



**KERN HEALTH
SYSTEMS**

**FINANCE COMMITTEE
MEETING**

Friday, February 5, 2021

at

8:00 a.m.

**Kern Health Systems
2900 Buck Owens Blvd.
4th Floor – Kern River Room
Bakersfield, CA 93308**

For more information, call (661) 664-5000

AGENDA

FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Friday, February 5, 2021

8:00 A.M.

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

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

COMMITTEE TO RECONVENE

Members: Deats, Martinez, McGlew, Melendez, Rhoades

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

STAFF RECOMMENDATION SHOWN IN CAPS

Agenda

Finance Committee Meeting
Kern Health Systems

Page 2
2/5/2021

PUBLIC PRESENTATIONS

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

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))
- CA-3) Minutes for KHS Finance Committee meeting on December 4, 2020 - APPROVE
- 4) Report on Kern Health Systems investment portfolio for the fourth quarter ending December 31, 2020 (Fiscal Impact: None) – RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 5) Report on 2020 annual review of the Kern Health Systems Investment Policy (Fiscal Impact: None) – RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 6) Report on 2020 Annual Travel Report (Fiscal Impact: None) – RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 7) Report on 2020 Annual Report of Disposed Assets (Fiscal Impact: None) – RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 8) Proposed Agreement with FluidEdge, LLC., for Population Health Consulting Services, from March 1, 2021 through May 31, 2021 (Fiscal Impact: \$160,000; Not-Budgeted) – APPROVE; REFER TO KHS BOARD OF DIRECTORS
- 9) Request to Establish 2021 – 2022 Provider Grant Program (Fiscal Impact: Up to \$10 million; Not-Budgeted) – APPROVE; REFER TO KHS BOARD OF DIRECTORS

Agenda

Finance Committee Meeting
Kern Health Systems

Page 2
2/5/2021

- 10) Report on Kern Health Systems financial statements for November 2020 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 11) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for November 2020 and IT Technology Consulting Resources for the period ended November 30, 2020 (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

ADJOURN TO FRIDAY, APRIL 9, 2021 AT 8:00 A.M.

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

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

SUMMARY

FINANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Friday, December 4, 2020

8:00 A.M.

COMMITTEE RECONVENED

Members present: Martinez, McGlew, Melendez, Rhoades

Members absent: Deats

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

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

COMMITTEE ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

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

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))
NO ONE HEARD
- CA-3) Minutes for KHS Finance Committee meeting on October 9, 2020 -
APPROVED
Rhoades-Melendez: 4 Ayes;1 Absent – Deats
- 4) Report on Kern Health Systems investment portfolio for the third quarter ending September 30, 2020 (Fiscal Impact: None) –
RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Melendez: 4 Ayes;1 Absent – Deats
- 5) Proposed policy with IOA RE for reinsurance to mitigate costs incurred by Kern Health Systems for members with high dollar inpatient admissions from January 1, 2021 through December 31, 2021 in an amount not to exceed \$0.29 per member per month (Fiscal Impact: \$961,855 estimated; Budgeted) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Melendez: 4 Ayes;1 Absent – Deats
- 6) Proposed Agreement with Edifecs, Inc., for the support and maintenance of the Enterprise Management Software Tool, from December 20, 2020 through December 19, 2025 (Fiscal Impact: \$1,045,332; Budgeted) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-Rhoades: 4 Ayes;1 Absent – Deats
- 7) Proposed Kern Health Systems 2021 Operating and Capital Budgets (Fiscal Impact: None) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Melendez: 4 Ayes;1 Absent – Deats
- 8) Proposed Budget Request for 2021 Project Consulting Professional Services, from January 1, 2021 through December 31, 2021 (Fiscal Impact: \$3,561,948; Budgeted) –
APPROVED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-Rhoades: 4 Ayes;1 Absent – Deats
- 9) Report on Kern Health Systems financial statements for September 2020 and October 2020 (Fiscal Impact: None) –
RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Rhoades-Melendez: 4 Ayes;1 Absent – Deats

SUMMARY
Finance Committee Meeting
Kern Health Systems

Page 3
12/4/2020

- 10) Report on Accounts Payable Vendor Report, Administrative Contracts between \$30,000 and \$100,000 for September 2020 and October 2020 and IT Technology Consulting Resources for the period ended September 30, 2020 (Fiscal Impact: None) – RECEIVED AND FILED; REFERRED TO KHS BOARD OF DIRECTORS
Melendez-Rhoades: 4 Ayes;1 Absent - Deats

ADJOURN TO FRIDAY, FEBRUARY 5, 2021 AT 8:00 A.M.
Rhoades



To: KHS Finance Committee

From: Robert Landis, CFO

Date: February 5, 2021

Re: Quarterly Review of Kern Health Systems Investment Portfolio

Background

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

- Preservation of principal
- Liquidity
- Yield

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

Short-Term Portfolio (Under 1 year)

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

Long-Term Portfolio (1-5 years)

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

Requested Action

Receive and File; Refer to KHS Board of Directors

**Kern Health Systems
Investment Portfolio
December 31, 2020**

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) \$ 2,700,000	1.11%	100%		1 Day	None
Goldman Money Market	(A)	(1) \$ -	0.00%	40%		1 Day	None
Local Agency Investment Fund (LAIF)	(B)	(2) \$ 70,700,000	29.01%	50%	0.58%	2 Days	None
US T-Bills at Wells Fargo		(1) \$ 110,000,000	45.14%	100%	0.06%	1 Day	Subject to Interest Rate Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	(1) \$ 9,000,000	3.69%		0.17%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 192,400,000	78.95%		0.26%		

Long Term Portfolio (1 - 5 years)

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

UBS Managed Portfolio	(D)	\$ 51,300,000	21.05%		0.30%	3 Days	Subject to Interest Rate and Credit Fluctuations
KHS Managed Portfolio at Wells Fargo	(C)	\$ -	0.00%		0.00%	3 Days	Subject to Interest Rate and Credit Fluctuations
Sub-Total		\$ 51,300,000	21.05%		0.30%		
Total Portfolio		\$ 243,700,000	100.00%		0.27%		

<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	0.09%	0.20%	0.24%	0.05%
2 year	0.11%	0.28%	0.33%	0.15%
3 year	0.15%	0.38%	0.57%	0.20%
5 year	0.35%	0.68%	0.72%	0.45%

- (A) Money market fund comprised of US Treasury and Repurchase Agreement Obligations.
- (B) LAIF is part of a \$107 Billion Pooled Money Investment Account managed by the State Treasurer of CA. Majority of portfolio is comprised of Treasuries, CD's, Time Deposits and Commercial Paper.
- (C) High quality diversified portfolio comprising commercial paper, corporate bonds and notes.
- (D) High quality diversified portfolio comprising certificate of deposits, corporate bonds and notes, municipal securities and US Treasury Securities. Includes investments maturing in less than 1 year that will be re-invested for over 1 year at maturity.
- (1) Funds are utilized to pay providers, meet operating expenses, distribute pass-through monies waiting for additional approvals and/or support, amounts owed to the State for MCO Taxes, potential State premium recoupments and for amounts owed under various Risk Corridors. Extra liquidity is maintained in the event the State is late with its monthly capitation payment.
- (2) Funds are primarily utilized to fund various Grant Programs and 2021 capital projects.



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

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

UBS Client Review

as of December 31, 2020

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.....	12
Important information about this report.....	13



Portfolio review

as of December 31, 2020

Asset allocation review

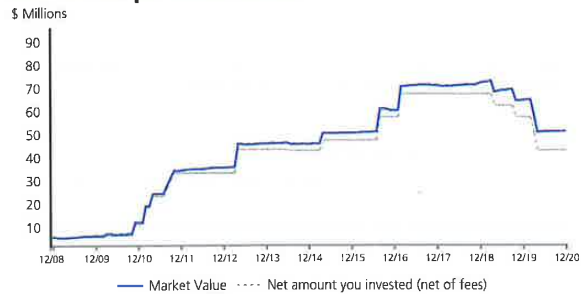
	Value on 12/31/2020 (\$)	% of Portfolio
A Cash	56,159.02	0.11
Cash	56,159.02	0.11
US	56,159.02	0.11
B Fixed Income	51,258,679.64	99.89
US	51,258,679.64	99.89
US Fixed Income	200,278.74	0.39
Government	12,314,351.28	24.00
Municipals	2,502,458.33	4.88
Corporate IG Credit	36,241,591.29	70.62
C Equity	0.00	0.00
D Commodities	0.00	0.00
E Non-Traditional	0.00	0.00
F Other	0.00	0.00
Total Portfolio	\$51,314,838.66	100%



EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for: Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Sources of portfolio value



Portfolio value and investment results

Performance returns (annualized > 1 year)

	For the period of 12/31/2019 to 03/31/2020	For the period of 03/31/2020 to 06/30/2020	For the period of 06/30/2020 to 09/30/2020	For the period of 09/30/2020 to 12/31/2020
Opening value	64,774,148.39	58,129,797.38	51,191,820.22	51,263,475.90
Net deposits/withdrawals	-7,028,930.59	-7,427,147.10	-21,163.90	-24,483.19
Div./interest income	344,471.43	276,248.55	162,495.87	233,052.70
Change in accr. interest	-54,177.38	-51,281.07	45,507.55	-43,329.00
Change in value	94,285.53	264,202.47	-115,183.84	-113,877.75
Closing value	58,129,797.38	51,191,820.22	51,263,475.90	51,314,838.66
Net Time-weighted ROR	0.64	0.90	0.14	0.10

Net deposits and withdrawals include program and account fees.

Summary of gains and losses

	Short term (\$)	Long term (\$)	Total (\$)
2019 Realized gains and losses	6,267.00	32,265.75	38,532.75
Taxable	6,267.00	32,265.75	38,532.75
Tax-deferred	0.00	0.00	0.00
2020 Year to date	23,642.27	224,416.40	248,058.67
Taxable	23,642.27	224,416.40	248,058.67
Tax-deferred	0.00	0.00	0.00

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

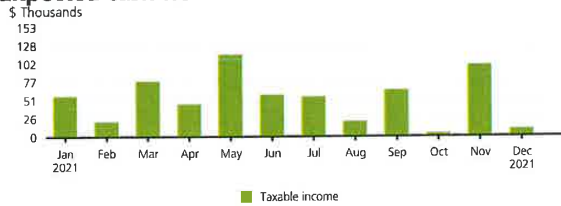
Report created on: January 13, 2021

Page 2 of 16



Portfolio review - as of December 31, 2020 (continued)

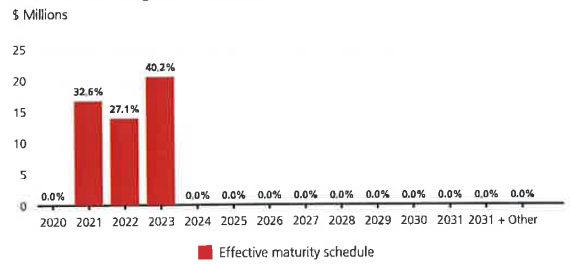
Expected cash flow



Total taxable income: \$652,351.98
Total expected cash flow: \$652,351.98
 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 12/31/2020 (\$)	Actual (%)	Model (%)	Gap (%)
Communication Services	0.00	0.00	10.72	-10.72
Consumer Discretionary	0.00	0.00	11.67	-11.67
Consumer Staples	0.00	0.00	7.18	-7.18
Energy	0.00	0.00	2.63	-2.63
Financials	0.00	0.00	10.91	-10.91
Health Care	0.00	0.00	13.38	-13.38
Industrials	0.00	0.00	7.86	-7.86
Information Technology	0.00	0.00	27.21	-27.21
Materials	0.00	0.00	2.83	-2.83
Real Estate	0.00	0.00	2.32	-2.32
Utilities	0.00	0.00	2.64	-2.64
Total classified equity	\$0.00			
Unclassified Securities	0.00			

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

Report created on: January 13, 2021



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

Portfolio review - as of December 31, 2020 (continued)

Summary of performance by account

Performance start date	Value on 12/31/2020 (\$)	% of portfolio	Net time-weighted	Performance returns (annualized > 1 year)				
				For the period of 12/31/2019 to 02/21/2020	For the period of 03/31/2020 to 06/30/2020	For the period of 09/01/2020 to 11/30/2020	For the period of 12/31/2020 to 01/31/2021	
EX000120 BOND PORTFOLIO*PMI*The Cohen Group Fixed Income - PV Risk profile: Conservative Return objective: Current Income	Dec 08, 2008	\$1,314,838.66	100.00%	Net time-weighted	0.64%	0.90%	0.14%	0.10%
Total Portfolio	Dec 08, 2008	\$1,314,838.66	100%	Net time-weighted	0.64%	0.90%	0.14%	0.10%
Benchmarks - Annualized time-weighted returns					For the period of 12/31/2019 to 02/21/2020	For the period of 03/31/2020 to 06/30/2020	For the period of 09/01/2020 to 11/30/2020	For the period of 12/31/2020 to 01/31/2021
Blended Index					0.24%	2.47%	0.40%	0.42%
Blended Index 2					0.54%	1.32%	0.22%	0.21%
US Treasury Bill - 3 Mos					0.47%	0.02%	0.03%	0.02%
Barclays US Agg 1-3Y					1.79%	0.88%	0.16%	0.22%
S&P 500					-19.60%	20.54%	8.93%	12.15%

Blended Index 11/06/2019 - Current: 40% Barclays Corp 1-3Y, 55% Barclays Govt/Creds 1-3Y **Blended Index 2 Start - Current:** 30% BofA 1Y Tn Note, 40% BofA US Corp 1-3Y A-AAA, 30% US Treasury Bill - 3 Mos
 Past performance does not guarantee future results and current performance may be lower/higher than past data presented.

Report created on: January 13, 2021

Page 4 of 16



Asset allocation by account

as of December 31, 2020

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for: KHS Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

	Equities (\$%)			Fixed Income (\$%)			Non-Traditional (\$%)	Commodities (\$%)	Other (\$%)	Total
	Cash (\$%)	U.S.	Global	International	U.S.	Global				
	56,159.02	0.00	0.00	0.00	51,258,679.64	0.00	0.00	0.00	0.00	551,314,838.66
Total Portfolio	0.11	0.00	0.00	0.00	99.89	0.00	0.00	0.00	0.00	100%
	56,159.02	0.00	0.00	0.00	51,258,679.64	0.00	0.00	0.00	0.00	551,314,838.66
	0.11	0.00	0.00	0.00	99.89	0.00	0.00	0.00	0.00	100.00%

EX XX120 - BOND PORTFOLIO - BSA FMP

Risk profile: Conservative
 Return objective: Current Income

	Equities (\$%)			Fixed Income (\$%)			Non-Traditional (\$%)	Commodities (\$%)	Other (\$%)	Total
	Cash (\$%)	U.S.	Global	International	U.S.	Global				
	56,159.02	0.00	0.00	0.00	51,258,679.64	0.00	0.00	0.00	0.00	551,314,838.66
Total Portfolio	0.11	0.00	0.00	0.00	99.89	0.00	0.00	0.00	0.00	100%

Balanced mutual funds are allocated in the "Other" category



Asset allocation review

as of December 31, 2020

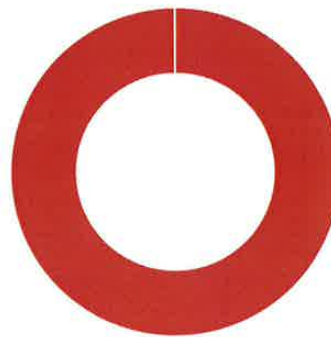
Summary of asset allocation

	Market value (\$)	% of Portfolio
Cash	56,159.02	0.11
Cash	56,159.02	0.11
US	56,159.02	0.11
Fixed Income	51,258,679.64	99.89
US	51,258,679.64	99.89
US Fixed Income	200,278.74	0.39
Government	12,314,351.28	24.00
Municipals	2,502,458.33	4.88
Corporate IG Credit	36,241,591.29	70.62
Equity	0.00	0.00
Commodities	0.00	0.00
Non-Traditional	0.00	0.00
Other	0.00	0.00
Total Portfolio	\$51,314,838.66	100%

Balanced mutual funds are allocated in the 'Other' category

EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for: Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income



■ Cash 0.11%
 ■ US Fixed Income 99.89%



Bond summary

as of December 31, 2020

Bond overview

Total quantity	50,542,000
Total market value	\$51,077,605.03
Total accrued interest	\$181,074.61
Total market value plus accrued interest	\$51,258,679.64
Total estimated annual bond interest	\$772,270.80
Average coupon	1.54%
Average current yield	1.51%
Average yield to maturity	0.47%
Average yield to worst	0.30%
Average modified duration	1.26
Average effective maturity	1.63

Credit quality of bond holdings

Effective credit rating	Issues	Value on 12/31/2020 (\$)	% of port.
A Aaa/AAA/AAA	7	12,314,351.28	24.09
B Aa/AA/AA	4	6,556,643.61	12.79
C A/A	22	32,187,406.01	62.73
D Baa/BBB/BBB	0	0.00	0.00
E Non-investment grade	0	0.00	0.00
F Certificate of deposit	1	200,278.74	0.39
G Not rated	0	0.00	0.00
Total	34	\$51,258,679.64	100%

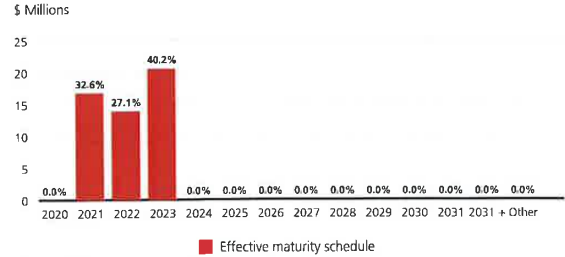


EX XX120 • BOND PORTFOLIO • Portfolio Management Program
 Prepared for: Kern Health Systems
 Risk profile: Conservative
 Return Objective: Current Income

Investment type allocation

Investment type	Taxable (\$)	Tax-exempt / deferred (\$)	Total (\$)	% of bond port.
Certificates of deposit	200,278.74	0.00	200,278.74	0.39
Municipals	2,502,458.33	0.00	2,502,458.33	4.88
U.S. corporates	36,241,591.29	0.00	36,241,591.29	70.70
U.S. federal agencies	12,314,351.28	0.00	12,314,351.28	24.02
Total	\$51,258,679.64	\$0.00	\$51,258,679.64	100%

