi-Cal to undocumented immigrants aged 50 and older by 5/1/22, expanding eligibility to 12 months for postpartum individuals effective 4/1/22,

adding Community Health Workers (CHWs) as a provider type by 7/1/22, and adding Doula Services as a benefit by 1/1/23.

- Related to the older adult expansion, members received transition notices in April and March. KHS began seeing enrollment in May, with more members joining in June and July. Currently, over 3,000 members have enrolled under this transition.
- DHCS conducted a “soft launch” of Community Health Worker Services as of 7/1/22. These are non-clinical preventive services such as health education, health navigation, and screening/assessment. DHCS has communicated the availability of this benefit to Medi-Cal Providers and released information to Plans on the covered services. Internal systems have been setup for these services. Plans are awaiting further guidance from DHCS regarding certain provider requirements. Also, updates to member materials outlining this benefit are pending DHCS release.
- The addition of Doula Services is still under policy development at the State level. This service is scheduled to become effective 1/1/23. Staff continue to engage with DHCS and internally on this benefit.

LEGISLATIVE SUMMARY UPDATE - AUGUST

2022 Legislative Session

The legislature reconvened from a month-long recess on August 1st. This is the final month of the legislative session, so bills are proceeding through their final fiscal committees and floor votes. August 12th is the deadline for bills to pass their fiscal committees and be considered on the floor. KHS staff remain highly engaged with our Trade Associations in reviewing and discussing relevant bills. Of relevance is the Kaiser Permanente Bill allowing direct contracting with the State for its Medi-Cal members. This Bill allows DHCS to enter a direct contract with Kaiser Permanente (KP) as a Medi-Cal managed care plan within new geographic regions of the State, effective January 1, 2024. This proposal was originally included as part of the State Budget but was moved into a legislative proposal. The bill (AB 2724) passed the legislature and was signed into law at the end of June. Currently, KHS subcontracts with KP and assigns members with a prior history of coverage. KHS retains a small administrative fee under the current arrangement, otherwise the remaining revenue for KP members is passed along to KP. This bill would have KP contract directly with the State for those members, rather than through a subcontract with KHS. There are new additional populations eligible for KP coverage including certain dual-eligible members, foster care youth, and some unknown number of default-assigned members. The bill language was intentionally vague on these populations, so further details are still pending. KHS staff will remain engaged with DHCS as the details of this transition are developed. Further updates to the Board of Directors will be provided.

State Budget for 2022-2023

The State’s final budget for fiscal year 2022-2023 was agreed to in July. There were several items that had been tracked through the initial January release and the May Revised budget which ultimately were included in the final budget. There are notable proposals related to the Public Health Emergency unwinding, CalAIM, Medi-Cal coverage for undocumented, provider

incentives, and telehealth. More guidance will be provided by our regulators moving forward, and internal staff are conducting impact analyses to prepare for implementation. The following are some of the items approved in the budget:

- **Medi-Cal for undocumented immigrants** – Expands Medi-Cal coverage to the remaining cohort of adults between ages 26-49 regardless of immigration status, beginning no later than January 2024. There are an estimated 700,000 individuals Statewide who would transition into full Medi-Cal coverage under this initiative.
- **Equity and Practice Transformation Payments** – Would allocate \$700 million over 5 years in incentive payments to providers with the goal of advancing equity; addressing gaps in preventive, maternity, and behavioral health care measures; reducing COVID-19 driven disparities; supporting upstream interventions to address social drivers of health and improving early childhood outcomes; and preparing practices to accept risk-based contracts and move towards value-based care. It is anticipated this funding would be administered by the Managed Care Plans.
- **Telehealth** – DHCS developed a telehealth flexibilities policy which will be implemented at the end of the Public Health Emergency. This includes the continuance of payment parity for video and audio-only telehealth at the equivalent in-person rates. It also maintains FQHC and RHC originating site flexibilities which allows providers and patients to conduct services outside the physical clinic setting. And it allows for telehealth to be included in the calculation of the Plan's Network Adequacy process.
- **Public Health Emergency Unwinding** - Includes additional County workload costs related to Medi-Cal redeterminations. Also funds enrollment navigators and an outreach campaign.
- **CalAIM** – Partially delays the Long-Term Care carve-in to 7/1/23, specifically for certain intermediate care facilities. Also includes additional new enrollees which will be mandatorily enrolled into Managed Care on 1/1/23.
- **Office of Health Care Affordability** – Would create a new State office charged with increasing the transparency of pricing, developing specific cost targets for different sectors of the health care industry, and imposing financial consequences for entities failing to meet these targets.

Attachment B includes a summary bill list.

KHS AUGUST 2022 ENROLLMENT**Medi-Cal Enrollment**

As of August 1, 2022, Medi-Cal enrollment is 218,138 which represents an increase of 0.5% from July enrollment.

Seniors and Persons with Disabilities (SPDs)

As of August 1, 2022, SPD enrollment is 16,669, which represents an increase of .33% from July enrollment.

Expanded Eligible Enrollment

As of August 1, 2022, Expansion enrollment is 91,408, which represents an increase of 1.7% from July enrollment.

Kaiser Permanente (KP)

As of August 1, 2022, Kaiser enrollment is 14,024 which represents an increase of 1.3% from July enrollment.

Total KHS Medi-Cal Managed Care Enrollment

As of August 1, 2022, total Medi-Cal enrollment is 340,239 which represents an increase of .8% from July enrollment.

Membership as of Month of Eligibility	FAMILY	SPD	EXPANSION	KP	BABIES	Member Total
2017-12	170,006	14,084	57,141	7,933	447	249,611
2018-12	172,290	14,531	58,837	8,371	478	254,507
2019-12	175,128	15,539	60,503	9,044	429	260,643
2020-12	191,549	15,559	69,937	10,917	407	288,369
2021-03	194,853	15,573	72,349	11,374	386	294,535
2021-06	198,853	15,604	75,003	11,891	396	301,747
2021-09	201,854	15,641	76,975	12,282	516	307,268
2021-12	204,800	15,651	78,231	12,720	448	311,850
2022-03	212,328	16,237	84,289	13,263	424	326,541
2022-06	214,946	16,396	87,917	13,728	462	333,449
2022-07	216,692	16,614	89,903	13,842	448	337,499
2022-08	217,667	16,669	91,408	14,024	471	340,239

KHS MARKETING AND PUBLIC REALTIONS

KHS Media Clips

A new report has been developed to highlight KHS local media coverage received in June and July. Please see Attachment C - KHS Media Clips where you can click on the title or “Read More” to view the complete article.

Community Events:

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

- KHS donated \$1,000 to ChildrenFirst to sponsor their “Back to School” event to help purchase 50 pairs of shoes for underserved children in East Bakersfield.
- KHS donated \$3,250 to Blessing Corner – Lighthouse Community Outreach Inc. to sponsor their “Back to School” event to help purchase 500 backpacks for underserved children.
- KHS donated \$2,500 to Clinica Sierra Vista to sponsor their “National Health Center Week” events.
- KHS donated \$5,000 to the Kern Valley Hospital Foundation to sponsor their River Rhythms, End of the Summer Crabfest and Annual Health Fair events.
- KHS donated \$2,000 to the Kern County Hispanic Chamber of Commerce to sponsor their “26th Annual Hispanic Business Expo”.
- KHS donated \$2,500 to the Bakersfield Symphony Orchestra to sponsor their “An Evening with the Symphony Gala”.
- KHS donated \$1,000 to Save a Life Today (SALT) to sponsor “Stomp Out Suicide 2022”.
- KHS donated \$2,500 to Dress for Success Bakersfield to sponsor their “Dress for the Stars Gala”.
- KHS donated \$2,000 to the American Cancer Society to sponsor their “Valley of Hope Gala”.
- KHS donated \$3,500 to the Bakersfield Memorial Hospital Foundation to sponsor their annual Fall benefit dinner “Hot Havana Night”.

Community Grant Program

In recognition of the essential role that community organizations have in our health care delivery system, our Community Grant Program financially aids and encourages innovative efforts to

bring beneficial services to our community. Community organizations that serve Medi-Cal beneficiaries and low-income populations are eligible to apply for funding, grant awards range from \$1,000 – \$2,000. We accept grant applications from February 1st to mid-March of each year

This year marks the 7th Year of our Community Grant Program. We received a total of 76 applications - 26 were new organizations that haven't applied in the past. We approved 72 of the grant applications totaling \$141,815.00. Funded programs serve the Bakersfield area as well as outlying Kern communities (1/3 of the programs serve rural Kern communities outside of Bakersfield).