Bond maturity schedule



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

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



Bond holdings
as of December 31, 2020

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 (\$)	Net value (\$)	% of bond portfolio maturing
2020	0	0			NA	NA	NA				
2021	17	16,518,000	403,721.75	2.42%	0.61 %	0.33 %	0.46	16,519,745.18	151,703.64	16,754,735.51	32.64%
2022	10	13,574,000	244,449.05	1.76%	0.41 %	0.27 %	1.08	13,716,536.47	133,933.74	13,816,654.13	27.12%
2023	12	20,450,000	124,028.00	0.60%	0.38 %	0.30 %	2.01	20,538,337.52	17,348.48	20,587,290.02	40.24%
2024	0	0			NA	NA	NA				
2025	0	0			NA	NA	NA				
2026	0	0			NA	NA	NA				
2027	0	0			NA	NA	NA				
2028	0	0			NA	NA	NA				
2029	0	0			NA	NA	NA				
2030	0	0			NA	NA	NA				
2031	0	0			NA	NA	NA				
2032	0	0			NA	NA	NA				
2033	0	0			NA	NA	NA				
2034	0	0			NA	NA	NA				
2035	0	0			NA	NA	NA				
2036	0	0			NA	NA	NA				
2037	0	0			NA	NA	NA				
2038	0	0			NA	NA	NA				
2039	0	0			NA	NA	NA				
2040	0	0			NA	NA	NA				
2041	0	0			NA	NA	NA				
2042	0	0			NA	NA	NA				
2043	0	0			NA	NA	NA				
2044	0	0			NA	NA	NA				
2045	0	0			NA	NA	NA				
2046	0	0			NA	NA	NA				
2047	0	0			NA	NA	NA				
2048	0	0			NA	NA	NA				
2049	0	0			NA	NA	NA				
2049 =	0	0			NA	NA	NA				
Other	0	0			NA	NA	NA				
Total	34	50,542,000	\$772,270.80	1.51%	0.47 %	0.30 %	1.26	\$50,774,619.17	\$302,985.86	\$51,258,679.64	

Includes all fixed-rate securities in the selected portfolio. Average yields and durations exclude Structured Product, Pass-Through, Perpetual Preferred, and Foreign securities
Report created on: January 13, 2021



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

Bond holdings - as of December 31, 2020 (continued)

Details of bond holdings

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Total Bond Portfolio		50,542,000	1.54%	08/18/2022	NA	\$772,279.90 1.51%	0.41% 0.30%	1.26	\$50,774,619.1 \$302,985.86	NA	\$51,077,605.03 \$181,074.61 \$51,258,679.64	100%

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%)/ YTW (%)	Modified duration	Adjusted cost basis (\$)/ Unreal. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2021												
WELLS FARGO NATL B NV US RT 01.6500% MAT 01/13/21 FIXED RATE CD NV	CD	200,000	1.65%	01/13/2021		3,300.00 1.65%	0.02% 0.02%	0.03	199,800.00 316.00	100.058	200,116.00 162.74	0.39%
JPMORGAN CHASE & CO NTS 02.550% 03/01/21 DTD030116 FC090116 B/E	A2/AA-/A- NR/NR/NR	1,000,000	2.55%	03/01/2021	02/01/2021 100.00	25,500.00 2.55%	1.58% 0.64%	0.08	1,001,542.17 47.83	100.159	1,001,590.00 8,500.00	1.96%
BANK OF AMER CORP 02.625% 04/19/21 DTD041916 FC101916 CALL@MW+25BP	A2/A+/A- NR/NR/NR	3,143,000	2.63%	04/19/2021		82,503.75 2.61%	0.29% 0.29%	0.29	3,160,300.99 4,668.58	100.699	3,164,969.57 16,500.75	6.20%
GENL DYNAMICS CORP NTS 03.000% 05/11/21 DTD051118 FC111118 CALL@MW+10BP	A2/MD/A NR/NR/NR	1,000,000	3.00%	05/11/2021		30,000.00 2.97%	0.33% 0.33%	0.36	994,790.00 14,840.00	100.963	1,009,630.00 4,166.67	1.98%
BURLINGTON NTHN SANTA FE 04.100% 06/01/21 DTD051911 CALL@MW +15BP CORP NTS	A3/NR/A+ NR/NR/NR	1,000,000	4.10%	06/01/2021	03/01/2021 100.00	41,000.00 4.08%	2.66% 0.55%	0.16	1,006,868.55 -958.55	100.591	1,005,910.00 3,416.67	1.97%
LAM RESEARCH CORP NTS 2.800% 06/15/21 DTD060716 FC121516 CALL@MW+25BP	A3/NR/A- NR/NR/NR	2,000,000	2.80%	06/15/2021	05/15/2021 100.00	56,000.00 2.78%	0.84% 0.41%	0.37	2,016,344.11 1,435.89	100.889	2,017,780.00 2,488.89	3.95%
CATERPILLAR FINANCIAL SE 01.700% 08/09/21 DTD080916 FC020917 NTS B/E	A3/A/A NR/NR/NR	2,000,000	1.70%	08/09/2021		34,000.00 1.69%	0.30% 0.30%	0.60	1,984,080.00 32,800.00	100.844	2,016,880.00 13,411.11	3.95%
LOS ANG CAL TAX SR A BE/R/ 2.150 09/01/21 DTD 122116 /CA	Aa2/NR/NR Aa2/NR/NR	1,000,000	2.15%	09/01/2021		21,500.00 2.12%	0.35% 0.35%	0.66	994,250.00 17,740.00	101.199	1,011,990.00 7,166.67	1.98%
ORACLE CORP NTS B/E 01.900% 09/15/21 DTD070716 FC031517 CALL@MW+15BP	A3/A-/A NR/NR/NR	1,425,000	1.90%	09/15/2021	08/15/2021 100.00	27,075.00 1.88%	0.47% 0.28%	0.61	1,399,934.25 39,415.50	101.007	1,439,349.75 7,972.08	2.82%
NVIDIA CORP NTS B/E 2.200% 09/16/21 DTD091616 FC031617 CALL@MW+15BP	A2/A/A- NR/NR/NR	1,300,000	2.20%	09/16/2021	08/16/2021 100.00	28,600.00 2.17%	0.48% 0.25%	0.61	1,314,489.71 1,331.29	101.217	1,315,821.00 8,341.67	2.58%
CISCO SYSTEMS INC B/E 01.850% 09/20/21 DTD092016 FC032017 CALL@MW+10BP	A1/NR/A- NR/NR/NR	1,000,000	1.85%	09/20/2021	08/20/2021 100.00	18,500.00 1.83%	0.44% 0.26%	0.63	993,660.00 16,420.00	101.008	1,010,080.00 5,190.28	1.98%

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

Report created on: January 13, 2021



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

Bond holdings - as of December 31, 2020 (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. g/l (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port
Maturing 2021											
MISSISSIPPI ST TAX SR G BE/RV 2.470 110121 DTD 120815	Aa2/AAA/AA Aa2/AA/NR	1,450,000	2.47%	11/01/2021		35,815.00 2.42%	0.20% 0.20%	1,453,685.40 23,647.10	101.885	1,477,332.50 5,969.17	2.89%
Total 2021		14,518,600	2.44%	07/08/2021		\$401,793.75 2.42%	0.61% 0.33%	\$18,519,745.1 \$151,703.64		\$16,671,448.82 \$83,286.69	32.64%
Maturing 2022											
FFCB BOND 01.580 % DUE 011322 DTD 011320 FC 07132020	Aaa/AAA/AA+ NR/NR/NR	1,100,000	1.58%	01/13/2022	01/13/2021 100.00	17,380.00 1.58%	1.55% 0.59%	1,099,175.00 1,188.00	100.033	1,100,363.00 8,110.67	2.15%
PEPSICO INC NTS B/E 02.250% 050222 DTD050217 FC110217 CALL@MMW+10BP	A1/WD/A+ NR/NR/NR	1,089,000	2.25%	05/02/2022	04/02/2022 100.00	24,502.50 2.19%	0.34% 0.22%	1,087,301.16 29,348.55	102.539	1,116,649.71 4,015.69	2.19%
CATERPILLAR FINL SERVICE 00.950% 051322 DTD051520 FC111320 CALL@MMW+15BP	A3/A/A NR/NR/NR	1,500,000	0.95%	05/13/2022		14,250.00 0.94%	0.29% 0.29%	1,505,185.72 8,284.28	100.898	1,513,470.00 1,900.00	2.96%
IBM CORP NTS B/E 02.850% 051322 DTD051519 FC111519 CALL@MMW+10BP	A2/WD/A NR/NR/NR	1,500,000	2.85%	05/13/2022		42,750.00 2.75%	0.24% 0.24%	1,553,533.80 -253.80	103.552	1,553,280.00 5,462.50	3.04%
QUALCOMM INC NTS B/E 03.000% 052022 DTD052015 FC112015 CALL@MMW+15BP	A2/NR/A NR/NR/NR	1,000,000	3.00%	05/20/2022		30,000.00 2.89%	0.27% 0.27%	1,008,536.55 29,273.45	103.781	1,037,810.00 3,416.67	2.03%
UNITEDHEALTH GROUP INC 03.350% 071522 DTD072315 FC011516 CALL@MMW+20BP	A3/A/A+ NR/NR/NR	1,700,000	3.35%	07/15/2022		56,950.00 3.20%	0.21% 0.21%	1,778,730.85 3,209.15	104.820	1,781,940.00 26,260.28	3.49%
FHLMC MED TERM NTS 00.310 % DUE 081922 DTD 051920 FC 11192020	Aaa/AAA/NR NR/NR/NR	2,000,000	0.31%	08/19/2022	05/19/2021 100.00	6,200.00 0.31%	0.29% 0.24%	1,999,500.00 1,020.00	100.026	2,000,520.00 723.33	3.92%
HONEYWELL INTL INC NTS 00.483% 081922 DTD081920 FC021921 CALL@MMW+5BP	A2/A/A NR/NR/NR	1,000,000	0.48%	08/19/2022	08/19/2021 100.00	4,830.00 0.48%	0.38% 0.23%	1,001,570.74 29.26	100.160	1,001,600.00 1,771.00	1.96%
WALT DISNEY CO NTS B/E 01.650% 090122 DTD090619 FC030120	A2/A- NR/NR/NR	2,300,000	1.65%	09/01/2022		37,950.00 1.61%	0.26% 0.26%	2,290,501.00 62,445.00	102.302	2,352,946.00 12,650.00	4.61%
BANK OF AMER CORP 02.503% 102122 DTD102116 FC042117	A2/A- NR/NR/NR	385,000	2.50%	10/21/2022	10/21/2021 100.00	9,636.55 2.46%	1.49% 0.28%	392,501.65 -610.15	101.790	391,891.50 1,873.77	0.77%
Total 2022		13,574,000	1.82%	04/25/2022		\$248,646.03 1.76%	0.41% 0.27%	1.09 \$13,716,536.4 \$133,933.74		\$13,850,470.21 \$66,183.91	27.12%

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

Report created on: January 13, 2021



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

Bond holdings - as of December 31, 2020 (continued)

	Effective rating/ Underlying rating (Mdy/Fitch/S&P)	Quantity	Coupon	Effective maturity	Call date/ Call price (\$)	Est. annual income (\$)/ Curr. yield (%)	YTM (%) / Modified YTW (%) duration	Adjusted cost basis (\$)/ Unreal. g/ (\$)	Market price (\$)	Mkt. value (\$)/ Accr. interest (\$)	% of bond port.
Maturing 2023											
JPMORGAN CHASE & CO NTS 02.972% 011523 DTD120816 FC071517 CALL@MW+20BP	A2/AA-/A- NR/NR/NR	1,150,000	2.97%	01/15/2023	01/15/2022 100.00	34,178.00 2.89%	1.61% 0.34%	1,181,774.50 -448.50	102.724	1,181,326.00 15,759.86	2.31%
PEPSICO INC NTS B/E 00.750% 050123 DTD050120 FC110120 CALL@MW+10BP	A1/AWD/A+ NR/NR/NR	1,500,000	0.75%	05/01/2023		11,250.00 0.74%	0.14% 0.14%	1,515,231.36 6,158.64	101.426	1,521,390.00 1,875.00	2.98%
APPLE INC NTS B/E 00.750% 051123 DTD051120 FC111120 CALL@MW+10BP	Aa1/NR/AA+ NR/NR/NR	3,000,000	0.75%	05/11/2023		22,500.00 0.74%	0.24% 0.24%	3,030,376.23 5,413.77	101.193	3,035,790.00 3,125.00	5.94%
FNMA NTS 00.475 % DUE 061623 DTD 061620 FC 12162020	Aaa/AAA/AA+ NR/NR/NR	2,000,000	0.47%	06/16/2023	06/16/2021 100.00	9,500.00 0.47%	0.47% 0.44%	2,000,000.00 280.00	100.014	2,000,280.00 395.83	3.92%
JOHN DEERE CPTL CORP 00.700% 070523 DTD060420 FC010521 MED TERM NTS	A2/A/A NR/NR/NR	1,000,000	0.70%	07/05/2023		7,000.00 0.69%	0.28% 0.28%	1,008,633.73 1,956.27	101.059	1,010,590.00 4,025.00	1.98%
PACCAR FINANCIAL CORP 00.350% 081123 DTD081120 FC021121 MED TERM NTS	A1/NR/A+ NR/NR/NR	2,000,000	0.35%	08/11/2023		7,000.00 0.35%	0.37% 0.37%	2,000,000.00 -1,280.00	99.936	1,998,720.00 2,722.22	3.91%
PEPSICO INC NTS B/E 00.400% 100723 DTD100720 FC040721	A1/NR/A+ NR/NR/NR	600,000	0.40%	10/07/2023		2,400.00 0.40%	0.20% 0.20%	602,812.12 493.88	100.551	603,306.00 560.00	1.18%
FFCB BOND 00.290 % DUE 110223 DTD 110220 FC 05022021	NR/AAA/AA+ NR/NR/NR	2,000,000	0.29%	11/02/2023	11/02/2021 100.00	5,800.00 0.29%	0.30% 0.30%	1,998,818.00 742.00	99.978	1,999,560.00 950.56	3.91%
FHLMC MED TERM NTS 00.350 % DUE 111323 DTD 081320 FC 11132020	Aaa/AAA/NR NR/NR/NR	1,200,000	0.35%	11/13/2023	05/13/2021 100.00	4,200.00 0.35%	0.37% 0.37%	1,199,580.00 -276.00	99.942	1,199,304.00 560.00	2.35%
FANNIE MAE NTS 00.310 % DUE 111623 DTD 111620 FC 05162021	Aaa/AAA/AA+ NR/NR/NR	2,000,000	0.31%	11/16/2023	11/16/2022 100.00	6,200.00 0.31%	0.27% 0.25%	1,999,800.00 2,400.00	100.110	2,002,200.00 775.00	3.92%
BANK OF NY MELLON CORP 00.350% 120723 DTD120720 FC060721 NTS B/E	A1/AA-/A NR/NR/NR	2,000,000	0.35%	12/07/2023	11/07/2023 100.00	7,000.00 0.35%	0.30% 0.30%	2,001,311.58 1,688.42	100.150	2,003,000.00 466.67	3.92%
FHLMC NTS 00.350 % DUE 121123 DTD 121120 FC 06112021	Aaa/AAA/NR NR/NR/NR	2,000,000	0.35%	12/11/2023	06/11/2021 100.00	7,000.00 0.35%	0.35% 0.33%	2,000,000.00 220.00	100.011	2,000,220.00 388.89	3.92%
Total 2023		28,450,000	0.61%	08/19/2023		\$124,028.80	0.38%	2.01	\$20,538,137.5	\$20,535,646.00	49.24%
						0.60%	0.30%		\$17,348.48	\$31,604.02	
		50,542,000	1.54%	08/19/2023	NA	\$772,276.80	0.47%	1.26	\$50,374,619.1	\$51,677,605.83	100%
Total Bond Portfolio						1.51%	0.30%		\$302,985.86	\$181,074.61	
										\$51,258,679.64	

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

Report created on: January 13, 2021



EX XX120 • BOND PORTFOLIO • Portfolio Management Program

Prepared for: Kern Health Systems
Risk profile: Conservative
Return Objective: Current Income

Additional information about your portfolio

as of December 31, 2020

Benchmark composition

Account EX XX120

Blended Index

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

Blended Index 2

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



Disclosures applicable to accounts at UBS Financial Services Inc.

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

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

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

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

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

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

vary substantially from the individual account performance reflected in the performance reports provided to you as part of those programs. For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, based on the number of calendar days in the billing period. When shown on a separate page, the fees paid by investors should be described in your account 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 needs.

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 (Effective Strategy Start) For individual advisory accounts. This presents Advisory level performance since the Latest Strategy Start date. If an account that has never been managed is included in the consolidated report, the total performance of that unmanaged account will be included since inception.

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

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

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

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

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

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

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

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

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

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

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

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

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



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

Program Fee rebate that is not reinvested is treated as a withdrawal.

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

Withdrawals: When shown on a report, this information represents the net value of all cash and securities withdrawals subtracted from your accounts from the first day to the last day of the period. On Client Summary Report 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 "*" have changed. Performance figures of an account with a changed Performance Start Date may not include the entire history of the account. The new Performance Start Date will generate performance returns and activity information for a shorter period than is available at UBS FS. As a result, the overall performance of these accounts may generate better performance than the period of time that would be included if the report used the inception date of the account. UBS FS recommends

reviewing performance reports that use the inception date of the account because reports with longer time frames are usually more helpful when evaluating investment programs and strategies. Performance reports may include accounts with inception dates that precede the new Performance Start Date and will show performance and activity information from the earliest available inception date. The change in Performance Start Date may be the result of a performance gap due to a zero-balance that prevents the calculation of continuous returns from the inception of the account. The Performance Start Date may also change if an account has failed one of our performance data integrity tests. In such instances, the account will be labeled as "Review Required" and performance prior to that future will be restricted. Finally, the Performance Start Date will change if you have explicitly requested a performance restart. Please contact your Financial Advisor for additional details regarding your new Performance Start Date.

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

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

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

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

If you choose to display tax lot level information as separate line items on the Portfolio Holdings report, the tax lot information may include information from sources other than UBS FS. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other

than UBS FS. As a result this information may not be accurate and is provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. See your monthly statement for additional information.

Pricing: All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities. However, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS FS account statement for important information regarding the pricing used for certain types of securities. The sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your accounts, 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 of the sources such as the last reported transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

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

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

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

Mutual Fund Asset Allocation: If the option to

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

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

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

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

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

This information is supplied by Morningstar, Inc. on a



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

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

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

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

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

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

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

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

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

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

High Yield: This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or

sell a high yield fixed income security, please contact your financial advisor or representative and do not make any investment decision based on this report.

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

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

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

Call Provisions: When evaluating the purchase of a corporate bond, one should be aware of any features that may allow the issuer to call the security. This is particularly important when considering an issue that is trading at a premium to its face value, 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: The Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with

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

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

Gain/Loss: The gain/loss information may include

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

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

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.



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

Account names displayed in this report and labels used for groupings of accounts can be customizable "nicknames" chosen by you to assist you with your recordkeeping or may have been included by your financial advisor for reference purposes only. The names used have no legal effect, are not intended to reflect any strategy, product, recommendation, investment objective or risk profile associated with your accounts or any group of accounts, and are not a promise or guarantee that results, 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 McDermid Investments clients: As an accommodation to former Piper Jaffray and McDermid Investments clients, their reports include performance history for their Piper Jaffray accounts prior to August 12, 2006 and McDermid 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 sources it believes to be reliable. UBS FS does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Information for insurance, annuities, and 529 Plans that has been provided by a third party source 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 of that 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.

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UBS
Kern Health Systems
Account Number: EBXXX20

Your Financial Advisor
 The UBS GROUP
 Phone: 661-663-3100/800-629-8022

Filtered by: Entry Date 10/01/2020-12/31/2020, Call/Redemption

Entry Date	Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
12/29/20	12/29/20	CALL REDEMPTION	FHLMC NTS 00.400 % DUE 122922	FG12D0	-1,200,000.00	REDEMPTION	1,200,000.00
12/14/20	12/14/20	CALL REDEMPTION	VISA INC NTS B/E 2.200% 121420 DTD121415	904H56	-1,500,000.00	REDEMPTION	1,500,000.00
12/02/20	12/02/20	CALL REDEMPTION	FNMA NTS 00.450 % DUE 060223	FG12E8	-1,500,000.00	REDEMPTION	1,500,000.00
12/01/20	12/01/20	CALL REDEMPTION	FHLMC MED TERM NTS 00.340 % DUE 090122	FF9ZX1	-2,400,000.00	REDEMPTION	2,400,000.00
11/30/20	11/30/20	CALL REDEMPTION	PFIZER INC NTS B/E 01.950% 060321 DTD060316 AS OF 11	825DQ4	-1,070,000.00	REDEMPTION	1,079,715.60
11/25/20	11/25/20	CALL REDEMPTION	FNMA NTS 00.500 % DUE 052523	FF9S29	-2,500,000.00	REDEMPTION	2,500,000.00
11/23/20	11/23/20	CALL REDEMPTION	FHLMC MED TERM NTS 00.375 % DUE 112322	FF9B70	-2,000,000.00	REDEMPTION	2,000,000.00
10/30/20	10/30/20	CALL REDEMPTION	BOEING CO B/E 01.650% 103020 DTD102915	661FZ4	-2,000,000.00	REDEMPTION	2,000,000.00
10/28/20	10/28/20	CALL REDEMPTION	FNMA NTS 01.800 % DUE 102822	FD8FY0	-2,000,000.00	REDEMPTION	2,000,000.00
10/06/20	10/06/20	CALL REDEMPTION	PNC BK NTS B/E 02.450% 110520 DTD110315	815861	-320,000.00	REDEMPTION	320,000.00

Filtered by: Entry Date 10/01/2020-12/31/2020, Bought

Entry Date	Settle Date	Activity	Description	Security#	Quantity	Price/Detail	Amount
12/30/20	01/04/21	BOUGHT	JPMORGAN CHASE & CO NTS 02.972% 011523 DTD120816	750QR1	1,150,000.00	\$102.763	-1,197,819.17
12/21/20	12/23/20	BOUGHT	IBM CORP NTS B/E 02.850% 051322 DTD051519	6855S4	1,500,000.00	\$103.634	-1,559,260.00
12/08/20	12/11/20	BOUGHT	FHLMC NTS 00.350 % DUE 121123	FH45V4	2,000,000.00	\$100.000	-2,000,000.00
12/08/20	12/10/20	BOUGHT	PEPSICO INC NTS B/E 00.400% 100723 DTD100720	787AM1	600,000.00	\$100.479	-603,294.00
12/07/20	12/09/20	BOUGHT	APPLE INC NTS B/E 00.750% 051123 DTD051120	8558E5	1,000,000.00	\$101.119	-1,011,773.33
12/07/20	12/09/20	BOUGHT	BANK OF NY MELLON CORP 00.350% 120723 DTD120720	693YF3	2,000,000.00	\$100.067	-2,001,378.89
12/01/20	12/02/20	BOUGHT	FANNIE MAE NTS 00.310 % DUE 111623	FH01D1	2,000,000.00	\$99.990	-2,000,075.56
12/01/20	12/02/20	BOUGHT	FFCB BOND 00.290 % DUE 110223	FG93R9	2,000,000.00	\$99.941	-1,999,301.33
11/03/20	11/05/20	BOUGHT	APPLE INC NTS B/E 00.750% 051123 DTD051120	8558E5	2,000,000.00	\$101.039	-2,028,030.00
11/03/20	11/05/20	BOUGHT	PACCAR FINANCIAL CORP 00.350% 081123 DTD081120	8155P8	2,000,000.00	\$100.000	-2,001,633.33
10/07/20	10/09/20	BOUGHT	BANK OF AMER CORP 02.503% 102122 DTD102116	6686D8	385,000.00	\$102.194	-397,943.86

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

As a firm providing wealth management services to clients, UBS Financial Services Inc. offers both investment advisory services and brokerage services. Investment advisory services and brokerage services are separate and distinct, either in material laws and are governed by different laws and regulatory 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/wealthadvisors.

The information is based upon the market value of your account(s) as of the close of business on December 31, 2020, 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 illustrative only. Your portfolio holdings and performance may vary significantly from the index. Your financial advisor can provide additional information about how benchmarks within this report were selected. You have discussed the receipt of this individually customized report with your Financial Advisor and understand that it is being provided for informational purposes only. If you would like to revoke such consent, and no longer receive this report, please notify your Financial Advisor and/or Branch Manager.



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

Bank Account Statement
Wells Fargo Bank, N.A.

Statement Period
12/01/2020 - 12/31/2020

KERN HEALTH SYSTEMS
 2900 BUCK OWENS BOULEVARD

Account Number
XXXXXXXXXX

Account Value Summary USD

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

	Amount Last Statement Period	Amount This Statement Period	Portfolio	%
Cash	\$ 0.00	\$ 0.00		0%
Money Market Mutual Funds	10,086,673.75	961.36		0%
Bonds	103,025,882.08	119,016,592.54		100%
Stocks	0.00	0.00		0%
Total Account Value	\$ 113,112,555.83	\$ 119,017,553.90		100%
Value Change Since Last Statement Period		\$ 5,904,998.07		
Percent Increase Since Last Statement Period				5%
Value Last Year-End		\$ 72,702,342.87		
Percent Increase Since Last Year-End				64%

Income Summary USD

	This Period	Year-To-Date
Interest	\$ 2,118.28	\$ 585,053.60
Dividends/Capital Gains	0.00	0.00
Money Market Mutual Funds Dividends	164.52	131,884.38
Other	0.00	0.00
Income Total	\$ 2,282.80	\$ 716,937.98

Interest Charged USD

Description	This Period
Debit Interest For December 2020	0.00
Total Interest Charged	\$ 0.00

Money Market Mutual Funds Summary USD

Description	Amount
Opening Balance	\$ 10,086,673.75
Deposits and Other Additions	165,003,129.39
Distributions and Other Subtractions	(175,089,008.30)
Dividends Reinvested	164.52
Change in Value	0.00
Closing Balance	\$ 961.36

Safekeeping

Important Information

This statement is provided to customers of Wells Fargo Securities, LLC ("WFS"), broker-dealer 0250. Statements are provided monthly for accounts with transactions and/or security positions. The account statement contains a list of securities held in safekeeping by WFS as of the statement date and provides details of purchases 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 sources. While we believe the prices are reliable, we cannot guarantee their accuracy. For exchange-listed securities, the price presented is the closing price at month end. For unlisted securities, it is the bid price at month end. The price of CDs that mature in one year or less are shown at last price traded. The price of CDs that mature in greater than one year and of other instruments that trade infrequently are estimated using similar securities for which prices are available. Prices on the statement may not necessarily be obtained when the asset is sold.

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

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

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

Free Credit Balances: Any customer free credit balances may be used in the business of WFS subject to limitation of 17 CFR Section 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 best if a customer has directed or placed limits on any orders. Whenever possible, WFS will route orders in an attempt to obtain executions at prices equal or superior to the nationally displayed best bid or offer. WFS will also attempt to obtain the best execution regardless of any compensation it may receive. The nature and source of credits and payments WFS receives in connection with specific orders will be furnished to a customer upon request. WFS prepares quarterly reports describing its order routing practices for non-directed orders routed to a particular venue for execution. A printed copy of this report along with other compliance and regulatory information is available upon written request or by visiting <http://www.wellsfargo.com/com/securities/regulatory>.

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

Equity Open Orders: Open orders will remain in effect until executed or 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 an obligation of the Federal Deposit Insurance Corporation ("FDIC"), the Federal Reserve System or any other agency; are not bank deposits; are not obligations of, or endorsed or guaranteed in any way by any bank or WFS; and are subject to risk, including the possible loss of principal, that may cause the value of the investment and investment return to fluctuate.

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

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

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

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

Financial Statements: WFS financial statements are available upon request.

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

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

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

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

Customers may also report complaints, inaccuracies or discrepancies by calling 1-800-645-3751 option 5. International callers should call 1-877-856-8878. To further protect their rights, including rights under the Securities Investor Protection Act, customers should also re-confirm in writing to the above address any oral communications with WFS relating to the inaccuracies or discrepancies.

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

Statement Ending: December 31, 2020

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								
912796A58	US TREASURY BILL	01/05/21	0.000%	20,000,000.000	100.0000	20,000,000.00		
89236TFR1	TOYOTA MOTOR CREDIT CORP	01/08/21	0.770%	3,000,000.000	100.0053	3,000,157.74		N
912796A66	US TREASURY BILL	01/12/21	0.000%	50,000,000.000	99.9991	49,999,555.50		
912796A74	US TREASURY BILL	01/19/21	0.000%	20,000,000.000	99.9983	19,999,666.60		
912796A82	US TREASURY BILL	01/26/21	0.000%	20,000,000.000	99.9971	19,999,419.40		
69448WPG3	PACIFIC LIFE SHORT TERM 4(2) DISCOUNTED COMMERCIAL PAPER	02/16/21	0.000%	3,000,000.000	99.9743	2,999,228.43		
437076AW2	HOME DEPOT INC	04/01/21	4.400%	2,000,000.000	100.0000	2,000,000.00		Y
24422ERE1	JOHN DEERE CAPITAL CORP	07/12/21	3.900%	1,000,000.000	101.8565	1,018,564.87		N
				119,000,000.000		119,016,592.54	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									
12/04/20	12/09/20	Security Receipt	912796A58	US TREASURY BILL	20,000,000.00	99.9949440	(19,998,988.89)	0.00	(19,998,988.89)
12/14/20	12/16/20	Security Receipt	564759PS1	MANUF & TRADERS TRUST CO	2,000,000.00	100.0367000	(2,000,774.00)	(1,210.44)	(2,001,984.44)
12/16/20	12/17/20	Security Receipt	69448WPG3	PACIFIC LIFE SHORT TERM 4(2)	3,000,000.00	99.9745830	(2,999,237.50)	0.00	(2,999,237.50)
12/16/20	12/17/20	Security Receipt	912796A66	US TREASURY BILL	50,000,000.00	99.9956670	(49,997,833.34)	0.00	(49,997,833.34)
12/16/20	12/18/20	Security Receipt	89236TFR1	TOYOTA MOTOR CREDIT CORP	3,000,000.00	100.0360000	(3,001,080.00)	(4,554.35)	(3,005,634.35)
12/22/20	12/22/20	Security Receipt	912796A74	US TREASURY BILL	20,000,000.00	99.9953330	(19,999,066.67)	0.00	(19,999,066.67)
12/30/20	12/30/20	Security Receipt	912796A82	US TREASURY BILL	20,000,000.00	99.9962500	(19,999,250.00)	0.00	(19,999,250.00)
Income / Payment Activity USD									
12/01/20	12/01/20	Matured	912796A40	US TREASURY BILL			20,000,000.00		20,000,000.00
12/08/20	12/08/20	Matured	912796B1	US TREASURY BILL			20,000,000.00		20,000,000.00
12/15/20	12/15/20	Matured	912796C9	US TREASURY BILL			20,000,000.00		20,000,000.00
12/22/20	12/22/20	Matured	912796D7	US TREASURY BILL			20,000,000.00		20,000,000.00
12/28/20	12/28/20	Matured	564759PS1	MANUF & TRADERS TRUST CO			2,000,000.00		2,000,000.00
12/28/20	12/28/20	Interest	564759PS1	MANUF & TRADERS TRUST CO				2,118.28	2,118.28

Safekeeping

Statement Ending: December 31, 2020

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
12/29/20	12/29/20	Matured	9127965F2	US TREASURY BILL			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
12/02/20	12/02/20	ACH/DDA Transaction	DESIGNATED DDA	10,000,000.00	
12/09/20	12/09/20	ACH/DDA Transaction	DESIGNATED DDA	20,000,000.00	
12/15/20	12/15/20	ACH/DDA Transaction	DESIGNATED DDA	15,000,000.00	
12/16/20	12/16/20	ACH/DDA Transaction	DESIGNATED DDA		83,000,000.00
12/22/20	12/22/20	ACH/DDA Transaction	DESIGNATED DDA	15,000,000.00	
12/29/20	12/29/20	ACH/DDA Transaction	DESIGNATED DDA	17,086,000.00	

Money Market Fund Activity

Morgan Stan TreasSvc 8314	Dividend paid this period	7 day* simple yield	30 day* simple yield
*As of December 31, 2020			
USD	0.00	0.010%	0.010%

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	12.50		12.50000
	Ending Balance		1.0000	12.50		12.50000

Goldman FS Tr Ob Ins 468	Dividend paid this period	7 day* simple yield	30 day* simple yield
*As of December 31, 2020			
USD	69.62	0.040%	0.040%

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	10,086,600.00		10,086,600.00000
12/01/20	Purchase	20,000,000.00000		20,000,000.00		30,086,600.00000
12/01/20	Reinvest	69.62000			69.62	30,086,669.62000
12/02/20	Redemption	(10,000,000.00000)		(10,000,000.00)		20,086,669.62000
12/08/20	Purchase	1,011.11000		1,011.11		20,087,680.73000
12/08/20	Redemption	(20,000,000.00000)		(20,000,000.00)		87,680.73000
12/15/20	Purchase	20,000,000.00000		20,000,000.00		20,087,680.73000

KERN HEALTH SYSTEMS

Account Number: ██████████

Money Market Fund Activity (Continued)

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
12/15/20	Redemption	(15,000,000.00000)		(15,000,000.00)		5,087,690.73000
12/16/20	Redemption	(2,001,984.44000)		(2,001,984.44)		3,085,696.29000
12/16/20	Purchase	83,000,000.00000		83,000,000.00		86,085,696.29000
12/17/20	Redemption	(52,997,070.84000)		(52,997,070.84)		33,088,625.45000
12/18/20	Redemption	(3,005,634.35000)		(3,005,634.35)		30,082,991.10000
12/22/20	Purchase	20,000,000.00000		20,000,000.00		50,082,991.10000
12/22/20	Redemption	(15,000,000.00000)		(15,000,000.00)		35,082,991.10000
12/22/20	Redemption	(19,999,066.67000)		(19,999,066.67)		15,083,924.43000
12/28/20	Purchase	2,002,118.28000		2,002,118.28		17,086,042.71000
12/29/20	Purchase	20,000,000.00000		20,000,000.00		37,086,042.71000
12/29/20	Redemption	(17,086,000.00000)		(17,086,000.00)		20,000,042.71000
12/30/20	Redemption	(19,999,250.00000)		(19,999,250.00)		792.71000
Ending Balance			1.0000	792.71		792.71000
JPMorgan UST Plus Inst 3918			Dividend paid this period	7 day* simple yield	30 day* simple yield	
*As of December 31, 2020						
USD			94.90	0.030%	0.030%	

Transaction Date	Activity	Shares	Price	Market Value (\$)	Dividend Amount	Share Balance
	Beginning Balance		1.0000	61.25		61.25000
12/01/20	Reinvest	94.90000			94.90	156.15000
Ending Balance			1.0000	156.15		156.15000

015782 1010384 0013 20207 UN#3225450-0000024 14688-0010 50956 01/05/21 P

Safekeeping



PMIA/LAIF Performance Report as of 01/15/21



PMIA Average Monthly Effective Yields⁽¹⁾

Dec	0.540
Nov	0.576
Oct	0.620

Quarterly Performance Quarter Ended 12/31/20

LAIF Apportionment Rate ⁽²⁾ :	0.63
LAIF Earnings Ratio ⁽²⁾ :	0.00001719170547343
LAIF Fair Value Factor ⁽¹⁾ :	1.002271318
PMIA Daily ⁽¹⁾ :	0.49%
PMIA Quarter to Date ⁽¹⁾ :	0.58%
PMIA Average Life ⁽¹⁾ :	165

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 12/31/20 \$107.4 billion

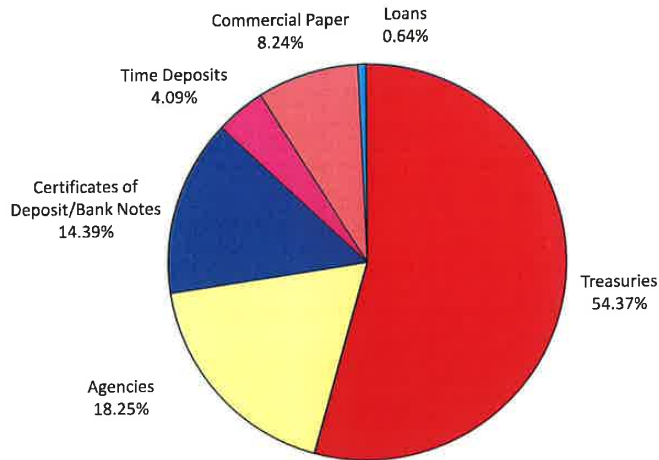


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

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

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

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



To: KHS Finance Committee

From: Robert Landis, CFO

Date: February 5, 2021

Re: 2020 Annual Review of Kern Health Systems Investment Policy

Background

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

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

- Preservation of principal
- Liquidity
- Yield

UBS is a national brokerage firm with a Bakersfield office that administers the KHS Board approved investment policy in a segregated account. Investments are in high quality bonds and FDIC insured certificates of deposit with an average effective maturity of approximately 1.5 years. For the 2020-year UBS investments earned the highest returns.