Some of the programs we are proudly supporting:

- **Alzheimer's Disease Association of Kern County – ADAKC Managed Transportation Program** – This project reduces transportation barriers for a minimum of 20 program participants by providing door to door access to the adult day program.
- **Bakersfield Senior Center – Diabetes Empowerment and Education Program** – The quarterly project is a 6-week 12 hour education course facilitated by a certified Peer Instructor, providing access to Wellness and Health education to diabetic seniors or borderline diabetics. The project ends with a health clinic, guided grocery store tour by a registered dietitian and education with a local pharmacist. The training provides empowerment of self-care, to decrease related complications.
- **Bartz-Altadonna Community Health Center – Hypertension Management** – This provider has identified 42 patients to date, with a Hypertension diagnosis not managed in their California City clinic. This project would purchase 58 blood pressure cuffs for patients to keep to monitor their blood pressure. They will also provide classes to help control hypertension.
- **CAPK - Oasis Family Resource Center – Essentials for the Oasis Family Resource Center** – Provide essential/emergency items to low-income families in the city of Ridgecrest, as well as homeless individuals. Items include gas cards and bus passes for clients to access medical appointments and job interviews; hygiene products; diapers; baby food; and other common household items.
- **No Sister Left Behind- 5k/10k Walk/Run and Health Fair Event** - Project focused on physical and mental health well-being aspects by providing an event focused on education and information of the importance of achieving good physical and mental health targeting the African American community.
- **Riverstone Wellness – Community Yoga for Expectant & New Parents** – Offer in-person and virtual access to an 8-week Community Yoga Program for 16 or more expectant and new parents to gain strength, calm and resiliency during a life-changing time; get relief from the

physical discomforts of pregnancy and postpartum body changes; and build confidence and connection with others moving through childbirth and early parenting.

Employee Video Newsletter:

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

<https://vimeo.com/720070090/087ac68d45>



Compliance and Regulatory Affairs
Board of Directors Meeting

Jane MacAdam
Director of Compliance & Regulatory Affairs
August 11, 2022
Attachment A

STATE REGULATORY AFFAIRS

All Plan Letters and Regulatory Guidance released since the June 2022 Kern Health Systems Board of Directors' meeting:

The Department of Health Care Services (DHCS) released six new All Plan Letters (APL) during this time period.

- APL22-009 Covid-19 Guidance for Medi-Cal Managed Care Health Plans (Issued 06/13/2022)

This APL provides information on changes to federal and state requirements for COVID-19 testing, treatment, and prevention.

- APL22-010 Cancer Biomarker Testing (Issued 06/22/2022)

This APL provides information about coverage requirements for cancer biomarker testing as required by Senate Bill (SB) 535 (Limón, Chapter 605, Statutes of 2021).

- APL22-011 Proposition 56 Directed Payments for Family Planning Services (Supersedes APL 20-013) (Issued 06/23/2022)

This APL is to provide guidance on directed payments, funded by the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56), for the provision of specified family planning services with dates of service on or after July 1, 2019.



Continued...

STATE REGULATORY AFFAIRS (continued)

- APL22-012 Governor’s Executive Order N-01-19, Regarding Transitioning Medi-Cal Pharmacy Benefits from Managed Care to Medi-Cal RX (Supersedes APL 20-020) (Issued 07/11/2022)

This APL provides guidance on changes to the oversight and administration of the Medi-Cal pharmacy benefit. Governor Gavin Newsom’s Executive Order (EO) N-01-19, requires the Department of Health Care Services (DHCS) to transition Medi-Cal pharmacy services from the managed care delivery system to the Fee-For-Service (FFS) delivery system known as Medi-Cal Rx, effective January 1, 2022.

- APL 22-013 Provider Credentialing /Re-Credentialing and Screening/Enrollment (Issued 07/19/2022)

This APL is to inform Medi-Cal managed care health plans (MCPs) of their responsibilities related to the screening and enrollment of all Network Providers pursuant to Title 42 of the Code of Federal Regulations (CFR) Part 438 and Part 455 (Subparts B and E). This APL also outlines MCPs’ contractual obligations related to credentialing and re-credentialing as required in Title 42 of the CFR, Section 438.214.

- APL22-014 Electronic Visit Verification Implementation Requirements (Issued 07/21/2022)

This APL provides direction regarding the implementation of the federally mandated Electronic Visit Verification (EVV) requirements.



Continued...

STATE REGULATORY AFFAIRS (continued)

The Department of Managed Health Care (DMHC) released three All Plan Letters (APL) during this time period.

- APL22-016 National Infant Formula Shortage (Issued 06/10/2022)

Health plans that cover enteral or specialty formula for its enrollees, must ensure prior authorization or utilization management requirements do not impede a provider's ability to change or modify an enrollee's formula, including when a physician must change the type, size or brand of formula based on availability. The DMHC encourages plans to treat such requests in an expeditious manner.

- APL22-018 Fiscal Year 2022-23 Health Plan Annual Assessments (Issued 07/11/2022)

This APL provides supplemental information to health care service plans (health plans) pertaining to the increase in the DMHC's fiscal year (FY) 2022-23 annual assessment of health plans.

Note: DMHC released an additional APL that was not applicable to Kern Health Systems (KHS).



Continued...

STATE REGULATORY DIRECTIVES/PROJECTS

The Department of Health Care Services and the Department of Manage Care Services send actionable directives and guidance to the Plan that require a Plan response. During this period, the following Directives and Guidance was sent to the Plan.

- CalAIM Mandatory Manage Care Enrollment Phase II

To further CalAIM's goals to standardize and reduce complexity across the state and reduce county-to-county differences, DHCS will implement Benefit Standardization across MCPs statewide. Benefit Standardization will help ensure consistency in what benefits are delivered by managed care and FFS statewide and allow for transition of specific populations into managed care through Mandatory Managed Care Enrollment. Effective no sooner than January 1, 2023, DHCS will require the dual populations in some counties to enroll in a Manage Care Plan. This Phase also requires all non-dual and dual Long-Term Beneficiaries enroll with a Manage Care Plan.

- 2024 Operational Contract Readiness

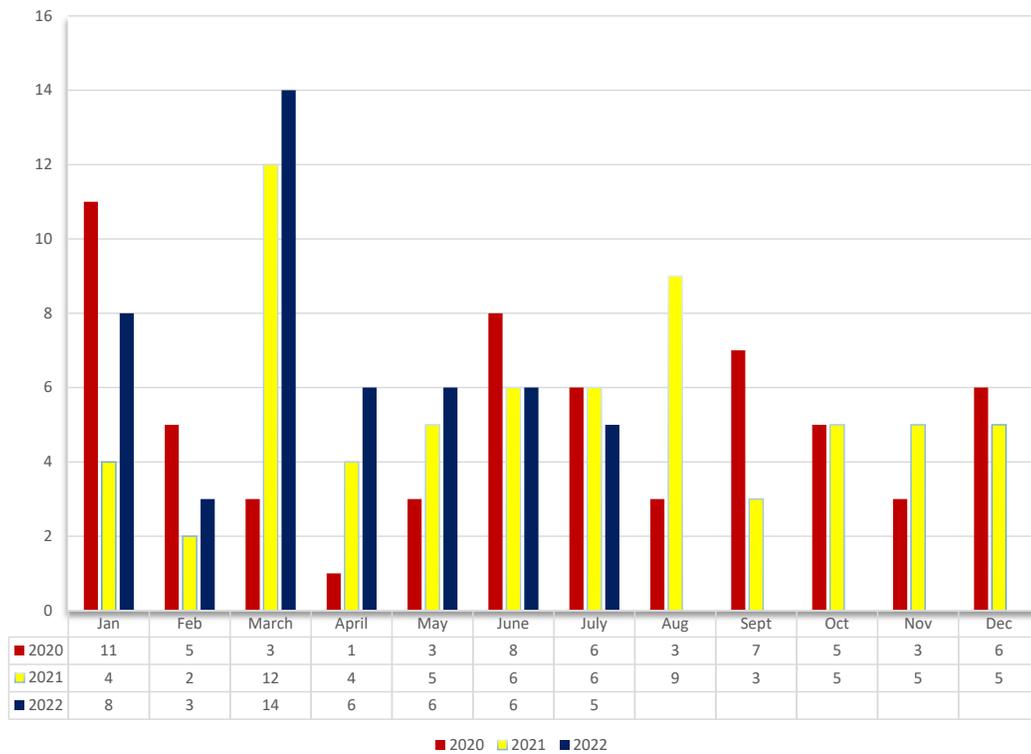
The DHCS has restructured and greatly enhanced many of the requirements in the Managed Care Plan contract that will be effective January 1, 2024. In order to prepare appropriately for the new requirements in the contract taking effect January 1, 2024, the DHCS has requested from they Plans that the following activities are accomplished.

This will be a company-wide effort that will include representatives from each KHS Department. The Compliance Department will be working in conjunction with the Project Management Office to ensure timely completion of the Directives requirements.





Number of Regulatory All Plan Letters and Guidance Letters Received by the Plan by Month/Year

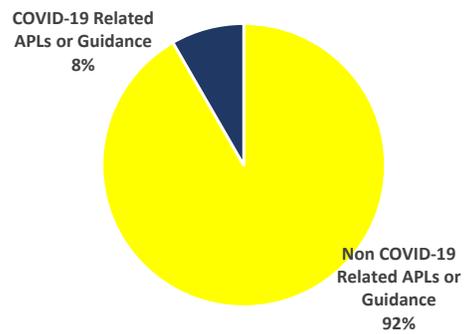


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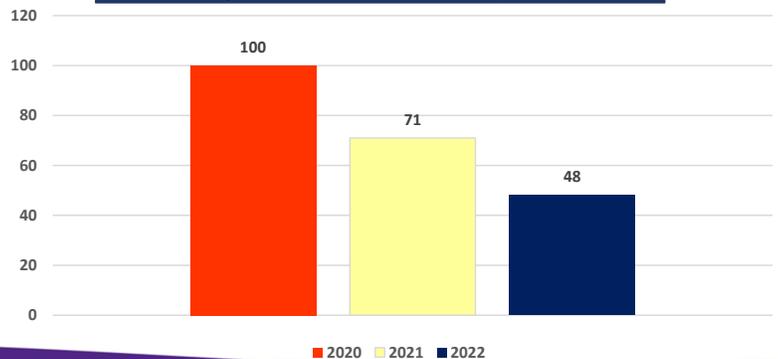
**COVID-19 Impact
2022**

**Regulatory All
Plan Letters and
Guidance**

Percentage of COVID-19 vs. Non-COVID-19 Related APLs or Guidance for 2022



Comparison of All Plan Letters and Guidance Letters Received by the Plan for Years 2020, 2021, & 2022



**Number of Regulatory Reports & Filings
Submissions to Government Agencies
June and July 2022**

Regulatory Agency	June 2022		July 2022	
	Ad Hoc	Standard	Ad Hoc	Standard
DHCS	28	13	18	19
DMHC	0	5	0	6



Regulatory Audits

Department of Managed Health Care (DMHC)

2020 DMHC Non-Routine Survey:

- The Plan is waiting for the DMHC to provide the Preliminary Report of the Non-Routine Survey.

2022 DMHC Routine Fiscal and Administrative Affairs Audit – March 2022:

- The DMHC initiated a routine Fiscal and Administrative Affairs (Financial) Audit in March of 2022.
- A Preliminary Audit Report was received on 06/10/2022, with two claims issues identified. The two claims issues were specific to isolated Provider Contract configuration errors, which were remediated during the audit.
- KHS provided a response to the preliminary report on 07/28/2022, with supporting documentation and corrective actions.
- DMHC will issue a Final Audit Report following their review of the Plan response.

DMHC Routine Medical Survey – January 2023:

- KHS is scheduled for a DMHC Routine Medical Survey in January of 2023.



Regulatory Audits (continued)

Department of Health Care Services (DHCS)

2021 Medical Audit – September 2021

The DHCS conducted a Routine Medical Survey of Kern Health Systems from September 13, 2021 through September 24, 2021. The survey period was from August 1, 2019 through July 31, 2021.

- DHCS continues to review the KHS Corrective Action Plan submitted 03/11/2022 and additional supporting documentation has been provided.
- Compliance continues to monitor the elements of the Corrective Action Plan with future deliverable dates and meet with key stakeholders.
- Compliance is initiating internal monitoring and auditing activities to validate the corrective actions taken.





**Compliance Department
Fraud, Waste, & Abuse Activity
June and July 2022**

The Compliance Department maintains communications with State and Federal agencies and cooperates with their related investigations and requests for information.

State Medi-Cal Program Integrity Unit, US Department of Justice, and the Kern County Deputy Attorney's Office Requests for Information for the months of June 2022 and July 2022

Providers:

The Plan received zero (0) requests for information from the State Medi-Cal Program Integrity Unit - related to potential provider fraud, waste, or abuse during this time period.

Members:

The Plan received zero (0) requests for information from the State Medi-Cal Program Integrity Unit related to Plan Members during this time period.

The Plan is not provided with an outcome in relation to the information requests by the two regulatory agencies.

Continued...

**Fraud, Waste & Abuse
Allegations Reported to the Plan
June and July 2022**

The Plan investigates and reports information and evidence of alleged fraud, waste, & abuse cases to appropriate state and federal officials.

Information compiled during an investigation is forwarded to the appropriate state and federal agencies as required.

Members:

During months of June 2022 and July 2022, the Compliance Department received seventeen (17) allegations of fraud, waste, or abuse involving Plan Members.

Providers:

During months of June 2022 and July 2022, the Compliance Department received nine (9) allegations of Provider fraud.

The Plan continues to investigate the allegations and required reporting to DHCS has been submitted timely in all cases.



**Compliance Department
HIPAA Breach Activity
June and July 2022**

**Summary of Potential Protected Health Information (“PHI”) Disclosures
for the months of June and July 2022:**

The Plan is dedicated to ensuring the privacy and security of the PHI and personally identifiable information (“PII”) that may be created, received, maintained, transmitted, used or disclosed in relation to the Plan’s members. The Plan strictly complies with the standards and requirements of Health Insurance Portability and Accountability Act (“HIPAA”) and the Health Information Technology for Economic and Clinical Health Act (“HITECH”).

In June and July 2022, the Compliance Department investigated and reviewed three (3) allegations of privacy concerns. All three were closed as non-breaches.

ATTACHMENT B

Legislative Summary – August 2022

Title	Description	Status
<p>AB 32 (Aguiar-Curry)</p>	<p>This bill would require health care services furnished by an enrolled clinic through telehealth to be reimbursed by Medi-Cal on the same basis, to the same extent, and at the same payment rate as those services are reimbursed if furnished in person. The bill would prohibit the State Department of Health Care Services from restricting the ability of an enrolled clinic to provide and be reimbursed for services furnished through telehealth.</p> <p>This bill would also provide that face-to-face contact is not required when covered health care services are provided by video synchronous interaction, audio-only synchronous interaction, remote patient monitoring, or other permissible virtual communication modalities, when those services and settings meet certain criteria. The bill would require a provider furnishing services through video synchronous interaction or audio-only synchronous interaction to also offer those services through in-person face-to-face contact or arrange for a referral to in-person care, as specified. The bill would authorize a provider to establish a new patient relationship with a Medi-Cal beneficiary through video synchronous interaction, as specified, and would prohibit a provider from doing so through the other modalities, except as specified.</p> <p>This bill would expand “visit” to include an encounter between an FQHC or RHC patient and any of specified health care professionals using video or audio-only synchronous interaction when the applicable standard of care and other conditions are met. The bill would set forth other requirements on an FQHC or RHC relating to the use of those telehealth modalities.</p> <p>This bill would extend time and distance appointment standards to January 1, 2026. This bill would authorize the department to allow a Medi-Cal managed care plan to use clinically appropriate video synchronous interaction as a means of demonstrating compliance with the time or distance standards, and as part of an alternative access standard request.</p> <p>http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB32</p>	<p>CAHP Concern</p> <p>06/30/22 - From committee: Do pass and re-refer to Com. on APPR.</p>