The **Local Agency Investment Fund (LAIF)** is a public agency that allows smaller public agencies to pool their money and get the economies of scale that larger agencies with large portfolios receive. The California State Treasurer operates LAIF. Because it serves many agencies with short term liquidity needs, investments have an average maturity of approximately 5 1/2 months.

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

Requested Action

Receive and File; Refer to KHS Board of Directors.



KERN HEALTH SYSTEMS

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

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

Robert Landis Date 7/20/2020
 Chief Financial Officer

Alan Avery Date 7/20/2020
 Chief Operating Officer

Veronica Barker Date 7/13/2020
 Controller

POLICY:

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

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

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

I. **OBJECTIVES**

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

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

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

II. **PRUDENCE**

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

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

III. **ETHICS AND CONFLICTS OF INTEREST**

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

IV. **DELEGATION OF AUTHORITY**

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

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

A. **Financial Benchmarks**

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

B. **Safekeeping**

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

C. **Periodic Review of the Investment Policy**

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

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

D. Chief Financial Officer's Procedures

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

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

E. Duties and Responsibilities of Finance Committee:

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

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

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

V. DEFINITIONS

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

VI. PERMITTED INVESTMENTS

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

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

Permitted investments shall include:

A. U.S. Treasuries

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

U.S. Government securities include:

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

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

Maximum term: Five Years

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

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

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

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

Maximum Term: Five years

C. State of California and Local Agency Obligations

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

Maximum Term: Five years

D. State and Local Agency Obligations Outside of California

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

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

Maximum Term: Five years

Maximum of 20% of the portfolio

E. Bankers Acceptances

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

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

Maximum Term: 180 days

F. Commercial Paper

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

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

Maximum Term: 270 days

G. Negotiable Certificates of Deposit

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

Maximum Term: Five years

H. Repurchase Agreements

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

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

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

Maximum Term: One year

Reverse repurchase agreements are not allowed.

I. Corporate Debt Securities

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

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

Maximum Term: Five years

J. Money Market Funds

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

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

K. Mortgage or Asset-backed Securities

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

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

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

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

Maximum Term: Five years

L. Variable and Floating Rate Securities

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

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

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

Maximum Term: Five Years

M. Local Agency Investment Fund (LAIF)

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

Maximum Term: Five Years

VII. **POLICIES**

A. Securities Lending

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

B. Leverage

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

C. Other Investments

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

D. Underlying Nature of Investments

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

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

E. Investment Managers

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

F. Derivatives

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

G. Rating Category

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

H. Rating Downgrades

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

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

I. Maximum Stated Term

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

J. Diversification Guidelines

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

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

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

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

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

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

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

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

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

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

REFERENCE:

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

**KERN HEALTH SYSTEMS
2020 INVESTMENT ANALYSIS**

Attachment 2

	<u>UBS</u>	<u>LAIF</u>	<u>Wells Fargo Securities</u>
December 31, 2020 Balance	51,315,563	70,708,919	119,017,554
Average Monthly Balance	53,984,972	68,676,700	91,720,582
Total Dividend/Revenue (YTD)	913,284	802,626	716,938
Percentage	1.69%	1.17%	0.78%



To: KHS Finance Committee

From: Robert Landis, CFO

Date: February 5, 2021

Re: 2020 Annual Report for Travel

Background

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

Discussion

KHS encourages employees to attend conferences and seminars to:

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

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

During 2020 \$17,890 was spent on regulatory or trade association travel, \$8,571 was spent on professional development and training travel, \$0 was spent on conference attendance travel and \$5,486 in Other travel primarily relating to an out of area employee's travel to Bakersfield for onsite configuration to implement additional auto adjudication enhancements and to reduce the manual pricing of claims. The total travel expenses incurred for 2020 was \$31,947 which was approximately \$100,500 less than the prior year. **This decrease is a result of Covid-19 travel restrictions.**

Requested Action

Receive and file for informational purposes only.



2020 TRAVEL REPORT

EMPLOYEE TITLE	CONFERENCE TITLE	REGULATORY OR TRADE ASSOCIATION (R), PROFESSIONAL DEVELOPMENT (P), CONFERENCES (C), OTHER (O)	In County (In), Out of County (Out), or Out of State (OS)	LOCATION	START DATE	END DATE	FARE & LODGING	MEALS	TOTAL AMOUNT SPENT
1 Chief Information Officer	Local Health Plans of California - Quarterly CEO Meeting	R	Out	Santa Barbara, CA	1/23/2020	1/24/2020	232.61	57.00	289.61
2 Chief Operating Officer	Local Health Plans of California - Implementing The Long Term Care Benefit	R	Out	Sacramento, CA	1/26/2020	1/27/2020	543.10	82.50	625.60
3 Strategic Development	Local Health Plans of California - Implementing The Long Term Care Benefit	R	Out	Sacramento, CA	1/26/2020	1/27/2020	510.71	82.50	593.21
4 Chief Executive Officer	Local Health Plans of California: January Board Meeting & Strategic Retreat	R	Out	Coronado, CA	1/25/2020	1/31/2020	1,004.38	142.00	1,146.38
5 Senior Director of Government Relations and Strategic Development	Local Health Plans of California: January Board Meeting & Strategic Retreat	R	Out	Coronado, CA	1/29/2020	1/31/2020	1,025.69	71.00	1,096.69
6 Senior Director of Government Relations and Strategic Development	Department of Health Care Services: CalAIM Medi-Cal Managed Care Plan Convening	R	Out	Sacramento, CA	2/9/2020	2/10/2020	576.02	49.50	625.52
7 Senior Director of Government Relations and Strategic Development	California Associations of Health Plans: State Programs Committee Meeting	R	Out	Orange, CA	2/13/2020	2/13/2020	161.00	46.86	207.86
8 Chief Executive Officer	California Association of Health Plans: The Movement to More Integrated & Community	R	Out	Burbank, CA	2/25/2020	2/26/2020	1,121.90	82.50	1,204.40
9 Senior Director of Government Relations and Strategic Development	Local Health Plan California: 2020 Legislative & Agency Staff Briefing	R	Out	Sacramento, CA	2/25/2020	2/26/2020	339.40	33.00	372.40
10 Chief Executive Officer	California Association of Health Plans 17TH Annual Napa Valley Event & All Plan CEO Meeting	R	Out	Napa, CA & Sacramento, CA	3/8/2020	3/11/2020	6.00	165.00	171.00
11 Chief Financial Officer	California Association of Health Plans PAC17th Annual & All CEO Quarterly Meeting	R	Out	Napa, CA	3/10/2020	3/12/2020	381.98	99.00	480.98
Executive Total							5,902.79	910.86	6,813.65
12 Configuration Analyst IV	Onsite Meetings- QNST Healthcheck	O	In	Bakersfield, CA	1/6/2020	1/10/2020	879.58	274.50	1,154.08
13 Director of Technical Operations	QUsers Trizetto Board Meeting	R	OS	New York, NY	1/10/2020	1/15/2020	1,986.48	456.00	2,442.48
14 Director of Technical Operations	Local Health Plans of California - Quarterly CEO Meeting	R	Out	Santa Barbara, CA	1/23/2020	1/24/2020	364.80	76.00	440.80
15 Director of Technical Operations	Association for Community Affiliated Plans: 2020 Leadership Academy	P	OS	Washington, DC	2/9/2020	2/14/2020	1,827.66	390.00	2,217.66
16 Configuration Analyst IV	Onsite Meetings- QNST Healthcheck	O	In	Bakersfield, CA	2/25/2020	3/3/2020	2,795.84	457.50	3,253.34
17 Configuration Analyst II	KHS On-site Configuration Team Support	O	In	Bakersfield, CA	2/27/2020	2/29/2020	548.10	76.25	624.35
MIS Total							8,402.46	1,720.25	10,122.71



2020 TRAVEL REPORT

EMPLOYEE TITLE	CONFERENCE TITLE	REGULATORY OR TRADE ASSOCIATION (R), PROFESSIONAL DEVELOPMENT (P), CONFERENCES (C), OTHER (O)	In County (In), Out of County (Out), or Out of State (OS)	LOCATION	START DATE	END DATE	FARE & LODGING	MEALS	TOTAL AMOUNT SPENT
18 Data Operations Manager BI	EDW Meeting w/ Health Plan of San Joaquin	O	Out	French Camp, CA	1/26/2020	1/27/2020	363.20	91.50	454.70
Business Intelligence Total									
19 Project Manager II	Local Health Plan California, Medi-Cal Managed Care 101 Understanding the Fundamentals of Medi-Cal Managed Care	R	Out	Orange, CA	2/9/2020	2/10/2020	379.50	82.50	462.00
Project Management Total									
20 Senior Director of Health Services	Local Health Plans of California: Seminar: Implementing The Long Term Care Benefit	R	Out	Sacramento, CA	1/26/20	1/27/2020	556.18	99.00	655.18
21 Chief Health Services Officer	Department of Health Care Services: CalAIM Medi-Cal Managed Care Plan Convening	R	Out	Sacramento, CA	2/9/2020	2/10/2020	240.21	99.00	339.21
22 Chief Health Services Officer	California Association of Health Plans 2020 Seminar Series: Dual Eligible Beneficiaries	R	Out	Burbank, CA	2/26/2020	2/26/2020	132.89	49.50	182.39
23 Medical Director	Department of Health Care Services: CalAIM Medi-Cal Managed Care Plan Convening	R	Out	Sacramento, CA	2/9/2020	2/10/2020	561.07	99.00	660.07
Health Services - UM Total									
24 Senior Analyst and Trainer	Local Health Plans of California: Medi-Cal Managed Care 101 - Understanding the Fundamentals of Medi-Cal Managed Care	R	Out	Orange, CA	2/9/2020	2/10/2020	398.09	82.50	480.59
Health Services - OM/OT Total									
25 Director of Health Education	Department of Health Care Services: MMCD Health Education and Cultural and Linguistics Workgroup	R	Out	Sacramento, CA	2/12/2020	2/13/2020	517.87	99.00	616.87
26 Senior Member Health Educator	California Healthy Housing Coalition 2020 Annual Meeting	P	Out	Sacramento, CA	2/24/2020	2/26/2020	583.44	129.36	712.80
Health Services - Health Ed Total									
27 Director of Pharmacy	Participate in Medi-Cal Rx Advisory Board	R	Out	Sacramento, CA	1/13/2020	1/14/2020	723.89	110.50	834.39
28 Director of Pharmacy	Department of Health Care Services: Rx Directors Meeting	R	Out	Sacramento, CA	2/18/2020	2/19/2020	811.15	99.00	910.15
Health Services - Pharmacy Total									
							1,490.35	346.50	1,836.85
							398.09	82.50	480.59
							1,101.31	228.36	1,329.67
							1,565.04	209.50	1,774.54



2020 TRAVEL REPORT

EMPLOYEE TITLE	CONFERENCE TITLE	REGULATORY OR TRADE ASSOCIATION (R), PROFESSIONAL DEVELOPMENT (P), CONFERENCES (C), OTHER (O)	In County (In), Out of County (Out), or Out of State (OS)	LOCATION	START DATE	END DATE	FARE & LODGING	MEALS	TOTAL AMOUNT SPENT
29 Administrative Director of Health Home Program	Department of Health Care Services: CalAIM Medi-Cal Managed Care Plan Conceiving	R	Out	Sacramento, CA	2/9/2020	2/10/2020	568.07	99.00	667.07
30 Health Homes Program Supervisor	Department of Health Care Services: CalAIM Medi-Cal Managed Care Plan Conceiving	R	Out	Sacramento, CA	2/9/2020	2/10/2020	325.96	82.50	408.46
Home Health Total									
31 Director of Case Management & Disease Management	Department of Health Care Services: CalAIM Medi-Cal Managed Care Plan Conceiving	R	Out	Sacramento, CA	2/9/2020	2/10/2020	568.07	99.00	667.07
Case Management Total									
32 Provider Relations Contracting Manager	Medi-Cal Healthier California for All - Managed Care Plan Conceiving	R	Out	Sacramento, CA	2/9/2020	2/10/2020	530.62	99.00	629.62
33 Provider Relations Contracting Manager	Local Health Plans of California- Implementing the Long-Term Care Benefit	R	Out	Sacramento, CA	1/26/2020	1/27/2020	337.50	66.00	403.50
Provider Relations Total									
34 Member Services Supervisor	Local Health Plans of California: Medi-Cal Managed Care (10)- Understanding the Fundamentals of Managed Care	R	Out	West Orange, CA	2/10/2020	2/10/2020	179.40	46.86	226.26
Member Services Total									
35 Director of Procurement & Facilities	Institute for Supply Management: Certified Professional in Supply Management Boot Camp Training	P	Out	Merced, CA	1/27/2020	1/30/2020	264.89	178.75	443.64
36 Director of Procurement & Facilities	2020 Annual CAPRO Meeting	P	Out	San Diego, CA	2/10/2020	2/21/2020	802.49	239.98	1,042.47
Corporate Services Total									
37 Corporate Learning & Development Trainer	Development Dimensions International, Inc. Facilitator Certification Process Public Workshop	P	Out	Dublin, CA	1/13/2020	1/16/2020	983.98	231.00	1,214.98
Human Resources Total									
							983.98	231.00	1,214.98



2020 TRAVEL REPORT

EMPLOYEE TITLE	CONFERENCE TITLE	REGULATORY OR TRADE ASSOCIATION (R), PROFESSIONAL DEVELOPMENT (P), CONFERENCES (C), OTHER (O)	In County (In), Out of County (Out), or Out of State (OS)	LOCATION	START DATE	END DATE	FARE & LODGING	MEALS	TOTAL AMOUNT SPENT
38 Disease Management Manager	Touro University California - Master Trainer Training	P	Out	Fairfield, CA	2/21/2020	2/24/2020	809.13	192.50	1,001.63
39 Disease Management DM Pauprofessional Bilingual I	Touro University California - Master Trainer Training	P	Out	Fairfield, CA	2/21/2020	2/24/2020	796.24	192.50	988.74
40 Disease Management DM Pauprofessional Bilingual I	Touro University California - Master Trainer Training	P	Out	Fairfield, CA	2/21/2020	2/24/2020	766.78	192.50	959.28
Disease Management Total									2,949.65

Fare & Lodging	26,555.87	Meals	5,391.56	Grand Total	31,947.43
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Regulatory or Trade Associations	17,889.76	Professional Development	8,571.20	Conferences	-	Other	5,486.47	Total	31,947.43
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2020 Budget	1,30,285.00	31,460.00	Grand Total	161,745.00
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To: KHS Finance Committee
From: Robert Landis, CFO
Date: February 5, 2021
Re: 2020 Annual Report for Disposed Assets

Background

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

Discussion

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

During 2020, a loss of \$0 was recorded on the disposition of equipment.

Requested Actions

Receive and file for informational purposes only.





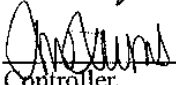
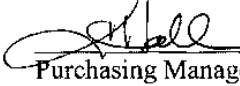
2020 Asset Dispositions

Date in Service	Category	Description	Book Value at Date of Disposal	Disposition Date	Reason for Disposal
2/16/2012	MIS Equipment	Desktop Computers - Optiplex 790 (4)	-	2/28/2020	Obsolete
7/27/2012	MIS Equipment	rx2800 i2 Optimized Server	-	2/28/2020	Obsolete
9/1/2009	MIS Equipment	Advocent 32PT IP Switch	-	2/28/2020	Obsolete
7/27/2012	MIS Equipment	HP DesignJet T1100 Printer	-	2/28/2020	Obsolete
5/25/2012	MIS Equipment	Boardroom Wireless Mic Bundle	-	2/28/2020	Obsolete
TOTAL LOSS RECOGNIZED ON DISPOSITION OF OFFICE FURNITURE & EQUIPMENT			\$ -		

Attachment 2

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

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

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

POLICY¹: Asset and Surplus Property or Equipment Disposition

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

DEFINITIONS:

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

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

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

ASSET DISPOSITION AUTHORITY:

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

NOTIFICATION AND VERIFICATION:

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

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

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

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

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

DISPOSITION METHODS:

The principal methods for disposal of surplus equipment are:

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

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

SUBJECT: Asset and Surplus Property or Equipment Disposition	INDEX NUMBER 80.21-I	Page 4 of 4
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Corporate Services will complete a DFA form and will submit to Accounting.

- 7.0 Scrap: If the surplus equipment is broken and is not e-waste, Corporate Services will make a reasonable effort to determine the cost of repairs, the extended life of the repairs, and compare the repaired value against the cost of a replacement item. If the cost to repair the item is greater than replacement or if the item cannot be repaired due to the non-availability of parts, the item will be marked as scrap. Scrap equipment will be physically disposed of following current city and county dump site requirements.

Attachments:

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

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

Attachment A

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

Department:	
Contact Person:	Phone:

QTY	Serial number	Description	KHS Tag #

Status of Item

Non-Repairable

Obsolete


Surplus

Comments:

Verification of Item Status: _____

New Location of Surplus Equipment: _____

Cc: Accounting, Corporate Service, Department Manager

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

Department:	
Contact Person:	Phone:

QTY	Serial number	Description	KHS Tag #

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

CHAIN OF CUSTODY

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

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

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

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



To: KHS Finance Committee

From: Deborah Murr, Chief Health Services Officer

Date: February 5, 2021

Re: FluidEdge Agreement

Background

Population Health Management (PHM) is a model of care that addresses individuals' health needs at all points along the continuum of care, including in the community setting, through participation, engagement and targeted interventions for a defined population. The goal of PHM is to maintain or improve the physical and psychosocial well-being of individuals and address health disparities through cost-effective and tailored health solutions. Under the direction of DHCS and the pending implementation of the CalAIM initiative, KHS' focus is to ensure the organization has both the internal and external structure in place to implement the delivery system changes necessary for a Population Health program. During the RFP process, FluidEdge produced the lowest bid for services.