<p>AB 552 (Quirk-Silva)</p>	<p>This bill would authorize the Integrated School-Based Behavioral Health Partnership Program, which the bill would establish, to provide prevention and early intervention for, and access to, behavioral health services for pupils. The bill would authorize a county behavioral health agency and the governing board or governing body of a local educational agency to agree to collaborate on conducting a needs assessment on the need for school-based mental health and substance use disorder services, and implement an integrated school-based behavioral health partnership program, to develop a memorandum of understanding outlining the requirements for the partnership program, and to enter into a contract for mental health or substance use disorder services.</p> <p>The bill would require a county behavioral health agency to provide, through its own staff or through its network of contracted community-based organizations, one or more behavioral health professionals that meet specified contract, licensing, and supervision requirements to serve pupils with serious emotional disturbances or substance use disorders, or who are at risk of developing a serious behavioral health condition.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB552</p>	<p>06/20/22 - Read second time and amended. Re-referred to Com. on APPR.</p>
<p>AB 1355 (Levine)</p>	<p>This bill would require the department to establish the Independent Medical Review System (IMRS) for the Medi-Cal program, commencing on January 1, 2022, which generally models the above-described requirements of the Knox-Keene Health Care Service Plan Act. The bill would provide that any Medi-Cal beneficiary grievance involving a disputed health care service is eligible for review under the IMRS, and would define “disputed health care service” as any service covered under the Medi-Cal program that has been denied, modified, or delayed by a decision of the department, or by one of its contractors that makes a final decision, in whole or in part, due to a finding that the service is not medically necessary.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1355</p>	<p>06/27/22 - In committee: Referred to suspense file.</p>
<p>AB 1892 (Flora)</p>	<p>Existing law prohibits Medi-Cal reimbursement for prosthetic and orthotic appliances from exceeding 80% of the lowest maximum allowance for California established by the federal Medicare program.</p> <p>This bill would instead require reimbursement for these appliances to be set at least at 80% of the lowest maximum allowance for California established by the federal Medicare program and would require that reimbursement to be adjusted annually.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1892</p>	<p>06/20/22 - In committee: Referred to suspense file.</p>

<p>AB 1900 (Arambula)</p>	<p>Under existing law, certain medically needy persons with higher incomes qualify for Medi-Cal with a share of cost, if they meet specified criteria. Under existing law, the share of cost for those persons is generally the total after deducting an amount for maintenance from the person’s monthly income. Existing law requires the department to establish income levels for maintenance at the lowest levels that reasonably permit a medically needy person to meet their basic needs for food, clothing, and shelter, and for which federal financial participation will still be provided under applicable federal law. Under existing law, for a single individual, the amount of the income level for maintenance per month is based on a calculation of 80% of the highest amount that would ordinarily be paid to a family of 2 persons, without any income or resources, under specified cash assistance provisions, multiplied by the federal financial participation rate, adjusted as specified.</p> <p>To the extent that any necessary federal authorization is obtained, and effective no sooner than January 1, 2024, this bill would increase the above-described income level for maintenance per month to be equal to the income limit for Medi-Cal without a share of cost for individuals who are 65 years of age or older or are disabled, generally totaling 138% of the federal poverty level.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1900</p>	<p>LHPC Support</p> <p>06/27/22 - In committee: Referred to suspense file.</p>
<p>AB 1929 (Gabriel)</p>	<p>This bill would add violence prevention services, as defined, as a covered benefit under Medi-Cal, subject to medical necessity and utilization controls. The bill would authorize the department to implement, interpret, or make specific that provision by means of all-county letters, plan letters, or plan or provider bulletins, or similar instructions until regulations are adopted.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1929</p>	<p>06/28/22 - Read second time. Ordered to third reading.</p>

<p>AB 1930 (Arambula)</p>	<p>This bill, during the one-year post pregnancy eligibility period, and as part of comprehensive perinatal services under Medi-Cal, would require the department to cover additional comprehensive perinatal assessments and individualized care plans and to provide additional visits and units of services in an amount, duration, and scope that are at least proportional to those available on July 27, 2021, during pregnancy and the initial 60-day post pregnancy period in effect on that date. The bill would require the department to collaborate with the State Department of Public Health and a broad stakeholder group to determine the specific number of additional comprehensive perinatal assessments, individualized care plans, visits, and units of services to be covered.</p> <p>The bill would also require the department to seek any necessary federal approvals to allow a non-licensed perinatal health worker rendering those preventive services to be supervised by (1) an enrolled Medi-Cal provider that is a clinic, hospital, community-based organization (CBO), or licensed practitioner, or (2) a CBO that is not an enrolled Medi-Cal provider, so long as an enrolled Medi-Cal provider is available for Medi-Cal billing purposes.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1930</p>	<p>06/27/22 - In committee: Referred to suspense file.</p>
<p>AB 1995 (Arambula)</p>	<p>This bill would eliminate the premiums and subscriber contributions for low-income children whose family income exceed 160% FPL, subscribers to Medi-Cal Access Program and those employed persons with disabilities who are eligible for Medi-Cal benefits.</p> <p>This bill would, as of July 1, 2022, prohibit the department from imposing copayments on recipients of specified services, to the extent allowable by federal law.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB1995</p>	<p>LHPC Support</p> <p>06/27/22 - In committee: Referred to suspense file.</p>
<p>AB 2117 (Gipson)</p>	<p>This bill would define “mobile stroke unit” to mean a multijurisdictional mobile facility that serves as an emergency response critical care ambulance under the direction and approval of a local emergency medical services (EMS) agency, and as a diagnostic, evaluation, and treatment unit, providing radiographic imaging, laboratory testing, and medical treatment under the supervision of a physician in person or by telehealth, for patients with symptoms of a stroke, to the extent consistent with any federal definition of a mobile stroke unit, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2117</p>	<p>06/23/22 - From committee: Do pass and re-refer to Com. on APPR</p>

<p>AB 2242 (Santiago)</p>	<p>This bill, on or before July 1, 2023, would require the State Department of Health Care Services to convene a stakeholder group of entities, including the County Behavioral Health Directors Association of California and the California Hospital Association, among others, to create a model care coordination plan to be followed when discharging those held under temporary holds or a conservatorship.</p> <p>The bill would require the model care coordination plan and process to outline who would be on the care team and how the communication would occur to coordinate care. The bill would require the model care coordination plan to require that an individual exiting a temporary hold or a conservatorship be provided with a detailed treatment plan that includes a scheduled first appointment with a behavioral health professional.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2242</p>	<p>06/29/22 - From committee: Do pass and re-refer to Com. on APPR.</p>
<p>AB 2352 (Nazarian)</p>	<p>Requires a health care service plan or health insurer that provides prescription drug benefits and maintains one or more drug formularies to furnish specified information about a prescription drug upon request by an enrollee or insured, or their prescribing provider. The bill would require the plan or insurer to respond in real time to that request and ensure the information is current no later than one business day after a change is made. The bill would prohibit a health care service plan or health insurer from, among other things, restricting a prescribing provider from sharing the information furnished about the prescription drug or penalizing a provider for prescribing a lower cost drug.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2352</p>	<p>CAHP Oppose Unless Amended</p> <p>06/27/22 - In committee: Referred to suspense file.</p>
<p>AB 2402 (Blanca Rubio)</p>	<p>Under this bill, a child under 5 years of age would be continuously eligible for Medi-Cal, including without regard to income, until the child reaches 5 years of age. The bill would prohibit the redetermination of Medi-Cal eligibility before the child reaches 5 years of age, unless the department or county possesses facts indicating that the family has requested the child's voluntary disenrollment, the child is deceased, the child is no longer a state resident, or the child's original enrollment was based on a state or county error or on fraud, abuse, or perjury, as specified.</p> <p>Would remove the requirement for providing income information at the end of the 12 months, and would instead require that the infant remain continuously eligible for the Medi-Cal program until they are 5 years of age, as specified, to the extent that any necessary federal approvals are obtained and federal financial participation is available.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2402</p>	<p>LHPC Support</p> <p>06/27/22 - Read second time and amended. Re-referred to Com. on APPR.</p>

<p>AB 2449 (Rubio)</p>	<p>This bill would, until January 1, 2026, authorize a local agency to use teleconferencing without complying with specified Brown Act teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. Under this exception, the bill would authorize a member to participate remotely under specified circumstances, including participating remotely for just cause or due to emergency circumstances. The emergency circumstances basis for remote participation would be contingent on a request to, and action by, the legislative body. The bill would define terms for purposes of these teleconferencing provisions.</p> <p>The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. The bill would require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2449</p>	<p>07/13/22 - In committee: Hearing postponed by committee.</p>
<p>AB 2516 (Aguiar-Curry)</p>	<p>Under "comprehensive clinical family planning services", this bill would add coverage of the HPV vaccine per FDA guidelines.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2516</p>	<p>CAHP Opposed</p> <p>06/30/22 - From committee: Do pass and re-refer to Com. on APPR.</p>
<p>AB 2581 (Salas)</p>	<p>Effective 1/1/23, would require a health care service plan that provides coverage for mental health and substance use disorders and credentials health care providers of those services for the health care service plan's networks, to assess and verify the qualifications of a health care provider within 60 days after receiving a completed provider credentialing application. Upon receipt of the application by the credentialing department, the health care service plan shall notify the applicant within seven business days, to verify receipt and inform the applicant whether the application is complete.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2581</p>	<p>06/27/22 - In committee: Referred to suspense file.</p>

<p>AB 2680 (Arambula)</p>	<p>This bill would require the department to create the Community Health Navigator Program to make direct grants to qualified community-based organizations, as defined, to conduct targeted outreach, enrollment, retention, and access activities for Medi-Cal-eligible individuals and families. The bill would specify the basis for issuing a grant, including specified factors in the applicant’s service area. The bill would require the department to contract with a private foundation to administer the grant application and allocation process. The bill would require the department to contract with specified providers to furnish training and technical assistance to grant recipients. The bill would also require the department to coordinate and partner with Covered California and counties that elect to participate, on an approach for outreach, enrollment, retention, and access activities for marketing to eligible individuals, including development of a joint application tracker system to allow specified persons and entities to track application and referrals between commercial and Medi-Cal enrollment progress and facilitation of quarterly meetings on enrollment and access barriers and solutions, among other requirements.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2680</p>	<p>06/30/22 - From committee: Amend, and do pass as amended and re-refer to Com. on APPR.</p>
<p>AB 2697 (Aguiar-Curry)</p>	<p>This bill would require the department to implement a community health workers (CHW) and promotores benefit under the Medi-Cal program, subject to receipt of any necessary federal approvals and the availability of federal financial participation. Under the bill, CHW and promotores services would be preventive services, as defined under federal law, available for Medi-Cal beneficiaries in the managed care or fee-for-service delivery system.</p> <p>The bill would require CHW and promotores, as defined, to provide health education, navigation, and advocacy, as specified. Under the bill, provision of the services would be subject to referral by a physician or other licensed practitioner of the healing arts within their scope of practice under state law. The bill would require the department, in collaboration with CHW and promotores stakeholders, to implement and evaluate the benefit, including the development of detailed policy guidance, letters, manuals, and other documents.</p> <p>If the benefit is implemented, the bill would require a Medi-Cal managed care plan to develop an annual outreach and education plan for enrollees and another for providers, including notices and materials containing specified information about the CHW and promotores benefit. The bill would require these outreach and education efforts to, among other things, meet cultural and linguistic appropriateness standards and be subject to review and approval by the department, as specified. The bill would also require a Medi-Cal managed care plan to conduct an annual assessment of CHW and promotores capacity and enrollee need, and to share the assessments with the department, including specified data.</p>	<p>06/30/22 - From committee: Amend, and do pass as amended and re-refer to Com. on APPR.</p>

**AB 2724
(Arambula)**

This bill would authorize the department to enter into one or more comprehensive risk contracts with an alternate health care service plan (AHCSPP), as defined, to serve as a primary Medi-Cal managed care plan for specified eligible beneficiaries in geographic regions designated by the department. The bill would authorize the department to contract with an AHCSPP as a Medi-Cal managed care plan in any geographic region of the state for which federal approval is available and for which the AHCSPP maintains appropriate licensure or an approved exemption from the Department of Managed Health Care, and in which the AHCSPP already provides commercial coverage in the individual, small group, or large group market. The bill would, among other things, prohibit the AHCSPP from denying enrollment to any of those eligible beneficiaries, unless the department or the Department of Managed Health Care has ordered the AHCSPP to cease enrollment in a service area. The bill would require the contract with the AHCSPP to include the same standards and requirements, except with respect to enrollment, as for other Medi-Cal managed care plans, as specified. The bill would require the Health Care Options Program, which is an entity overseen by the department for Medi-Cal managed care education and enrollment, to disenroll any member of an AHCSPP if the member meets any one of the reasons for disenrollment enumerated in specified regulations. Under the bill, except where an AHCSPP is already contracted with the department as a Medi-Cal managed care plan as of January 1, 2022, contracts entered into pursuant to these provisions would be effective no sooner than January 1, 2024, as specified.

The bill would require the AHCSPP to enter into a memorandum of understanding (MOU) with the department, which would include specified standards or requirements and the AHCSPP's commitment to increase enrollment of new Medi-Cal members and any requirements related to the AHCSPP's collaboration with and support of applicable safety net providers. The bill would require the department to post the MOU and a specified implementation report on its internet website.

The bill would require the AHCSPP to work with federally qualified health centers (FQHCs) in AHCSPP service areas selected by the AHCSPP and the department, at the request of the FQHC, to provide assistance with population health management and clinical transformation. The bill would require the department and the AHCSPP to identify the highest need specialties and geographic areas where the AHCSPP would provide outpatient specialty care and services to address related needs, as specified.

This bill would, commencing no sooner than January 1, 2024, expand managed care plans under the Whole Child Model program to also include the above-described AHCSPPs.

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2724

LHPC Oppose

06/30/22 -
Chaptered by
Secretary of
State -
Chapter 73,
Statutes of
2022.

<p>AB 2727 (Wood)</p>	<p>Existing law states the intent of the Legislature to provide, to the extent practicable, through the Medi-Cal program, for health care for those aged and other persons, including family persons who lack sufficient annual income to meet the costs of health care, and whose other assets are so limited that their application toward the costs of that care would jeopardize the person or family's future minimum self-maintenance and security.</p> <p>This bill would, commencing on the date that the resource disregards are implemented, remove from that statement of legislative intent the above-described assets as an eligibility criterion. The bill would also make other changes to that statement.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2727</p>	<p>06/02/22 - Read second time. Ordered to third reading.</p>
<p>SB 225 (Wiener)</p>	<p>This bill would require a health care service plan to incorporate timely access to care standards into its quality assurance systems and incorporate specified processes. The bill would authorize the department to develop methodologies to demonstrate appointment wait time compliance and averages. The bill would authorize the Department of Managed Health Care and the Department of Insurance to take compliance or disciplinary action, review and adopt standards concerning the availability of health care to ensure enrollees have timely access to care, and make recommendations to the Legislature if it finds that health care service plans and providers have difficulty meeting the standards the departments develop. The bill would require the director to consider, as an aggravating factor when assessing administrative penalties, if harm to an enrollee has occurred as a result of plan noncompliance. The bill would clarify that the timely access to care provisions do not alter requirements or standards for Medi-Cal managed care plans, except as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB225</p>	<p>06/30/22 - Read second time and amended. Re-referred to Com. on APPR.</p>
<p>SB 245 (Gonzalez)</p>	<p>Effective 1/1/23, the bill would prohibit a health care service plan and a health insurer from imposing utilization management or utilization review on the coverage for outpatient abortion services. The bill's requirements would also apply to Medi-Cal managed care plans.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB245</p>	<p>CAHP Oppose</p> <p>03/22/22 - Chaptered by Secretary of State. Chapter 11, Statutes of 2022.</p>