Discussion

FluidEdge will provide KHS a strategy that is consistent with NCQA Population Health Accreditation requirements as well as align with the Department of Health Care Services (DHCS) requirements under the CalAIM proposal for development of a Managed Medi-Cal Population Health Management Program. This contract will provide KHS with consultant services with FluidEdge to complete all deliverables outlined in the RFP in 6 key focus areas:

- a) SWOT analysis of Health Services
- b) Adequacy of KHS network
- c) Population Care Gradient Analysis
- d) Member Engagement
- e) Technology
- f) Effectiveness Evaluation and Reporting
- g) Model of Care development

Financial Impact

Cost for this engagement will not exceed \$160,000.00 per project

Requested Action

Approve; Refer to KHS Board of Directors.



Population Health Consultant
Request for Proposal Recommendation to Finance
Committee

February 5, 2021

Deborah Murr, RN, BS-HCM



Agenda

- Population Health Overview
- CalAIM Initiative
- Synergistic Relationship
- Consultant services
- Selection Matrix
- Request

What is Population Health ?

*“Population Health Management (PHM) is a model of care that addresses individuals’ health needs at all points along the **continuum of care**, including in the **community** setting, through **participation, engagement, coordination, and targeted interventions** for a defined population.*

The goal of PHM is to maintain or improve the physical and psychosocial well-being of individuals and address health disparities through cost-effective and tailored health solutions.” (NCQA, 2018)

KHS approach to PHM to meet CalAIM requirements

- Utilizes its population’s unique characteristics and needs to **identify programs and services** through population **stratification**
- Highlight KHS-sponsored **delivery system** supports designed to enhance population health management within our provider network and community
- Describe KHS’s process for **annually re-assessing** the member population needs and the **effectiveness** of the population health strategy at meeting those needs



California Advancing and Innovating Medi-Cal (Cal AIM)

*CalAIM is a **multi-year initiative by DHCS to improve the quality of life and health outcomes of our population** by implementing broad delivery system, program and payment reform across the Medi-Cal program.*

DHCS principles of CalAIM:

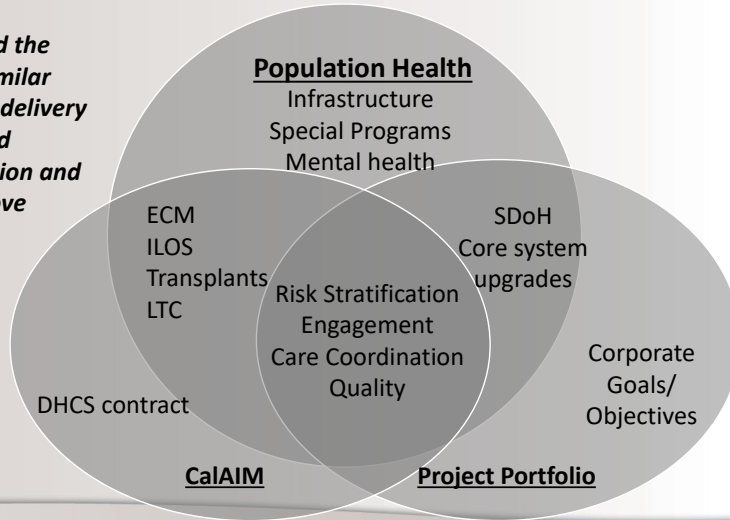
- Identify and manage member risk and need through **whole person care (WPC)** approaches and addressing **Social Determinants of Health (SDoH)**;
- Move Medi-Cal to a more consistent and seamless system by **reducing complexity and increasing flexibility**; and
- Improve quality outcomes, reduce health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

Behavioral, medical, and social characteristics will drive the underlying approach to Population health transformation

- **Enhanced Case Management (ECM)/In Lieu of Services (ILOS)**
- Mental Health integration into Care Model **Health Homes program (HHP)**

Synergies in Population Health and CalAIM

Population Health, Cal AIM, and the KHS project portfolio share a similar focus on advancing the current delivery system and providing a targeted approach to member stratification and program development to improve quality and access to care with associated cost savings



California Advancing and Innovating Medi-Cal (Cal AIM) Timeline

January 1-December 31, 2021

- Develop shared savings/risk and plan incentives

April 1, 2021

- Readiness activities for major organ transplant (MOT) carve-in
- Pharmacy Carve Out implementation

Summer 2021

- Submit Transition and Coordination Plan for ECM and ILOS (WPC, HHP, TCM)

Fall 2021

- **Submit model of care for ECM, ILOS***

**Submission and planning dates are approximate and based on dates originally specified or discussed in 2020 (pre-pandemic). CalAIM proposal indicates due dates are TBD.*

January 1-December 31, 2022

- Readiness activities for LTC carve-in planned January 1, 2023
- Discussions on improving beneficiary contact and demographic information

January 1, 2022

- ECM implementation for plans in WPC, HHP counties (aligned populations only)
- ILOS implementation for all plans
- Major Organ Transplant Carve-in
- Mandatory managed care enrollment (except dual and LTC aid codes)
 - Implement standardized mental health SCREENING AND TRANSITION tools

July 1, 2022

- **Submit PHM program description* -planned implementation January 1, 2023**



Consultant Services

- SWOT analysis of Health Services
- Adequacy of KHS network
- Population Care Gradient Analysis
- Member Engagement
- Technology
- Effectiveness Evaluation and Reporting
- Model of Care development



Cost Matrix

<u>Vendor</u>	<u>Similar Experience/ Background</u>	<u>Consultant-Subject Matter Expert</u>	<u>Previous KHS Favorable work history</u>	<u>Services</u>	<u>Cost</u>	<u>Score</u>
FluidEdge	4.75	4.75	4.75	5	4.75	4.8
Optum	5	4	3	4.75	3.75	4.1

**Total of 4 RFP submissions received; 2 vendors eliminated due to high-cost variances for same capability

Finance Committee Request

Request the Finance Committee to authorize the CEO to bring the request to the Board of Directors for approval of additional funding and execution Population Health Consultant services with FluidEdge in the amount not to exceed \$160,000 for a 12-week engagement March-May 2021

**unbudgeted for 2021



Questions

Martha Tasinga, CMO

martha.tasinga@khs-net.com

Deb Murr, CHSO

deborah.murr@khs-net.com



Proposed administrative contract over \$100,000, February 5, 2021

1. Operational Agreement with FluidEdge

a. Recommended Action

Approve; Authorize Chief Executive Officer to Sign

b. Contact

Deb Murr; Chief Health Services Officer

c. Background

Population Health Management (PHM) is a model of care that addresses individuals' health needs at all points along the continuum of care, including in the community setting, through participation, engagement and targeted interventions for a defined population. The goal of PHM is to maintain or improve the physical and psychosocial well-being of individuals and address health disparities through cost-effective and tailored health solutions. Under the direction of DHCS and the pending implementation of the CalAIM initiative, KHS's focus is to ensure the organization has both the internal and external structure in place to implement the delivery system changes necessary for a Population Health program. During the RFP process, FluidEdge produced the lowest bid for services.

d. Discussion

FluidEdge will provide KHS a strategy that is consistent with NCQA Population Health Accreditation requirements as well as align with the Department of Health Care Services (DHCS) requirements under the Cal AIM proposal for development of a Managed Medi-Cal Population Health Management Program.

This contract will provide KHS with consultant services with FluidEdge to complete all deliverables outlined in the RFP in 6 key focus areas:

- a) SWOT analysis of Health Services
- b) Adequacy of KHS network
- c) Population Care Gradient Analysis
- d) Member Engagement
- e) Technology
- f) Effectiveness Evaluation and Reporting
- g) Model of Care development
- e. Fiscal Impact
Total amount not to exceed \$160,000.00 per one engagement
- f. Risk Assessment
Failure to meet requirements for the development and implementation of a Population Health Management program as defined by DHCS would place KHS in jeopardy of potential further punitive actions.
- g. Attachments
An Agreement at a Glance form and the agreement are attached.
- h. Reviewed by Chief Compliance Officer and/or Legal Counsel
This contract has been approved by Legal.



KERN HEALTH SYSTEMS

AGREEMENT AT A GLANCE

Department Name: UM

Department Head: Deborah Murr, CHSO

Vendor Name: FluidEdge

Contact name & e-mail: Steve Weiss, sweiss@fluidedgeconsulting.com

What services will this vendor provide to KHS? FluidEdge will provide KHS with a strategy that is consistent with NCOA Population Health Accreditation requirements as well as align with the Department of Health Care Services (DHCS) requirements under the Cal AIM proposal for development of a Managed Medi-Cal Population Health Management Program.

Description of Contract	
<p>Type of Agreement: <u>Professional Services</u></p> <p><input checked="" type="checkbox"/> Contract</p> <p><input type="checkbox"/> Purchase</p> <p><input checked="" type="checkbox"/> New agreement</p> <p><input type="checkbox"/> Continuation of Agreement</p> <p><input type="checkbox"/> Addendum</p> <p><input type="checkbox"/> Amendment No. _____</p> <p><input type="checkbox"/> Retroactive Agreement</p>	<p>Background: <u>Population Health Management (PHM) is a model of care that addresses individuals' health needs at all points along the continuum of care, including in the community setting, through participation, engagement and targeted interventions for a defined population. The goal of PHM is to maintain or improve the physical and psychosocial well-being of individuals and address health disparities through cost-effective and tailored health solutions. Under the direction of DHCS and the pending implementation of the CalAIM initiative, KHS's focus is to ensure the organization has both the internal and external structure in place to implement the delivery system changes necessary for a Population Health program. During the RFP process, FluidEdge produced the lowest bid for services.</u></p> <p>Brief Explanation: <u>This contract will provide KHS with consultant services with FluidEdge to complete all deliverables outlined in the RFP to ensure readiness in 6 key focus areas:</u></p> <ul style="list-style-type: none"> a) <u>SWOT analysis of Health Services</u> b) <u>Adequacy of KHS network</u> c) <u>Population Care Gradient Analysis</u> d) <u>Member Engagement</u> e) <u>Technology</u> f) <u>Effectiveness Evaluation and Reporting</u> g) <u>Model of Care development</u>

Form updated 11/21/19

Summary of Quotes and/or Bids attached. Pursuant to KHS Policy #8.11-1, KHS will secure competitive quotes and bids to obtain the maximum value from the expenditures. Electronic (e-mail/fax) solicitation may be used for purchases of up to 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: Ability to meet all deliverables outlined in the RFP with the lowest bid among 4 finalists

Sole source – no competitive process can be performed.

Brief reason for sole source: _____

Conflict of Interest Form is required for this Contract

HIPAA Business Associate Agreement is required for this Contract

Fiscal Impact

KHS Governing Board previously approved this expense in KHS' FY 2021 Administrative Budget NO YES

Will this require additional funds? NO YES

Capital project NO YES

Project type: _____

Budgeted Cost Center 310 GL# _____

Maximum cost of this agreement not to exceed: \$160,000.00 per project

Notes: _____

Contract Terms and Conditions

Effective date: 3/01/2021 Termination date: 5/31/2021

Explain extension provisions, termination conditions and required notice: _____

Approvals

Compliance DMHC/DHCS Review:

Legal Review:

Director of Compliance and Regulatory Affairs

Legal Counsel

Date

Date

Contract Owner:

Purchasing:

Approved by Deb Mum per

Department Head

[Signature]

Director of Procurement and Facilities

meeting date 1/25/21

Date

1/26/21

Date

Reviewed as to Budget:

Robert Landis (not Budgeted)
Chief Financial Officer or Controller

1/26/21
Date

IT Approval:

Approved by Richard Pruitt
Chief Information Officer or IT Director

per meeting date 1/25/21
Date

Recommended by the Executive Committee:

[Signature]
Chief Operating Officer

1-26-21
Date

Chief Executive Officer Approval:

Chief Executive Officer

Date

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

KHS Board Chairman

Date

KHS Bid Matrix & Decision Detail

Description of Item: Population Health Consultant 2-2021

Bid Matrix

Vendor Name	FluidEdge
Cost	\$160,000 per 12 week-NTE unless scope change
Vendor Name	Optum
Cost	\$175,00 per 12 week- NTE unless scope change
Vendor Name	HMA
Cost	\$267,985 per 12 week- NTE unless scope change
Vendor Name	Accenture
Cost	\$488,000 per 12 week-plus cost/granting access to all 3rd party products



To: KHS Finance Committee

From: Emily Duran, Chief Network Administration Officer

Date: February 5, 2021

Re: Provider Grant Program 2021-2022

Background

Kern Health Systems (KHS) is committed to our Safety Net and community provider network by offering grant opportunities. These funds are intended to enhance access to quality care programs for our members. As KHS prepares to add services that include non-clinical services through the CalAIM initiative, it's imperative to also extend these grants to community agencies that can deliver resources that address our member's social determinants of health.

Discussion

The focus areas for the 2021-2022 Provider Grant funded programs will be:

- CalAIM Initiatives
- Access to Care
- Service Area Expansion
- Quality Care Initiatives

Financial Impact

KHS is requesting \$10,000,000 in grant funding to be allocated to the following provider categories:

Safety Net Providers	\$8,000,000
Non-SNP/Community Providers	\$2,000,000

Requested Action

Approve; Refer to KHS Board of Directors.



PROVIDER GRANT PROGRAM 2021-2022

**Finance Committee
February 5, 2021**



Background

Kern Health Systems (KHS) is committed to our Safety Net and community provider network by offering grant opportunities. These funds are intended to enhance access to quality care programs for our members. As KHS prepares to add services that include non-clinical services through the CalAim initiative, its imperative to also extend these grants to community agencies that can deliver resources that address our member's social determinants of health.

Program Overview

The focus areas for the 2021-2022 provider grant funded programs will be:

- CalAim Initiatives
 - In-Lieu of Services (non-clinical resources)
 - Community resources addressing Social Determinants of Health
- Access to Care
 - Professional resources and/or skill acquisition
 - Service Delivery expansion of hours/days



Program Overview Cont.

- Service Area Expansion
 - New PCP or Specialty care clinic
 - Minor clinic infrastructure
- Quality Care Initiatives
 - Medical equipment or technology improvements
 - Data sharing & EMR system improvements
 - Medical and Mental Health integration

Program Funding Allocation



KHS is requesting \$10,000,000 in grant funding to be allocated to the following provider categories:

Safety Net Providers	\$8,000,000
Non-SNP/Community Providers	\$2,000,000



Grantee Qualifications

1. Must be KHS Contracted Individual or Group Provider
2. Contracted provider must be in good standing
 - a) For community resource agencies, services must meet the CalAim definition of In-Lieu of Services
3. Proposed projects must demonstrate alignment to the grant program focus areas

Reporting & Evaluation

- Monthly Progress Reports
- Monthly Financial Reports
- Evaluation reporting based on goals and objectives outlined in pre-approved Scope of Work



Grant Timeline

Publish Grant – March 2021

Grant Responses Due – April 2021

KHS Proposal Reviews – May 2021

Awards Announced and Contracting – June 2021

Project Period – July 1, 2021 – June 30, 2022



Requested Action

The requested action from the KHS Board of Directors:

1. Approve \$10,000,000 for 2021-2022 Provider Grant Program
2. Approve KHS CEO to perform grant administration, review and approval process



Questions

For additional information, please contact:

Emily Duran

Chief Network Administration Officer

(661) 664-5000



To: KHS Finance Committee

From: Robert Landis, CFO

Date: February 5, 2021

Re: November 2020 Financial Results

The November results reflect a \$722,625 Net Increase in Net Position which is a \$1,578,870 favorable variance to the budget. Listed below are the major variances for the month:

- 1) Total Revenues reflect a \$3.0 million favorable variance primarily due to:
 - A) \$4.2 million favorable variance primarily due to higher than expected budgeted membership.
 - B) \$2.5 million favorable variance in Proposition 56 Supplemental Revenue due to an unbudgeted rate increase in tobacco tax revenue funds in fiscal year 19/20 for additional CPT procedure codes along with unbudgeted new Prop 56 programs that became effective January 1, 2020 offset against amounts included in 2E below.
 - C) \$1.7 million unfavorable variance in Premium MCO Tax due to a revised reduction in our MCO tax liability rates that occurred with an agreement between CMS and DHCS which is offset against MCO Tax Expense included in Item 3 below.
 - D) \$1.8 million unfavorable variance in Premium-Hospital Directed Payments primarily due to receiving revised 18/19 HDP rates. This amount is offset against amounts included in 2G below.

- 2) Total Medical Costs reflect a \$2.9 million unfavorable variance primarily due to:
 - A) \$.6 million favorable variance in Physician Services primarily due to lower than expected utilization of PCP, Specialty and Urgent Care services.
 - B) \$.6 million favorable variance in Emergency Room primarily due to lower than expected utilization.
 - C) \$3.6 million unfavorable variance in Inpatient primarily due to higher than expected utilization.
 - D) \$.4 million favorable variance in Outpatient Hospital primarily due to lower than expected utilization.

- E) \$3.9 million unfavorable variance in Other Medical primarily due to accruing for estimated Proposition 56 expenses relating to unbudgeted additional CPT procedure codes along with increases in supplemental allowable payable amounts that became effective January 1, 2020 offset against revenue included in 1B above (\$2.0 million) and Covid-19 provider relief expenses (\$2.0 million).
- F) \$1.0 million favorable variance in Pharmacy primarily due from formulary modifications that capitalized on new generics that came to market and less costly brands within the same therapeutic class. There was also a timing impact from the lengthening of the day supply per prescription of maintenance medications that occurred beginning in March.
- G) \$1.8 million favorable variance in Hospital Directed Payments primarily due to receiving revised 18/19 HDP rates. This amount is offset against amounts included in 1D above.

3) \$1.2 million favorable variance in MCO Tax due to a revised reduction in our MCO tax liability rates that occurred with an agreement between CMS and DHCS which is partially offset against MCO Tax Premium included in Item 1C above.

The November Medical Loss Ratio is 91.6% which is favorable to the 93.5% budgeted amount. The November Administrative Expense Ratio is 5.5% which is favorable to the 6.5% budgeted amount.

The results for the 11 months ended November 30, 2020 reflect a Net Increase in Net Position of \$11,557,452. This is a \$19,507,728 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 91.6% which is favorable to the 93.3% budgeted amount. The year-to-date Administrative Expense Ratio is 5.9% which is favorable to the 6.6% budgeted amount.