<p>SB 250 (Pan)</p>	<p>On or after January 1, 2024, this bill would prohibit a health care service plan or health insurer from requiring a contracted health professional to complete or obtain a prior authorization for any health care services if the plan or insurer approved or would have approved not less than 80% of the prior authorization requests they submitted in the most recent one-year contracted period. The bill would set standards for this exemption and its denial and appeal. The bill would authorize a plan or insurer to evaluate the continuation of an exemption not more than once every 2 years, and would prohibit a plan or insurer from rescinding an exemption outside of the end of the 2-year period.</p> <p>Authorizes the Department of Managed Health Care as appropriate to review a plan’s clinical criteria, guidelines, and utilization management policies to ensure compliance with existing law. If the criteria and guidelines are not in compliance with existing law, the bill would require the Director to issue a corrective action and send the matter to enforcement, if necessary.</p> <p>Requires a plan to report, among other things, its average number of denied prospective utilization review requests, as specified.</p> <p>Requires a plan to examine a physician’s record of prospective utilization review requests during the preceding 12 months and grant the physician “deemed approved” status for 2 years, meaning an exemption from the prospective utilization review process, if specified criteria are met. The bill would authorize a plan to request an audit of a physician’s records after the initial 2 years of a physician’s deemed approved status and every 2 years thereafter, and would specify the audit criteria by which a physician would keep or lose that status.</p> <p>http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB250</p>	<p>CAHP Opposed</p> <p>06/06/22 - Read second time and amended. Re- referred to Com. on HEALTH.</p>
<p>SB 853 (Wiener)</p>	<p>This bill would expand prohibitions to prohibit limiting or excluding coverage of a drug, dose, or dosage form, and would apply the prohibition to blanket disability insurance policies and certificates. The bill would prohibit a health care service plan or disability insurer that provides coverage for prescription drugs from limiting or declining to cover a drug or dose of a drug as prescribed, or imposing additional cost sharing for covering a drug as prescribed, if specified criteria apply. The bill would provide that a reduction or termination of an ongoing and approved course of treatment before the end of the treatment or the end or amendment of the policy is an adverse benefit determination, and would require a health care service plan or disability insurer to notify an enrollee or insured, or their representative, and the enrollee’s or insured’s provider in writing of the adverse benefit determination no fewer than 7 calendar days before the effective date. The bill would require a plan or insurer that has approved an ongoing course of treatment to provide continuing coverage pending appeal or review.</p>	<p>CAHP Oppose</p> <p>06/29/22 - From committee: Do pass and re-refer to Com. on APPR.</p>

<p>SB 858 (Wiener)</p>	<p>This bill would increase the base amount of the civil penalty from \$2,500 per violation to not more than \$25,000 per violation, and would authorize a lower, proportionate penalty for specialized dental and vision health care service plans. Under the bill, the civil penalty base amount would be adjusted annually commencing January 1, 2024, as specified. The bill would multiply the amounts of other specified civil and administrative penalties by 4, commencing January 1, 2023, and would also annually adjust those penalties, commencing January 1, 2024. The bill would authorize the director to impose a corrective action plan to require future compliance with the act, under certain circumstances. If a health care service plan fails to comply with the corrective action plan in a timely manner, the bill would require the department to monitor the health care service plan through medical surveys, financial examinations, or other means necessary to ensure timely compliance, and would specify that failure to timely comply with a corrective action plan is grounds for disciplinary action.</p> <p>The bill would require the director, when assessing administrative penalties against a health care service plan, to determine the appropriate amount of the penalty for each violation, based upon consideration of specified factors, such as the nature, scope, and gravity of the violation, whether the violation is an isolated incident, and the amount of the penalty necessary to deter similar violations in the future.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB858</p>	<p>CAHP Oppose</p> <p>06/30/22 - Read second time and amended. Re-referred to Com. on APPR.</p>
<p>SB 912 (Limón)</p>	<p>This bill, by 7/1/23, would expand the Medi-Cal schedule of benefits to include biomarker testing for the purposes of diagnosis, treatment, appropriate management, or ongoing monitoring of a Medi-Cal beneficiary's disease or condition if the test is supported by medical and scientific evidence, as prescribed. The bill would specify that it does not require a health care service plan or health insurer to cover biomarker testing for screening purposes unless otherwise required by law. The bill would subject restricted use of biomarker testing for the purpose of diagnosis, treatment, or ongoing monitoring of a medical condition to state and federal grievance and appeal processes.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB912</p>	<p>CAHP Oppose Unless Amended</p> <p>06/22/22 - From committee: Do pass and re-refer to Com. on APPR.</p>

<p>SB 923 (Wiener)</p>	<p>This bill would require, by 1/1/24, a Medi-Cal managed care plan to require its staff and contracted providers to complete evidence-based cultural competency training for the purpose of providing trans-inclusive health care, as defined, for individuals who identify as TGI. The bill would specify the required components of the training and would make use of any training curricula subject to approval by the respective departments. The bill would require an individual to complete a refresher course if a complaint has been filed, and a decision has been made in favor of the complainant, against that individual for not providing trans-inclusive health care, or on a more frequent basis if deemed necessary.</p> <p>The bill would require DMHC/DHCS to develop and implement procedures, and would authorize them to impose sanctions, to ensure compliance with the above-described provisions.</p> <p>This bill would require those plans, by July 31, 2023, to also include information, within or accessible from the plan’s or insurer’s provider directory, that identifies which of a plan’s or insurer’s in-network providers have affirmed that they offer and have provided gender-affirming services, as specified.</p> <p>This bill would require, no later than March 1, 2023, the California Health and Human Services Agency to convene a working group that includes representatives from various departments, TGI-serving organizations, residents who identify as TGI, and health care providers to develop a quality standard for patient experience in order to measure cultural competency related to the TGI community and recommend training curriculum to provide trans-inclusive health care</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB923</p>	<p>CAHP Oppose Unless Amended</p> <p>06/23/22 - Read second time and amended. Re-referred to Com. on APPR.</p>
<p>SB 964 (Wiener)</p>	<p>Existing law requires the department, by July 1, 2022, to establish statewide requirements for counties to use in developing certification programs for the certification of peer support specialists, as specified. Existing law authorizes a county, or an agency that represents a county, to develop a peer support specialist certification program and certification fee schedule, both of which are subject to department approval.</p> <p>This bill would repeal those provisions authorizing a county to develop a peer support specialist certification program and instead would require the department, by July 1, 2023, to provide for a statewide certification for peer support specialists. The bill would require the department to amend the Medicaid state plan to include a certified peer support specialist as a provider type for purposes of the Medi-Cal program and to include peer support specialist services as a distinct service type under the Medi-Cal program.</p>	<p>06/23/22 - Read second time and amended. Re-referred to Com. on APPR.</p>

<p>SB 966 (Limón)</p>	<p>Under existing law, to the extent that federal financial participation is available, FQHC and RHC services are reimbursed on a per-visit basis, as specified. "Visit" is defined as a face-to-face encounter between an FQHC or RHC patient and any of specified health care professionals, including a physician, a licensed clinical social worker, or a marriage and family therapist.</p> <p>This bill would also include, within the definition of a visit, a face-to-face encounter between an FQHC or RHC patient and an associate clinical social worker or associate marriage and family therapist when supervised by a licensed behavioral health practitioner as required by the Board of Behavioral Sciences, as specified. The bill would make this provision operative 60 days after the termination of the national emergency declared on March 13, 2020.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB966</p>	<p>LHPC Support</p> <p>06/15/22 - From committee: Do pass and re-refer to Com. on APPR.</p>
<p>SB 979 (Dodd)</p>	<p>When the Governor declares a state of emergency, existing law requires a health care service plan and a health insurer to provide an enrollee or insured who has been displaced or has the immediate potential to be displaced by that emergency access to medically necessary health care services. Existing law requires health care service plans and health insurers operating in a county included in a declaration of emergency to notify the Department of Managed Health Care and the Department of Insurance whether the plan has experienced or expects to experience a disruption to its operation, among other things. Existing law provides for health care service plans and health insurers to take specified actions, including relaxing time limits for prior authorization, precertification, or referrals.</p> <p>This bill would revise those provisions to specifically apply to a declaration by the Governor of a state of emergency , or a health emergency declared by the State Public Health Officer that displaces, or has the immediate potential to displace, enrollees, insureds, or health care providers, that otherwise affects the health of enrollees or insureds, or that otherwise affects or that may affect health care providers. The bill would authorize the Director of the Department of Managed Care and the Insurance Commissioner to issue guidance to health care service plans and health insurers regarding compliance with the bill's requirements during the first 3 years following the declaration of emergency, or until the emergency is terminated, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB979</p>	<p>06/22/22 - From committee: Do pass and re-refer to Com. on APPR.</p>

**SB 987
(Portantino)**

This bill would require a Medi-Cal managed care plan to make a good-faith effort to include in its contracted provider network at least one National Cancer Institute (NCI)-designated comprehensive cancer center, site affiliated with the NCI Community Oncology Research Program (NCORP), or qualifying academic cancer center, located within the beneficiary's county of residence or located within the nearest county. MCP shall ensure that any beneficiary diagnosed with a complex cancer diagnosis is eligible to request a referral to an NCI-designated comprehensive cancer center, NCORP-affiliated site, or qualifying academic cancer center within 15 business days of the diagnosis, unless the beneficiary chooses a different cancer treatment provider.

MCPs shall inform an enrollee within seven calendar days of the enrollee receiving a complex cancer diagnosis of the enrollee's ability to request a referral to receive cancer care at an NCI-designated comprehensive cancer center, NCORP-affiliated site, or qualifying academic cancer center, and grievance, appeal, and fair hearing procedures and timeframes should the enrollee's request for referral be denied.

A denial of an enrollee's referral request shall be based upon a determination by the treating provider that the request to receive services at an NCI-designated comprehensive cancer center, or NCORP affiliated site, or a qualifying academic cancer center is not medically necessary, the requested services are not available at, or not applicable to, the enrollee's cancer diagnosis at the requested NCI-designated comprehensive cancer center, NCORP affiliated site, or a qualifying academic cancer center site.

A Medi-Cal managed care plan shall provide notice to all enrollees of their right to request a referral to access care through an NCI-designated comprehensive cancer center, NCORP-affiliated site, or qualifying academic cancer center, if they are diagnosed with a complex cancer diagnosis.

Beginning January 1, 2023, requires DHCS to create a rate that must be paid/accepted for these services, if the Medi-Cal managed care plan and the NCI-designated comprehensive cancer center, NCORP-affiliated site, or qualifying academic cancer center do not otherwise have an agreed-upon contracted rate.

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB987

CAHP/LHPC
Oppose

06/30/22 -
Read second
time and
amended. Re-
referred to
Com. on
APPR.

<p>SB 1014 (Hertzberg)</p>	<p>This bill would require the department to authorize a new supplemental payment program for FQHCs pursuant to federal law, to be named the Enhanced Clinically Integrated Program (ECIP). Under the bill, ECIP funding would be subject to an appropriation. The bill would require the department to request an amount, as necessary to fund, implement, and maintain ECIP at sufficient capacity on an ongoing basis in future fiscal years.</p> <p>Under the bill, participation in ECIP would be optional for FQHCs, funding under ECIP would be provided in addition to all other funding received by FQHCs, as specified, and participation in ECIP would result in total payments to participating FQHCs that are greater than the prospective payment system (PPS) rate otherwise required to be paid to the FQHC. The bill would, subject to an appropriation, require the department, no later than July 1, 2023, to make funding available for the purpose of direct compensation of health center workers.</p> <p>The bill would require ECIP to improve quality and access to care by allocating funds, if appropriated, to FQHCs that meet certain standards relating to wage thresholds and commitment to participation in bona fide labor-management cooperation committees, as specified. The bill would set forth various requirements for funding allocations to, and uses by, participating FQHCs.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1014</p>	<p>06/30/22 - Read second time and amended. Re-referred to Com. on APPR.</p>
<p>SB 1019 (Gonzalez)</p>	<p>This bill would require a Medi-Cal managed care plan to conduct annual outreach and education for its enrollees, based on an annual plan that the Medi-Cal managed care plan develops and submits to the department, regarding the mental health benefits that are covered by the Managed Care Plan, and to also develop an annual outreach and education plan to inform primary care providers regarding those mental health benefits.</p> <p>The bill would require that the outreach and education plan for the enrollees be informed by stakeholder engagement, the Plan's Population Needs Assessment, and a utilization assessment, as specified, and that the plan meet cultural and linguistic appropriateness standards and incorporate best practices in stigma reduction. The bill would require the department to review the annual outreach and education plan and to approve or modify them within 180 calendar days since submission to ensure specified conditions are met, and to consult with stakeholders to develop the standards for the review and approval. The bill would condition implementation of the outreach and education plan on the department's approval.</p> <p>The bill would require the department, once every 3 years, assess enrollee experience with mental health benefits covered by Medi-Cal managed care plans. The bill would require the department, by January</p>	<p>06/23/22 - Read second time and amended. Re-referred to Com. on APPR.</p>

	<p>1, 2024, to develop survey tools and methodologies relating to the assessment of consumer experience, including best practice methods for data collection and reporting, as specified.</p> <p>The bill would require the department, once every 3 years, to publish reports on its internet website on consumer experience with mental health benefits covered by Medi-Cal managed care plans.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1019</p>	
<p>SB 1089 (Wilk)</p>	<p>This bill, for purposes of Medi-Cal reimbursement for covered optometric services, would authorize a provider to obtain eyeglasses from a private entity, as an alternative to a purchase of eyeglasses from the Prison Industry Authority. The bill would condition implementation of this provision on the availability of federal financial participation.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1089</p>	<p>06/28/22 - From committee: Do pass and re-refer to Com. on APPR.</p>
<p>SB 1180 (Pan)</p>	<p>Existing law establishes, until January 1, 2023, certain time and distance and appointment time standards for specified Medi-Cal managed care covered services, consistent with federal regulations relating to network adequacy standards, to ensure that those services are available and accessible to enrollees of Medi-Cal managed care plans in a timely manner, as specified.</p> <p>This bill would extend the operation of those standards to January 1, 2026, and would require the department to seek input from stakeholders, as specified, prior to January 1, 2025, to determine what changes are needed to these provisions.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1180</p>	<p>06/29/22 - From committee: Do pass and re-refer to Com. on APPR.</p>

<p>SB 1184 (Cortese)</p>	<p>Authorizes a provider of health care or a health care service plan to disclose medical information to a school-linked services coordinator. The bill would define the term “school-linked services coordinator” as an individual located on a school campus or under contract by a county behavioral health provider agency for the treatment and health care operations and referrals of students and their families that holds any of certain credentials, including a services credential with a specialization in pupil personnel services.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1184</p>	<p>06/30/22 - Read second time. Ordered to third reading.</p>
<p>SB 1191 (Bates)</p>	<p>Would add pharmacogenomic testing as a covered benefit under Medi-Cal. The bill would define pharmacogenomic testing as laboratory genetic testing, by a laboratory with specified licensing, accreditation, and certification, to identify how a person’s genetics may impact the efficacy, toxicity, and safety of medications. The bill would cover the benefit under Medi-Cal if a medication is being considered for use, or is already being administered, and is approved for use, in treating a Medi-Cal beneficiary’s condition and is known to have a gene-drug or drug-drug-gene interaction that has been demonstrated to be clinically actionable, as specified, if the test is ordered by an enrolled Medi-Cal clinician or pharmacist.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1191</p>	<p>06/29/22 - From committee: Do pass and re-refer to Com. on APPR.</p>
<p>SB 1207 (Portantino)</p>	<p>The bill would extend the deadline for establishment of the maternal mental health program to July 1, 2023. The bill would revise the requirements of the program to include quality measures to encourage screening, diagnosis, treatment, and referral. The bill also would encourage health care service plans and health insurers to include coverage for doulas, incentivize training opportunities for contracting obstetric providers, and educate enrollees and insureds about the program.</p>	<p>CAHP Opposed</p> <p>06/22/22 - From committee: Do pass and re-refer to Com. on HEALTH.</p>
<p>SB 1338 (Eggman)</p>	<p>This bill would enact the Community Assistance, Recovery, and Empowerment (CARE) Act, which would authorize specified persons to petition a civil court to create a voluntary CARE agreement or a court-ordered CARE plan and implement services, to be provided by county behavioral health agencies, to provide behavioral health care, including stabilization medication, housing, and other enumerated services to adults who are currently experiencing a severe mental illness and have a diagnosis of schizophrenia spectrum and psychotic disorders and meet other specified criteria.</p> <p>https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB1338</p>	<p>CAHP Concerns</p> <p>06/30/22 - Read second time and amended. Re-referred to Com. on APPR.</p>

<p>SB 1419 (Becker)</p>	<p>This bill would require health care service plans and health insurers to establish and maintain API, as described by the federal regulations, for the benefit of enrollees, insureds, and contracted providers.</p> <p>This bill would additionally prohibit the representative of a minor from inspecting the minor’s patient records when the records relate to certain services, including medical care related to the prevention or treatment of pregnancy, as specified.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1419</p>	<p>06/27/22 - Re-referred to Com. on APPR. pursuant to Assembly Rule 96.</p>
<p>SB 1473 (Pan)</p>	<p>The bill would extend Plan coverage provisions to therapeutics approved or granted emergency use authorization by the federal Food and Drug Administration for COVID-19 when prescribed or furnished by a licensed health care provider acting within their scope of practice and the standard of care. The bill would require a contract or policy to cover therapeutics approved or granted emergency use authorization by the federal Food and Drug Administration for a disease that the Governor has declared a public health emergency.</p> <p>https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1473</p>	<p>CAHP Opposed</p> <p>06/30/22 - Read second time and amended. Re- referred to Com. on APPR.</p>



MEDIA Clips

This news compilation is intended for KHS purposes only.