**Kern Health Systems
Financial Packet
November 2020**

KHS – Medi-Cal Line of Business

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

KHS Group Health Plan – Healthy Families Line of Business

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

KHS Administrative Analysis and Other Reporting

Monthly Member Count	Page 15
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KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF NET POSITION AS OF NOVEMBER 30, 2020			
ASSETS	NOVEMBER 2020	OCTOBER 2020	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 77,825,996	\$ 76,219,721	\$ 1,606,275
Short-Term Investments	154,301,299	172,284,415	(17,983,116)
Premiums Receivable - Net	93,226,885	92,887,931	338,954
Premiums Receivable - Hospital Direct Payments	185,930,497	176,610,813	9,319,684
Interest Receivable	381,917	235,752	146,165
Provider Advance Payment	5,746,518	5,746,518	-
Other Receivables	1,230,780	1,074,872	155,908
Prepaid Expenses & Other Current Assets	1,159,952	1,507,161	(347,209)
Total Current Assets	\$ 519,803,844	\$ 526,567,183	\$ (6,763,339)
CAPITAL ASSETS - NET OF ACCUM DEPREE:			
Land	4,090,706	4,090,706	-
Furniture and Equipment - Net	2,167,198	2,189,812	(22,614)
Computer Hardware and Software - Net	15,157,865	15,435,994	(278,129)
Building and Building Improvements - Net	35,423,975	35,499,670	(75,695)
Capital Projects in Progress	11,563,748	11,276,865	286,883
Total Capital Assets	\$ 68,403,492	\$ 68,493,047	\$ (89,555)
LONG TERM ASSETS:			
Restricted Investments	300,000	300,000	-
Officer Life Insurance Receivables	1,503,894	1,503,894	-
Total Long Term Assets	\$ 1,803,894	\$ 1,803,894	\$ -
DEFERRED OUTFLOWS OF RESOURCES	\$ 2,889,179	\$ 2,889,179	\$ -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 592,900,409	\$ 599,753,303	\$ (6,852,894)
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Accrued Salaries and Employee Benefits	\$ 4,015,907	\$ 3,958,354	57,553
Accrued Other Operating Expenses	1,547,512	1,390,353	157,159
Accrued Taxes and Licenses	17,631,626	35,440,923	(17,809,297)
Claims Payable (Reported)	23,081,047	25,976,730	(2,895,683)
IBNR - Inpatient Claims	29,387,438	30,071,704	(684,266)
IBNR - Physician Claims	16,238,253	15,000,319	1,237,934
IBNR - Accrued Other Medical	25,041,289	24,520,646	520,643
Risk Pool and Withholds Payable	5,005,162	4,460,200	544,962
Statutory Allowance for Claims Processing Expense	2,066,234	2,066,234	-
Other Liabilities	49,720,472	47,744,680	1,975,792
Accrued Hospital Directed Payments	185,930,497	176,610,813	9,319,684
Total Current Liabilities	\$ 359,665,437	\$ 367,240,956	\$ (7,575,519)
NONCURRENT LIABILITIES:			
Net Pension Liability	6,564,477	6,564,477	-
TOTAL NONCURRENT LIABILITIES	\$ 6,564,477	\$ 6,564,477	\$ -
DEFERRED INFLOWS OF RESOURCES	\$ 420,664	\$ 420,664	\$ -
NET POSITION:			
Net Position - Beg. of Year	214,692,379	214,692,379	-
Increase (Decrease) in Net Position - Current Year	11,557,452	10,834,827	722,625
Total Net Position	\$ 226,249,831	\$ 225,527,206	\$ 722,625
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 592,900,409	\$ 599,753,303	\$ (6,852,894)

CURRENT MONTH MEMBERS			KERN HEALTH SYSTEMS MEDI-CAL - ALL COA STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED NOVEMBER 30, 2020			YEAR-TO-DATE MEMBER MONTHS		
						ACTUAL	BUDGET	VARIANCE
ENROLLMENT								
181,621	171,500	10,121	Family Members	1,907,755	1,864,500	43,255		
69,855	61,090	8,765	Expansion Members	708,403	671,990	36,413		
15,692	14,730	962	SPD Members	172,418	162,030	10,388		
7,912	6,205	1,707	Other Members	82,441	68,255	14,186		
10,753	8,660	2,093	Kaiser Members	107,296	95,260	12,036		
285,833	262,185	23,648	Total Members - MCAL	2,978,313	2,862,035	116,278		
REVENUES								
30,920,096	27,701,948	3,218,148	Title XIX - Medicaid - Family and Other	326,370,216	302,765,917	23,604,299		
25,504,052	23,145,509	2,358,543	Title XIX - Medicaid - Expansion Members	268,470,122	254,600,602	13,869,520		
16,007,482	14,884,621	1,122,861	Title XIX - Medicaid - SPD Members	166,939,083	163,730,832	3,208,251		
8,420,487	10,141,000	(1,720,513)	Premium - MCO Tax	90,088,326	110,671,000	(20,582,674)		
9,313,088	11,109,596	(1,796,508)	Premium - Hospital Directed Payments	98,175,481	121,969,940	(23,794,459)		
166,556	402,860	(236,304)	Investment Earnings And Other Income	2,361,185	4,396,504	(2,035,319)		
-	73,522	(73,522)	Reinsurance Recoveries	-	802,365	(802,365)		
10,627	-	10,627	Rate Adjustments - Hospital Directed Payments	(51,773,397)	-	(51,773,397)		
127,031	-	127,031	Rate/Income Adjustments	(1,319,768)	-	(1,319,768)		
90,469,419	87,459,057	3,010,362	TOTAL REVENUES	899,311,248	958,937,160	(59,625,912)		
EXPENSES								
Medical Costs:								
13,867,872	14,474,359	606,487	Physician Services	148,668,958	158,289,774	9,620,816		
4,389,484	4,655,322	265,838	Other Professional Services	45,187,956	50,960,350	5,772,394		
4,638,713	5,195,226	556,513	Emergency Room	50,089,683	56,748,581	6,658,898		
17,212,070	13,580,002	(3,632,068)	Inpatient	177,017,544	148,678,396	(28,339,148)		
84,521	73,522	(10,999)	Reinsurance Expense	826,721	802,365	(24,356)		
6,209,999	6,582,277	372,278	Outpatient Hospital	70,432,022	72,112,659	1,680,637		
10,958,385	7,069,293	(3,889,092)	Other Medical	113,696,497	77,275,330	(36,421,167)		
8,717,167	9,755,384	1,038,217	Pharmacy	100,893,936	106,917,828	6,023,892		
544,962	507,050	(37,912)	Pay for Performance Quality Incentive	5,721,372	5,533,550	(187,822)		
-	-	-	Risk Corridor Expense	-	-	-		
9,313,088	11,109,596	1,796,508	Hospital Directed Payments	98,175,481	121,969,940	23,794,459		
6,596	-	(6,596)	Hospital Directed Payment Adjustment	(52,014,310)	-	(52,014,310)		
(209,309)	-	209,309	Non-Claims Expense Adjustment	(2,455,554)	-	(2,455,554)		
205,986	-	(205,986)	IBNR, Incentive, Paid Claims Adjustment	(11,410,176)	-	(11,410,176)		
75,939,534	73,002,031	(2,937,503)	Total Medical Costs	744,830,130	799,288,771	54,458,641		
14,529,885	14,457,026	72,859	GROSS MARGIN	154,481,118	159,648,389	(5,167,271)		
Administrative:								
2,456,357	2,662,790	206,433	Compensation	28,358,187	29,374,556	1,016,369		
745,537	863,729	118,192	Purchased Services	8,628,728	9,470,690	841,962		
106,489	119,193	12,704	Supplies	781,557	1,311,299	529,742		
419,850	337,375	(82,475)	Depreciation	4,612,905	3,665,125	(947,780)		
242,696	348,092	105,396	Other Administrative Expenses	2,987,538	3,853,980	866,442		
-	-	-	Administrative Expense Adjustment	(212,229)	-	(212,229)		
3,970,929	4,331,179	360,250	Total Administrative Expenses	45,156,686	47,675,650	2,518,964		
79,910,463	77,333,210	(2,577,253)	TOTAL EXPENSES	789,986,816	846,964,421	56,977,605		
10,558,956	10,125,848	433,108	OPERATING INCOME (LOSS) BEFORE TAX	109,324,432	111,972,739	(2,648,307)		
8,904,649	10,141,000	1,236,351	MCO TAX	92,014,925	110,671,000	18,656,075		
1,654,307	(15,152)	1,669,459	OPERATING INCOME (LOSS) NET OF TAX	17,309,507	1,301,739	16,007,768		
NONOPERATING REVENUE (EXPENSE)								
-	-	-	Gain on Sale of Assets	-	-	-		
(814,038)	(333,334)	(480,704)	Provider Recruitment and Retention Grants	(4,083,748)	(3,666,666)	(417,082)		
(117,644)	(507,759)	390,115	Health Home	(1,668,307)	(5,585,349)	3,917,042		
(931,682)	(841,093)	(90,589)	TOTAL NONOPERATING REVENUE (EXPENSE)	(5,752,055)	(9,252,015)	3,499,960		
722,625	(856,245)	1,578,870	NET INCREASE (DECREASE) IN NET POSITION	11,557,452	(7,950,276)	19,507,728		
91.6%	93.5%	1.9%	MEDICAL LOSS RATIO	91.6%	93.3%	1.7%		
5.5%	6.5%	1.1%	ADMINISTRATIVE EXPENSE RATIO	5.9%	6.6%	0.6%		

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - PMPM FOR THE MONTH ENDED NOVEMBER 30, 2020			YEAR-TO-DATE		
						ACTUAL	BUDGET	VARIANCE
ENROLLMENT								
181,621	171,500	10,121	Family Members	1,907,755	1,864,500	43,255		
69,855	61,090	8,765	Expansion Members	708,403	671,990	36,413		
15,692	14,730	962	SPD Members	172,418	162,030	10,388		
7,912	6,205	1,707	Other Members	82,441	68,255	14,186		
10,753	8,660	2,093	Kaiser Members	107,296	95,260	12,036		
285,833	262,185	23,648	Total Members - MCAL	2,978,313	2,862,035	116,278		
REVENUES								
163.14	155.89	7.25	Title XIX - Medicaid - Family and Other	163.99	156.65	7.34		
365.10	378.88	(13.78)	Title XIX - Medicaid - Expansion Members	378.98	378.88	0.10		
1,020.10	1,010.50	9.61	Title XIX - Medicaid - SPD Members	968.22	1,010.50	(42.27)		
30.61	40.00	(9.39)	Premium - MCO Tax	31.38	40.00	(8.62)		
33.86	43.82	(9.96)	Premium - Hospital Directed Payments	34.20	44.08	(9.89)		
0.61	1.59	(0.98)	Investment Earnings And Other Income	0.82	1.59	(0.77)		
0.00	0.29	(0.29)	Reinsurance Recoveries	0.00	0.29	(0.29)		
0.04	0.00	0.04	Rate Adjustments - Hospital Directed Payments	(18.03)	0.00	(18.03)		
0.46	0.00	0.46	Rate/Income Adjustments	(0.46)	0.00	(0.46)		
328.88	344.97	(16.09)	TOTAL REVENUES	313.24	346.59	(33.35)		
EXPENSES								
Medical Costs:								
50.41	57.09	6.68	Physician Services	51.78	57.21	5.43		
15.96	18.36	2.41	Other Professional Services	15.74	18.42	2.68		
16.86	20.49	3.63	Emergency Room	17.45	20.51	3.06		
62.57	53.56	(9.01)	Inpatient	61.66	53.74	(7.92)		
0.31	0.29	(0.02)	Reinsurance Expense	0.29	0.29	0.00		
22.58	25.96	3.39	Outpatient Hospital	24.53	26.06	1.53		
39.84	27.88	(11.95)	Other Medical	39.60	27.93	(11.67)		
31.69	38.48	6.79	Pharmacy	35.14	38.64	3.50		
1.98	2.00	0.02	Pay for Performance Quality Incentive	1.99	2.00	0.01		
0.00	0.00	0.00	Risk Corridor Expense	0.00	0.00	0.00		
33.86	43.82	9.96	Hospital Directed Payments	34.20	44.08	9.89		
0.02	0.00	(0.02)	Hospital Directed Payment Adjustment	(18.12)	0.00	18.12		
(0.76)	0.00	0.76	Non-Claims Expense Adjustment	(0.86)	0.00	0.86		
0.75	0.00	(0.75)	IBNR, Incentive, Paid Claims Adjustment	(3.97)	0.00	3.97		
276.06	287.95	11.88	Total Medical Costs	259.43	288.89	29.46		
52.82	57.02	(4.20)	GROSS MARGIN	53.81	57.70	(3.89)		
Administrative:								
8.93	10.50	1.57	Compensation	9.88	10.62	0.74		
2.71	3.41	0.70	Purchased Services	3.01	3.42	0.42		
0.39	0.47	0.08	Supplies	0.27	0.47	0.20		
1.53	1.33	(0.20)	Depreciation	1.61	1.32	(0.28)		
0.88	1.37	0.49	Other Administrative Expenses	1.04	1.39	0.35		
0.00	0.00	0.00	Administrative Expense Adjustment	(0.07)	0.00	0.07		
14.44	17.08	2.65	Total Administrative Expenses	15.73	17.23	1.50		
290.50	305.03	14.53	TOTAL EXPENSES	275.16	306.12	30.96		
38.39	39.94	(1.56)	OPERATING INCOME (LOSS) BEFORE TAX	38.08	40.47	(2.39)		
32.37	40.00	7.63	MCO TAX	32.05	40.00	7.95		
6.01	(0.06)	6.07	OPERATING INCOME (LOSS) NET OF TAX	6.03	0.47	5.56		
NONOPERATING REVENUE (EXPENSE)								
0.00	0.00	0.00	Gain on Sale of Assets	0.00	0.00	0.00		
(2.96)	(1.31)	(1.64)	Reserve Fund Projects/Community Grants	(1.42)	(1.33)	(0.10)		
(0.43)	(2.00)	1.58	Health Home	(0.58)	(2.02)	1.44		
(3.39)	(3.32)	(0.07)	TOTAL NONOPERATING REVENUE (EXPENSE)	(2.00)	(3.34)	1.34		
2.63	(3.38)	6.00	NET INCREASE (DECREASE) IN NET POSITION	4.03	(2.87)	6.90		
91.6%	93.5%	1.9%	MEDICAL LOSS RATIO	91.6%	93.3%	1.7%		
5.5%	6.5%	1.1%	ADMINISTRATIVE EXPENSE RATIO	5.9%	6.6%	0.6%		