KERN COUNTY

[Kern Health Systems awards grants to school wellness programs, organizations](#)

By KERO

Kern Health Systems announced Tuesday its' awarding more than \$400,000 to school wellness programs and community-based programs.

The money will go toward funding seven new school wellness program and 72 community grant programs throughout Kern County during the 2022-23 calendar year.

[Read More](#)

[Fondos para Kern Health Systems para Programas de Salud y Bienestar](#)

By Telemundo

Dan a conocer un programa de bienestar por parte de Kern Health Systems, así como otros beneficios disponibles gracias a una serie de fondos para programas comunitarios. Maritza Jiménez, Especialista en Mercadotecnia y Relaciones Públicas nos explica en Telemundo Valle Central.

Kern Health Systems se enorgullece en anunciar fondos para servir a siete escuelas públicas y 72 organizaciones comunitarias en Kern, para implementar programas escolares y comunitarios en el año 2022 y 2023.

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Local Newscasts

KGET Channel 17 - NBC

Monday – Friday

5 am, 6 am, 12 pm, 5 pm - 6:30 pm,
11 pm

Sat. & Sun.

5 pm, 6 pm, 11 pm

KERO Channel 23 – ABC

Monday – Friday

4:30 am, 11 am, 5 pm, 6 pm, 7 pm,
11 pm

Sat. & Sun.

6 am, 8 am, 6 pm, 11 pm

KBAK Channel 29 – CBS

Monday – Friday

4:30 am, 12 pm, 5 pm, 6 pm, 7 pm,
11 pm

Sat. & Sun.

5 pm, 6 pm, 11 pm

KBFX Channel 58 – Fox

Monday – Friday

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[KHS appoints new CEO aiming for better coordination of care, broader impact](#)

By Bakersfield Californian

A new chief executive has taken the reins of Kern County's largest health plan with hopes of lowering barriers to medical treatment for the county's poor while working with other local organizations to address homelessness and improve mental health care.

Kern Health Systems' incoming CEO Emily Duran, who grew up a Medi-Cal recipient in Delano and the daughter of immigrant farmworkers, predicted big changes ahead as she prepares to succeed outgoing CEO Doug Hayward upon his retirement July 6 after a decade on the job.

[Read More](#)

[In with the new at 31st United Way Conference](#)

By Bakersfield Californian

...

The conference was bookended by a pair of keynote speakers, Kern Health Systems CEO Emily Duran and motivational speaker Jovan Glasgow, with 15 workshops split into three sessions throughout the day, and interspersed periods for attendees to peruse exhibitor booths.

[Read More](#)

[Marketing Consultant Jacque Jans talks about KHS Health Grants](#)

By KUZZ

[Version 1](#)

Seven Kern County schools and 72 community organizations are recipients of grants from Kern Health Systems. Marketing and Public Relations Consultant Jacque Jans says over 300-thousand dollars will be distributed through School Wellness Programs, focusing on the students' well-being...

Note: Some news outlets may require free registration or a paid subscription to view content.

“And it will basically address more physical activity, healthy eating, emotional learning, baby prevention, and that is actually a state funded school wellness program that we then implement.”

The schools are in Bakersfield, Delano, and Lamont. Several groups, including the Bakersfield Senior Center, get two-thousand dollars. This is the seventh year of the Kern Health Systems grant program

VERSION 2

You may know the name Kern Health Systems as a health plan administrator, but this is also the seventh year of grants they've distributed through the community. Marketing and Public Relations Consultant Jacque Jans says seven schools are getting over 300-thousand dollars for School Wellness Programs, meant not just to engage students...

“But also we are trying to engage parents, and school staff, and community partners in these activities and these activities again have to promote and support the physical, social, emotional, behavior health and well-being.”

Kern Health Systems has also awarded two-thousand dollars to each to 72 non-profit organizations in the form of community grants. Over a half-million dollars have been awarded during the grant program.

VERSION 3

Kern Health Systems has announced over 300-thousand dollars in grants for this year, including to seven schools for Wellness Programs. There are also 72 grants of two-thousand dollars each to area non-profits. Marketing and Public Relations Consultant Jacque Jans says Kern Health Systems is more than just a health plan...

“We also do more than just the regular you know provider member relationship, we do more with our community and programs to support community wellness.”

Jans says this is the seventh year of their grant program, and in total they've awarded over half-a-million dollars. The schools receiving the grants are in Bakersfield, Delano, and Lamont.



MEDIA Clips

This news compilation is intended for KHS purposes only.

KERN COUNTY

[KHS appoints new CEO a CSUB alumna- aiming for better coordination or care, broader impact](#)

By CSUB

A new chief executive has taken the reins of Kern County's largest health plan with hopes of lowering health plan with hopes of lowering barriers to medical treatment for the county's poor while working with other local organizations to address homelessness and improve mental health care.

Kern Health Systems incoming CEO Emily Duran, who grew up a Medi-Cal recipient in Delano and the daughter of immigrant farmworkers, predicted big changes ahead as she prepares to succeed outgoing CEO Doug Hayward upon his retirement July 6 after a decade on the job.

[Read More](#)

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SUMMARY

FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Friday, June 10, 2022

8:00 A.M.

COMMITTEE RECONVENED

Members: Deats, Martinez, McGlew, Melendez, Rhoades
ROLL CALL: All Present

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

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

COMMITTEE ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

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

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))

DIRECTOR DEATS ANNOUNCED THAT THIS WILL BE HIS LAST MEETING AS FINANCE COMMITTEE CHAIR AND THAT DIRECTOR MARTINEZ WILL BE THE NEW CHAIR OF THE FINANCE COMMITTEE; DIRECTOR DEATS STATED THAT THE KHS ACCOUNTING TEAM DOES A GREAT JOB AND THAT HE IS THRILLED TO SEE DIRECTOR MARTINEZ AS THE NEW CHAIR

Summary

Finance Committee Meeting
Kern Health Systems

Page 2
6/10/2022

- CA-3) Minutes for Kern Health Systems Finance Committee meeting on April 8, 2022 - APPROVED
Rhoades-Martinez: All Ayes
- 4) Report on Kern Health Systems investment portfolio for the first quarter ending March 31, 2022 (Fiscal Impact: None) – IRA COHEN, UBS FINANCIAL SERVICES, INC., HEARD; RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-McGlew: All Ayes
- 5) Proposed renewal and binding of insurance coverages for crime, excess crime, property, pollution, workers' compensation, fiduciary liability, cyber insurance, managed care errors and omissions, earthquake insurance, flood insurance and deadly weapon response program from July 1, 2022 through June 30, 2023 (Fiscal Impact: \$750,000 Estimated; Budgeted) – CHRIS TOBIN AND CANDACE PORTER, ALLIANT INSURANCE, HEARD; APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-McGlew: All Ayes
- 6) Report from the Milliman actuary firm regarding capital reserves (Fiscal Impact: None) – AARON GATES, MILLIMAN, HEARD; RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Martinez-Rhoades: All Ayes
- 7) Proposed Agreement with CollectiveSun, for Prepaid Power Purchase Agreement Financing to receive a 17% rebate on New Carport Solar Panels System, from June 20, 2022, through June 20, 2028 (Fiscal Impact: \$499,165 Savings/Estimated) – JOAN COX AND NICOLE WITHROW, COLLECTIVESUN, HEARD; KYLE SANDERS, AC ELECTRIC, HEARD; APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Martinez: All Ayes
- 8) Proposed Agreement with CommGap International Language Services, for In-person Interpreting Services for Kern Health Systems' members, from July 6, 2022, through July 6, 2024 (Fiscal Impact: \$175,000 annually; Budgeted) – APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Rhoades: All Ayes
- 9) Report on Kern Health Systems financial statements for February 2022, March 2022 and April 2022 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-McGlew: All Ayes
- 10) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for February, 2022, March 2022 and April 2022, IT Technology Consulting Resources for the period ended April 30, 2022, HR Hiring Report for the period ending April 30, 2022 and Major Organ Transplant Report for the period ending April 30, 2022 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
McGlew-Rhoades: All Ayes

ADJOURN TO FRIDAY, AUGUST 5, 2022 AT 8:00 A.M.