KERN HEALTH SYSTEMS MEDI-CAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - ROLLING 13 MONTHS THROUGH NOVEMBER 30, 2020														
	NOVEMBER 2019	DECEMBER 2019	JANUARY 2020	FEBRUARY 2020	MARCH 2020	APRIL 2020	MAY 2020	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	13 MONTH TOTAL
ENROLLMENT														
Members - MCAL	250,459	249,381	248,640	250,007	251,552	252,950	256,134	259,592	261,732	264,749	278,100	272,481	275,080	3,370,857
REVENUES														
Title XIX - Medicaid - Family and Other	34,656,206	28,289,680	28,111,536	28,136,428	28,589,738	27,567,358	28,170,470	30,522,053	29,997,411	30,548,160	30,419,692	33,387,274	30,920,096	389,316,102
Title XIX - Medicaid - Expansion Members	25,545,000	24,658,622	23,135,804	23,419,130	23,548,401	22,679,789	23,386,527	24,776,875	24,533,357	24,848,094	25,069,155	27,568,938	25,504,052	318,673,744
Title XIX - Medicaid - SPD Members	16,141,207	15,294,321	15,020,731	15,113,713	15,275,980	14,884,891	14,967,019	15,603,750	15,224,387	15,192,022	15,191,965	14,457,143	16,007,482	198,374,611
Premium - MCO Tax	11,609,045	(52,290,862)	-	16,158,895	7,586,709	7,915,338	7,915,091	8,023,287	8,236,232	8,333,151	8,332,682	9,166,454	8,420,487	49,406,509
Premium - Hospital Directed Payments	-	136,163,466	11,276,584	11,391,396	11,495,457	11,614,664	11,614,663	12,149,677	(8,860,821)	9,112,870	9,112,869	9,955,034	9,313,088	234,338,947
Investment Earnings And Other Income	265,233	731,395	190,131	301,265	424,094	266,256	323,827	62,534	315,583	173,465	(14,474)	151,948	166,556	3,357,813
Reinsurance Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate Adjustments - Hospital Directed Payments	-	101,394,310	118,333	60,959	42,436	36,523	36,524	(10,733)	(52,075,301)	4,234	2,924	77	10,627	49,620,913
Rate/Income Adjustments	(3,664)	(291,644)	819,618	809,261	616,798	(4,529,302)	444,891	476,588	135,705	291,820	70,321	(582,499)	127,031	(1,715,076)
TOTAL REVENUES	88,213,027	253,849,288	78,672,737	95,391,047	87,579,613	80,435,517	86,859,012	91,604,031	17,506,553	88,503,816	88,185,134	94,104,369	90,469,419	1,241,373,563
EXPENSES														
Medical Costs:														
Physician Services	14,396,081	15,556,899	14,757,546	13,873,238	14,351,280	12,418,888	12,429,908	11,806,601	13,357,636	13,134,194	14,514,021	14,157,774	13,867,872	178,621,938
Other Professional Services	3,596,983	4,371,702	4,334,953	3,966,515	4,024,762	3,908,759	3,489,408	3,385,134	4,421,687	4,619,091	4,841,378	3,806,785	4,389,484	53,156,641
Emergency Room	5,227,569	4,729,725	5,226,947	5,258,084	5,370,795	3,813,875	4,212,272	3,363,172	3,652,975	4,813,363	4,926,059	4,814,428	4,638,713	60,046,977
Inpatient	14,657,214	14,449,035	14,911,677	13,893,706	14,743,904	15,995,368	14,410,696	17,115,732	17,082,368	16,635,497	17,879,275	17,137,251	17,212,070	206,123,793
Reinsurance Expense	129,075	128,012	72,320	144,425	(213)	77,341	69,310	73,356	75,202	76,284	76,523	77,652	84,521	1,083,808
Outpatient Hospital	6,141,173	4,767,801	6,734,395	6,204,610	6,566,090	6,270,816	5,199,240	6,447,664	6,446,825	6,894,371	6,804,640	6,653,372	6,209,999	81,340,996
Other Medical	16,655,345	6,649,662	5,661,784	10,021,013	10,653,430	8,832,073	10,860,308	9,199,742	11,504,806	9,055,443	14,033,235	12,916,278	10,958,385	137,001,504
Pharmacy	9,282,817	9,267,277	9,971,687	9,246,208	10,311,873	8,667,925	8,616,291	8,313,457	8,780,407	9,180,669	9,829,083	9,259,169	8,717,167	119,444,030
Pay for Performance Quality Incentive	506,918	498,762	497,280	500,014	503,104	509,814	508,354	519,184	523,464	529,498	529,498	556,200	544,962	6,721,052
Risk Corridor Expense	-	-	-	-	-	-	-	4,700,000	(2,000,000)	-	(2,700,000)	-	-	-
Hospital Directed Payments	-	136,163,466	11,276,584	11,391,396	11,495,457	11,614,664	11,614,663	12,149,677	(8,860,821)	9,112,870	9,112,869	9,955,034	9,313,088	234,338,947
Hospital Directed Payment Adjustment	-	101,154,229	118,333	60,959	42,436	36,523	36,524	(10,733)	(52,075,301)	(233,958)	4,234	77	6,596	49,139,919
Non-Claims Expense Adjustment	(18,762)	4,624	57,172	232,393	(1,583,770)	1,420	167,936	(325,027)	(23,790)	(157)	(777,546)	5,124	(209,309)	(2,469,619)
IBNR, Incentive, Paid Claims Adjustment	(40,346)	(259,737)	816	(8,559)	(2,649,204)	(4,444,586)	11,543	(426,819)	344,451	(120,764)	(4,317,566)	(5,474)	205,986	(11,710,259)
Total Medical Costs	70,528,067	297,481,457	73,621,494	74,784,002	73,829,944	67,702,880	71,626,453	76,311,140	3,228,909	73,696,401	74,755,703	79,333,670	75,939,534	1,112,839,654
GROSS MARGIN	17,684,960	(43,632,169)	5,051,243	20,607,045	13,749,669	12,732,637	15,232,559	15,292,891	14,277,644	14,807,415	13,429,431	14,770,699	14,529,885	128,533,909
Administrative:														
Compensation	2,403,604	2,589,213	2,577,348	2,407,112	2,447,667	2,678,816	2,375,693	2,835,739	2,732,099	2,597,575	2,636,509	2,613,272	2,456,357	33,351,004
Purchased Services	805,047	1,358,494	805,903	728,049	867,391	644,717	903,379	1,142,683	859,845	819,771	421,612	689,841	745,537	10,792,269
Supplies	58,830	(7,208)	35,806	149,042	99,552	60,138	59,208	29,774	71,551	63,919	71,111	34,967	106,489	833,179
Depreciation	286,129	304,894	287,390	287,536	300,318	300,318	924,253	418,036	417,768	418,389	419,251	419,796	419,850	5,197,928
Other Administrative Expenses	270,201	344,959	353,414	181,493	269,559	441,804	223,548	345,337	240,778	254,091	296,858	137,960	242,696	3,602,698
Administrative Expense Adjustment	-	1,325,136	-	-	-	-	-	(212,229)	-	-	-	-	-	1,112,907
Total Administrative Expenses	3,817,811	5,915,488	4,059,861	3,753,232	3,984,487	4,125,793	4,486,081	4,559,340	4,322,041	4,153,745	3,845,341	3,895,836	3,970,929	54,889,985
TOTAL EXPENSES	74,345,878	303,396,945	77,681,355	78,537,234	77,814,431	71,828,673	76,112,534	80,870,480	7,550,950	77,850,146	78,601,044	83,229,506	79,910,463	1,167,729,639
OPERATING INCOME (LOSS) BEFORE TAX	13,867,149	(49,547,657)	991,382	16,853,813	9,765,182	8,606,844	10,746,478	10,733,551	9,955,603	10,653,670	10,584,090	10,874,863	10,558,956	73,643,924
MCO TAX	12,283,003	(52,962,035)	-	16,159,821	7,586,709	7,915,243	7,914,997	7,915,244	8,904,648	8,905,117	8,904,649	8,904,648	8,904,649	51,335,893
OPERATING INCOME (LOSS) NET OF TAX	1,584,146	(3,414,378)	991,382	694,792	2,178,473	691,601	2,831,481	2,818,307	1,050,955	1,748,553	679,441	1,970,215	1,654,307	22,308,031
TOTAL NONOPERATING REVENUE (EXPENSE)	(885,928)	(425,785)	(942,282)	(569,882)	(1,076,457)	424,682	(587,120)	(479,019)	462,756	(687,453)	(176,843)	(1,188,755)	(931,682)	(7,063,768)
NET INCREASE (DECREASE) IN NET POSITION	698,218	(2,988,593)	49,100	124,910	1,102,016	1,116,283	2,244,361	2,339,288	1,513,711	1,061,100	502,598	781,460	722,625	15,244,263
MEDICAL LOSS RATIO	92.1%	87.7%	92.5%	93.4%	91.0%	92.1%	89.1%	89.8%	91.4%	91.2%	92.8%	92.5%	91.6%	91.3%
ADMINISTRATIVE EXPENSE RATIO	5.0%	8.6%	6.0%	5.5%	5.8%	6.8%	6.7%	6.4%	6.2%	5.8%	5.4%	5.2%	5.5%	6.0%

KHS Finance Committee Meeting, February 5, 2021

KERN HEALTH SYSTEMS MEDICAL STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION BY MONTH - PMPM ROLLING 13 MONTHS THROUGH NOVEMBER 30, 2020														
	NOVEMBER 2019	DECEMBER 2019	JANUARY 2020	FEBRUARY 2020	MARCH 2020	APRIL 2020	MAY 2020	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	13 MONTH TOTAL
ENROLLMENT														
Members - MCAL	250,459	249,381	248,640	250,007	251,552	252,950	256,134	259,592	261,732	264,749	278,100	272,481	275,080	3,370,857
REVENUES														
Title XIX - Medicaid - Family and Other	199.08	162.50	162.42	161.68	163.16	157.08	158.57	169.56	165.45	166.87	166.16	173.40	164.62	166.98
Title XIX - Medicaid - Expansion Members	419.77	410.96	386.35	387.18	388.37	369.94	373.98	388.48	377.98	376.19	379.54	393.46	371.41	386.09
Title XIX - Medicaid - SPD Members	1,039.69	1,000.74	958.75	975.52	973.74	936.77	938.61	987.39	981.08	972.23	972.22	945.03	1,012.68	975.91
Premium - MCO Tax	46.35	(209.68)	0.00	64.63	30.16	31.29	30.90	30.91	31.47	31.48	29.96	33.64	30.61	14.66
Premium - Hospital Directed Payments	0.00	546.01	45.35	45.56	45.70	45.92	45.35	46.80	(33.85)	34.42	32.77	36.53	33.86	69.52
Investment Earnings And Other Income	1.06	2.93	0.76	1.21	1.69	1.05	1.26	0.24	1.21	0.66	(0.05)	0.56	0.61	1.00
Reinsurance Recoveries	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate Adjustments - Hospital Directed Payments	0.00	406.58	0.48	0.24	0.17	0.14	0.14	(0.04)	(198.96)	0.02	0.01	0.00	0.04	14.72
Rate/Income Adjustments	(0.01)	(1.57)	3.30	3.24	2.45	(17.91)	1.74	1.84	0.52	1.10	0.25	(2.14)	0.46	(0.51)
TOTAL REVENUES	352.21	1,017.92	316.41	381.55	348.16	317.99	339.12	352.88	66.89	334.29	317.10	345.36	328.88	368.27
EXPENSES														
Medical Costs:														
Physician Services	57.48	62.38	59.35	55.49	57.05	49.10	48.53	45.48	51.04	49.61	52.19	51.96	50.41	52.99
Other Professional Services	14.36	17.53	17.43	15.87	16.00	15.45	13.62	13.04	16.89	17.45	17.41	13.97	15.96	15.77
Emergency Room	20.87	18.97	21.02	21.03	21.35	15.08	16.45	12.96	13.95	18.18	17.71	17.67	16.86	17.81
Inpatient	58.52	57.94	59.97	55.57	58.61	63.24	56.26	65.93	65.27	62.83	64.29	62.89	62.57	61.15
Reinsurance Expense	0.52	0.51	0.29	0.58	(0.00)	0.31	0.27	0.28	0.29	0.29	0.28	0.28	0.31	0.32
Outpatient Hospital	24.52	19.12	27.08	24.82	26.10	24.79	20.30	24.84	24.63	26.04	24.47	24.42	22.58	24.13
Other Medical	66.50	26.66	22.77	40.08	42.35	34.92	42.40	35.44	43.96	34.20	50.46	47.40	39.84	40.64
Pharmacy	37.06	37.16	40.10	36.98	40.99	34.27	33.64	32.03	33.55	34.68	35.34	33.98	31.69	35.43
Pay for Performance Quality Incentive	2.00	2.00	2.00	2.00	2.00	2.02	1.98	2.00	2.00	2.00	1.90	2.04	1.98	1.99
Risk Corridor Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.11	(7.64)	0.00	(9.71)	0.00	0.00	0.00
Hospital Directed Payments	0.00	546.01	45.35	45.56	45.70	45.92	45.35	46.80	(33.85)	34.42	32.77	36.53	33.86	69.52
Hospital Directed Payment Adjustment	0.00	406.58	0.48	0.24	0.17	0.14	0.14	(0.04)	(198.96)	(0.88)	0.02	0.00	0.02	14.58
Non-Claims Expense Adjustment	(0.07)	0.02	0.23	0.93	(6.30)	0.01	0.66	(1.25)	(0.09)	(0.00)	(2.80)	0.02	(0.76)	(0.73)
IBNR, Incentive, Paid Claims Adjustment	(0.16)	(1.04)	0.00	(0.03)	(10.53)	(17.57)	0.05	(1.64)	1.32	(0.46)	(15.53)	(0.02)	0.75	(3.47)
Total Medical Costs	281.60	1,192.88	296.10	299.13	293.50	267.65	279.64	293.97	12.34	278.36	268.81	291.15	276.06	330.14
GROSS MARGIN	70.61	(174.96)	20.32	82.43	54.66	50.34	59.47	58.91	54.55	55.93	48.29	54.21	52.82	38.13
Administrative:														
Compensation	9.60	10.38	10.37	9.63	9.73	10.59	9.28	10.92	10.44	9.81	9.48	9.59	8.93	9.89
Purchased Services	3.21	5.45	3.24	2.91	3.45	2.55	3.53	4.40	3.29	3.10	1.52	2.53	2.71	3.20
Supplies	0.23	(0.03)	0.14	0.60	0.40	0.24	0.23	0.11	0.27	0.24	0.26	0.13	0.39	0.25
Depreciation	1.12	1.22	1.16	1.15	1.19	1.19	3.61	1.61	1.60	1.58	1.51	1.54	1.53	1.54
Other Administrative Expenses	1.08	1.38	1.42	0.73	1.07	1.75	0.87	1.33	0.92	0.96	1.07	0.51	0.88	1.07
Administrative Expense Adjustment	0.00	5.31	0.00	0.00	0.00	0.00	0.00	(0.82)	0.00	0.00	0.00	0.00	0.00	0.33
Total Administrative Expenses	15.24	23.72	16.33	15.01	15.84	16.31	17.51	17.56	16.51	15.69	13.83	14.30	14.44	16.28
TOTAL EXPENSES	296.84	1,216.60	312.43	314.14	309.34	283.96	297.16	311.53	28.85	294.05	282.64	305.45	290.50	346.42
OPERATING INCOME (LOSS) BEFORE TAX	55.37	(198.68)	3.99	67.41	38.82	34.03	41.96	41.35	38.04	40.24	34.46	39.91	38.39	21.85
MCO TAX	49.04	(212.37)	0.00	64.63	30.16	31.29	30.90	30.49	34.02	33.64	32.02	32.68	32.37	15.23
OPERATING INCOME (LOSS) NET OF TAX	6.32	13.69	3.99	2.78	8.66	2.73	11.05	10.86	4.02	6.60	2.44	7.23	6.01	6.62
TOTAL NONOPERATING REVENUE (EXPENSE)	(3.54)	(1.71)	(3.79)	(2.28)	(4.28)	1.68	(2.29)	(1.85)	1.77	(2.60)	(0.64)	(4.36)	(3.39)	(2.10)
NET INCREASE (DECREASE) IN NET POSITION	2.79	11.98	0.20	0.50	4.38	4.41	8.76	9.01	5.78	4.01	1.81	2.87	2.63	4.52
MEDICAL LOSS RATIO	92.1%	87.7%	92.5%	93.4%	91.0%	92.1%	89.1%	89.8%	91.4%	91.2%	92.8%	92.5%	91.6%	91.3%
ADMINISTRATIVE EXPENSE RATIO	5.0%	8.6%	6.0%	5.5%	5.8%	6.8%	6.7%	6.4%	6.2%	5.8%	5.4%	5.2%	5.5%	6.0%

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF REVENUES - ALL COA FOR THE MONTH ENDED NOVEMBER 30, 2020	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			REVENUES			
			Title XIX - Medicaid - Family & Other			
23,753,713	22,351,200	1,402,513	Premium - Medi-Cal	253,471,157	244,259,992	9,211,165
2,499,571	2,375,503	124,068	Premium - Maternity Kick	26,183,469	26,130,533	52,936
52,306	73,978	(21,672)	Premium - Hep C Kick	640,753	804,437	(163,684)
656,176	606,077	50,099	Premium - BHT Kick	4,472,874	6,590,450	(2,117,576)
269,172	318,083	(48,911)	Premium - Health Home Kick	1,953,877	3,458,817	(1,504,940)
3,418,659	1,724,575	1,694,084	Premium - Provider Enhancement	36,774,676	18,751,925	18,022,751
167,762	158,293	9,469	Premium - Ground Emergency Medical Transportation	1,794,995	1,728,455	66,540
102,737	94,239	8,498	Other	1,078,415	1,034,937	43,478
30,920,096	27,701,948	3,218,148	Total Title XIX - Medicaid - Family & Other	326,370,216	302,759,546	23,610,670
			Title XIX - Medicaid - Expansion Members			
23,065,047	21,183,611	1,881,436	Premium - Medi-Cal	242,995,570	233,019,721	9,975,849
245,891	214,189	31,702	Premium - Maternity Kick	2,738,729	2,356,079	382,650
193,534	303,377	(109,843)	Premium - Hep C Kick	2,578,706	3,337,147	(758,441)
447,008	519,998	(72,990)	Premium - Health Home Kick	3,774,981	5,719,978	(1,944,997)
1,350,785	742,244	608,542	Premium - Provider Enhancement	14,255,092	8,164,682	6,090,411
170,382	152,964	17,418	Premium - Ground Emergency Medical Transportation	1,797,604	1,682,604	115,000
31,405	29,126	2,279	Other	329,440	320,386	9,054
25,504,052	23,145,509	2,358,543	Total Title XIX - Medicaid - Expansion Members	268,470,122	254,600,597	13,869,525
			Title XIX - Medicaid - SPD Members			
14,312,871	13,148,587	1,164,284	Premium - Medi-Cal	149,757,898	144,634,457	5,123,441
104,613	94,152	10,461	Premium - Hep C Kick	1,218,739	1,035,672	183,067
597,505	818,847	(221,342)	Premium - BHT Kick	5,706,834	9,007,317	(3,300,483)
364,709	416,635	(51,926)	Premium - Health Home Kick	3,680,859	4,582,985	(902,126)
482,543	282,521	200,022	Premium - Provider Enhancement	5,055,138	3,115,731	1,939,407
145,241	123,879	21,362	Premium - Ground Emergency Medical Transportation	1,519,615	1,362,669	156,946
16,007,482	14,884,621	1,122,861	Total Title XIX - Medicaid - SPD Members	166,939,083	163,738,831	3,200,252

CURRENT MONTH			KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS - ALL COA FOR THE MONTH ENDED NOVEMBER 30, 2020	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
			PHYSICIAN SERVICES			
2,941,771	2,894,620	(47,151)	Primary Care Physician Services	30,435,399	31,598,913	1,163,514
9,663,573	10,131,853	468,280	Referral Specialty Services	103,809,311	110,897,492	7,088,181
1,253,528	1,438,886	185,358	Urgent Care & After Hours Advise	14,323,748	15,692,868	1,369,120
9,000	9,000	-	Hospital Admitting Team	100,500	100,500	-
13,867,872	14,474,359	606,487	TOTAL PHYSICIAN SERVICES	148,668,958	158,289,774	9,620,816
			OTHER PROFESSIONAL SERVICES			
306,024	272,138	(33,886)	Vision Service Capitation	3,032,320	2,979,286	(53,034)
177,185	212,779	35,594	221 - Business Intelligence	2,281,673	2,340,569	58,896
632,460	560,325	(72,135)	310 - Health Services - Utilization Management - UM Allocation *	6,364,136	6,111,639	(252,497)
116,037	169,504	53,467	311 - Health Services - Quality Improvement - UM Allocation *	1,591,757	1,864,539	272,782
113,521	127,991	14,470	312 - Health Services - Education - UM Allocation *	1,264,847	1,407,897	143,050
85,496	94,630	9,134	313 - Health Services - Pharmacy - UM Allocation *	928,514	1,040,934	112,420
129,111	139,492	10,381	314 - Health Homes - UM Allocation *	1,187,004	1,489,999	302,995
263,912	258,856	(5,056)	315 - Case Management - UM Allocation *	2,901,229	2,847,419	(53,810)
56,164	61,775	5,611	616 - Disease Management - UM Allocation *	657,956	679,523	21,567
1,109,648	1,424,924	315,276	Behavior Health Treatment	10,568,104	15,599,132	5,031,028
63,631	171,403	107,772	Mental Health Services	1,298,229	1,879,001	580,772
1,336,295	1,161,505	(174,790)	Other Professional Services	13,112,187	12,720,412	(391,775)
4,389,484	4,655,322	265,838	TOTAL OTHER PROFESSIONAL SERVICES	45,187,956	50,960,350	5,772,394
4,638,713	5,195,226	556,513	EMERGENCY ROOM	50,089,683	56,748,581	6,658,898
17,212,070	13,580,002	(3,632,068)	INPATIENT HOSPITAL	177,017,544	148,678,396	(28,339,148)
84,521	73,522	(10,999)	REINSURANCE EXPENSE PREMIUM	826,721	802,365	(24,356)
6,209,999	6,582,277	372,278	OUTPATIENT HOSPITAL SERVICES	70,432,022	72,112,659	1,680,637
			OTHER MEDICAL			
1,224,809	1,554,793	329,984	Ambulance and NEMT	13,711,504	17,019,218	3,307,714
560,737	390,895	(169,842)	Home Health Services & CBAS	4,922,615	4,285,014	(637,601)
121,178	511,869	390,691	Utilization and Quality Review Expenses	2,734,931	5,512,481	2,777,550
1,372,401	941,435	(430,966)	Long Term/SNF/Hospice	14,000,291	10,333,703	(3,666,588)
407,580	485,324	77,744	Health Home Capitation & Incentive	2,482,135	5,333,331	2,851,196
4,769,377	2,749,841	(2,019,536)	Provider Enhancement Expense - Prop. 56	53,764,596	30,027,855	(23,736,741)
468,619	435,136	(33,483)	Provider Enhancement Expense - GEMT	4,881,405	4,773,728	(107,677)
2,033,684	-	(2,033,684)	Provider COVID-19 Expenses	17,199,020	-	(17,199,020)
10,958,385	7,069,293	(3,889,092)	TOTAL OTHER MEDICAL	113,696,497	77,275,330	(36,421,167)
			PHARMACY SERVICES			
7,628,753	8,737,504	1,108,751	RX - Drugs & OTC	90,852,157	95,756,338	4,904,181
265,484	471,507	206,023	RX - HEP-C	3,441,953	5,177,418	1,735,465
957,930	692,328	(265,602)	Rx - DME	7,845,418	7,588,089	(257,329)
(135,000)	(145,956)	(10,956)	RX - Pharmacy Rebates	(1,245,592)	(1,604,017)	(358,425)
8,717,167	9,755,384	1,038,217	TOTAL PHARMACY SERVICES	100,893,936	106,917,828	6,023,892
544,962	507,050	(37,912)	PAY FOR PERFORMANCE QUALITY INCENTIVE	5,721,372	5,533,550	(187,822)
-	-	-	RISK CORRIDOR EXPENSE	-	-	-
9,313,088	11,109,596	1,796,508	HOSPITAL DIRECTED PAYMENTS	98,175,481	121,969,940	23,794,459
6,596	-	(6,596)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(52,014,310)	-	52,014,310
(209,309)	-	209,309	NON-CLAIMS EXPENSE ADJUSTMENT	(2,455,554)	-	2,455,554
205,986	-	(205,986)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(11,410,176)	-	11,410,176
75,939,534	73,002,031	(2,937,503)	Total Medical Costs	744,830,130	799,288,771	54,458,641

* Medical costs per DMHC regulations

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS - ALL COA - PMPM FOR THE MONTH ENDED NOVEMBER 30, 2020	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
PHYSICIAN SERVICES						
10.69	11.42	0.72	Primary Care Physician Services	10.60	11.42	0.82
35.13	39.96	4.83	Referral Specialty Services	36.16	40.08	3.92
4.56	5.68	1.12	Urgent Care & After Hours Advise	4.99	5.67	0.68
0.03	0.04	0.00	Hospital Admitting Team	0.04	0.04	0.00
50.41	57.09	6.68	TOTAL PHYSICIAN SERVICES	51.78	57.21	5.43
OTHER PROFESSIONAL SERVICES						
1.11	1.07	(0.04)	Vision Service Capitation	1.06	1.08	0.02
0.64	0.84	0.20	221 - Business Intelligence	0.79	0.85	0.05
2.30	2.21	(0.09)	310 - Health Services - Utilization Management - UM Allocation *	2.22	2.21	(0.01)
0.42	0.67	0.25	311 - Health Services - Quality Improvement - UM Allocation *	0.55	0.67	0.12
0.41	0.50	0.09	312 - Health Services - Education - UM Allocation *	0.44	0.51	0.07
0.31	0.37	0.06	313 - Health Services - Pharmacy - UM Allocation *	0.32	0.38	0.05
0.47	0.55	0.08	314 - Health Homes - UM Allocation *	0.41	0.54	0.13
0.96	1.02	0.06	315 - Case Management - UM Allocation *	1.01	1.03	0.02
0.20	0.24	0.04	616 - Disease Management - UM Allocation *	0.23	0.25	0.02
4.03	5.62	1.59	Behavior Health Treatment	3.68	5.64	1.96
0.23	0.68	0.44	Mental Health Services	0.45	0.68	0.23
4.86	4.58	(0.28)	Other Professional Services	4.57	4.60	0.03
15.96	18.36	2.41	TOTAL OTHER PROFESSIONAL SERVICES	15.74	18.42	2.68
16.86	20.49	3.63	EMERGENCY ROOM	17.45	20.51	3.06
62.57	53.56	(9.01)	INPATIENT HOSPITAL	61.66	53.74	(7.92)
0.31	0.29	(0.02)	REINSURANCE EXPENSE PREMIUM	0.29	0.29	0.00
22.58	25.96	3.39	OUTPATIENT HOSPITAL SERVICES	24.53	26.06	1.53
OTHER MEDICAL						
4.45	6.13	1.68	Ambulance and NEMT	4.78	6.15	1.38
2.04	1.54	(0.50)	Home Health Services & CBAS	1.71	1.55	(0.17)
0.44	2.02	1.58	Utilization and Quality Review Expenses	0.95	1.99	1.04
4.99	3.71	(1.28)	Long Term/SNF/Hospice	4.88	3.73	(1.14)
1.48	1.91	0.43	Health Home Capitation & Incentive	0.86	1.92	1.06
17.34	10.85	(6.49)	Provider Enhancement Expense - Prop. 56	18.73	10.85	(7.87)
1.70	1.72	0.01	Provider Enhancement Expense - GEMT	1.70	1.73	0.03
7.39	0.00	(7.39)	Provider COVID-19 Expenses	5.99	0.00	(5.99)
39.84	27.88	(11.95)	TOTAL OTHER MEDICAL	39.60	27.93	(11.67)
PHARMACY SERVICES						
27.73	34.46	6.73	RX - Drugs & OTC	31.64	34.61	2.96
0.97	1.86	0.89	RX - HEP-C	1.20	1.87	0.67
3.48	2.73	(0.75)	Rx - DME	2.73	2.74	0.01
(0.49)	(0.58)	(0.08)	RX - Pharmacy Rebates	(0.43)	(0.58)	(0.15)
31.69	38.48	6.79	TOTAL PHARMACY SERVICES	35.14	38.64	3.50
1.98	2.00	0.02	PAY FOR PERFORMANCE QUALITY INCENTIVE	1.99	2.00	0.01
0.00	0.00	0.00	RISK CORRIDOR EXPENSE	0.00	0.00	0.00
33.86	43.82	9.96	HOSPITAL DIRECTED PAYMENTS	34.20	44.08	9.89
0.02	0.00	(0.02)	HOSPITAL DIRECTED PAYMENT ADJUSTMENT	(18.12)	0.00	18.12
(0.76)	0.00	0.76	NON-CLAIMS EXPENSE ADJUSTMENT	(0.86)	0.00	0.86
0.75	0.00	(0.75)	IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	(3.97)	0.00	3.97
276.06	287.95	11.88	Total Medical Costs	259.43	288.89	29.46

* Medical costs per DMHC regulations

KHS Finance Committee Meeting, February 5, 2021

KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF MEDICAL COSTS BY MONTH THROUGH NOVEMBER 30, 2020	JANUARY 2020	FEBRUARY 2020	MARCH 2020	APRIL 2020	MAY 2020	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	YEAR TO DATE 2020
PHYSICIAN SERVICES												
Primary Care Physician Services	2,988,272	3,164,681	2,861,899	2,953,814	2,417,265	2,336,317	2,926,685	2,346,613	2,809,219	3,765,243	2,941,771	30,435,399
Referral Specialty Services	10,425,085	8,803,273	10,044,984	8,437,260	8,955,919	8,510,414	9,270,830	9,094,353	10,281,444	10,322,176	9,663,573	103,809,311
Urgent Care & After Hours Advise	1,414,889	1,896,664	1,435,097	1,019,114	1,047,424	950,870	1,146,821	1,683,928	1,414,358	1,061,055	1,253,528	14,323,748
Hospital Admitting Team	9,300	8,700	9,300	9,000	9,300	9,000	9,300	9,300	9,300	9,300	9,000	100,500
TOTAL PHYSICIAN SERVICES	14,787,546	13,873,238	14,351,280	12,418,888	12,429,908	11,806,601	13,357,636	13,134,194	14,514,021	14,157,774	13,867,872	148,668,958
OTHER PROFESSIONAL SERVICES												
Vision Service Capitation	299,489	261,072	261,072	263,942	267,033	265,598	272,284	276,202	278,450	281,154	306,024	3,032,320
221 - Business Intelligence	199,329	204,745	195,081	233,961	193,184	193,184	234,246	214,511	209,784	235,505	191,532	2,281,673
310 - Health Services - Utilization Management - UM Allocation *	550,905	482,617	507,782	619,537	541,633	584,598	629,823	568,977	619,433	626,261	632,460	6,364,136
311 - Health Services - Quality Improvement - UM Allocation *	130,719	131,973	135,845	172,419	144,487	144,162	159,894	142,027	154,808	159,386	116,037	1,591,757
312 - Health Services - Education - UM Allocation *	111,799	102,037	108,402	122,087	114,199	123,705	120,317	112,888	121,409	114,483	113,521	1,264,847
313 - Health Services - Pharmacy - UM Allocation *	88,153	80,696	81,505	86,248	76,014	89,969	88,996	83,460	86,476	81,501	85,496	928,514
314 - Health Homes - UM Allocation *	91,425	88,863	104,710	127,555	101,323	104,978	109,116	99,352	105,987	124,379	129,111	1,187,804
315 - Case Management - UM Allocation *	267,758	241,370	244,642	304,832	251,817	270,106	281,044	254,766	267,334	253,648	263,912	2,901,229
616 - Disease Management - UM Allocation *	56,335	54,217	57,384	69,526	56,199	58,667	66,395	58,838	60,587	56,164	65,756	657,956
Behavior Health Treatment	980,035	935,456	999,720	1,194,682	670,273	685,282	1,162,908	1,118,480	1,146,195	565,425	1,109,648	10,568,194
Mental Health Services	330,842	217,343	131,586	4,238	112,206	55,987	52,159	226,649	86,212	17,366	63,631	1,298,229
Other Professional Services	1,227,554	1,166,121	1,197,113	709,542	958,940	767,836	1,264,240	1,467,668	1,685,815	1,331,063	1,336,295	13,112,187
TOTAL OTHER PROFESSIONAL SERVICES	4,334,953	3,966,515	4,024,762	3,908,759	3,489,008	3,385,134	4,421,687	4,619,091	4,541,378	3,806,785	4,389,484	45,187,956
EMERGENCY ROOM	5,226,947	5,258,084	5,370,795	3,813,875	4,212,272	3,363,172	3,651,975	4,813,363	4,926,059	4,814,428	4,638,713	50,889,683
INPATIENT HOSPITAL	14,911,677	13,893,706	14,743,904	15,995,368	14,410,696	17,115,732	17,082,368	16,635,497	17,879,275	17,137,251	17,212,070	177,017,544
REINSURANCE EXPENSE PREMIUM	72,320	144,425	(213)	77,341	69,310	73,356	75,202	76,284	76,523	77,652	84,521	826,721
OUTPATIENT HOSPITAL SERVICES	6,734,395	6,204,610	6,566,090	6,270,816	5,199,240	6,447,664	6,446,825	6,894,371	6,804,640	6,653,372	6,209,999	70,432,022
OTHER MEDICAL												
Ambulance and NEMT	1,599,375	1,498,607	1,444,299	670,262	1,090,342	366,750	1,660,648	1,632,473	1,199,057	1,324,882	1,224,809	13,711,504
Home Health Services & CBAS	392,407	393,491	349,594	300,546	492,779	171,601	899,406	655,484	379,453	560,737	492,615	4,922,615
Utilization and Quality Review Expenses	308,250	229,353	247,983	245,426	95,995	243,906	275,750	192,375	276,893	497,822	121,178	2,734,931
Long Term/SNF/Hospice	1,052,766	1,197,702	1,439,187	1,549,960	1,452,690	697,808	1,765,635	1,090,186	1,046,610	1,235,346	1,372,401	14,000,291
Health Home Capitation & Incentive	166,060	137,300	112,910	262,565	330,205	249,665	225,950	318,405	50,415	217,080	407,580	2,482,135
Provider Enhancement Expense - Prop. 56	1,820,309	5,971,496	6,564,136	4,841,254	4,373,154	5,297,431	5,004,018	3,659,026	5,102,697	6,361,698	4,769,377	53,764,596
Provider Enhancement Expense - GEMT	322,617	593,064	395,321	399,960	258,923	425,341	518,378	445,212	497,005	556,965	468,619	4,881,405
Provider COVID-19 Expenses	-	-	-	561,100	2,766,220	1,747,240	1,724,310	818,360	5,205,074	2,343,032	2,033,684	17,199,020
TOTAL OTHER MEDICAL	5,661,784	10,021,013	10,653,430	8,832,073	10,860,308	9,199,742	11,504,806	9,055,443	14,033,235	12,916,278	10,958,385	113,696,497
PHARMACY SERVICES												
RX - Drugs & OTC	9,137,997	8,470,785	9,200,496	7,803,679	7,771,494	7,983,954	8,100,996	8,168,036	8,318,159	8,267,808	7,628,753	90,852,157
RX - HEP-C	271,776	331,788	470,380	364,602	292,610	298,687	322,441	286,767	228,266	309,152	265,484	3,441,953
Rx - DME	696,914	578,635	675,997	634,644	687,187	109,695	591,970	860,866	1,234,371	817,209	957,930	7,845,418
RX - Pharmacy Rebates	(135,000)	(135,000)	(35,000)	(135,000)	(135,000)	(78,879)	(135,000)	(135,000)	48,287	(135,000)	(135,000)	(1,245,592)
TOTAL PHARMACY SERVICES	9,971,687	9,246,200	10,311,873	8,667,925	8,616,291	8,313,457	8,780,407	9,180,669	9,829,083	9,259,169	8,717,167	100,893,936
PAY FOR PERFORMANCE QUALITY INCENTIVE	497,280	500,014	503,104	509,814	508,354	519,184	523,464	529,498	529,498	556,200	544,962	5,721,372
RISK CORRIDOR EXPENSE	-	-	-	-	-	4,700,000	(2,000,000)	-	(2,700,000)	-	-	-
HOSPITAL DIRECTED PAYMENTS	11,276,584	11,391,396	11,495,457	11,614,664	11,614,663	12,149,677	(8,860,821)	9,112,870	9,112,869	9,955,034	9,313,088	98,175,481
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	118,333	60,959	42,436	36,523	36,524	(10,733)	(52,075,301)	(233,958)	4,234	77	6,596	(52,014,310)
NON-CLAIMS EXPENSE ADJUSTMENT	57,172	232,393	(1,583,770)	1,420	167,936	(325,027)	(23,790)	(157)	(777,546)	5,124	(209,309)	(2,455,554)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	816	(8,559)	(2,649,204)	(4,444,586)	11,543	(426,819)	344,451	(120,764)	(4,317,566)	(5,474)	205,986	(11,410,176)
Total Medical Costs	73,621,494	74,784,002	73,829,944	67,702,880	71,626,453	76,311,140	3,228,909	73,696,401	74,755,703	79,333,670	75,939,534	744,830,130

KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF MEDICAL COSTS BY MONTH - PMPM THROUGH NOVEMBER 30, 2020	JANUARY 2020	FEBRUARY 2020	MARCH 2020	APRIL 2020	MAY 2020	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	YEAR TO DATE 2020
PHYSICIAN SERVICES												
Primary Care Physician Services	11.70	12.66	11.38	11.68	9.44	9.00	11.20	8.86	10.10	10.15	10.69	10.60
Referral Specialty Services	41.93	35.21	39.93	33.36	34.97	32.78	35.42	34.35	36.97	37.88	35.13	36.16
Urgent Care & After Hours Advice	5.69	7.59	5.70	4.03	4.09	3.66	4.38	6.36	5.09	3.89	4.56	4.99
Hospital Admitting Team	0.04	0.03	0.04	0.04	0.04	0.03	0.04	0.04	0.03	0.03	0.03	0.04
TOTAL PHYSICIAN SERVICES	59.35	55.49	57.05	49.10	48.53	45.48	51.04	49.61	52.19	51.96	50.41	51.78
OTHER PROFESSIONAL SERVICES												
Vision Service Capitation	1.20	1.04	1.04	1.04	1.04	1.02	1.04	1.04	1.00	1.03	1.11	1.06
221 - Business Intelligence	0.80	0.82	0.78	0.92	0.76	0.90	0.82	0.79	0.81	0.70	0.64	0.79
310 - Health Services - Utilization Management - UM Allocation *	2.22	1.93	2.02	2.45	2.11	2.25	2.41	2.15	2.23	2.20	2.30	2.22
311 - Health Services - Quality Improvement - UM Allocation *	0.53	0.53	0.54	0.68	0.56	0.56	0.61	0.54	0.56	0.58	0.42	0.55
312 - Health Services - Education - UM Allocation *	0.45	0.41	0.43	0.48	0.45	0.48	0.46	0.43	0.44	0.42	0.41	0.44
313 - Health Services - Pharmacy - UM Allocation *	0.35	0.32	0.32	0.34	0.30	0.35	0.34	0.32	0.31	0.30	0.31	0.32
314 - Health Homes - UM Allocation *	0.37	0.36	0.42	0.51	0.40	0.40	0.42	0.38	0.38	0.46	0.47	0.41
315 - Case Management - UM Allocation *	1.08	0.97	0.97	1.21	0.98	1.04	1.07	0.96	0.96	0.93	0.96	1.01
616 - Disease Management - UM Allocation *	0.23	0.22	0.23	0.27	0.22	0.23	0.25	0.22	0.23	0.22	0.20	0.23
Behavior Health Treatment	3.94	3.74	3.97	4.72	2.62	2.64	4.44	4.22	4.12	2.08	4.03	3.68
Mental Health Services	1.33	0.87	0.52	0.02	0.44	0.22	0.20	0.86	0.31	0.06	0.23	0.45
Other Professional Services	4.94	4.66	4.76	2.81	3.74	2.96	4.83	5.54	6.06	4.88	4.86	4.57
TOTAL OTHER PROFESSIONAL SERVICES	17.43	15.87	16.00	15.45	13.62	13.04	16.89	17.45	17.41	13.97	15.96	15.74
EMERGENCY ROOM	21.02	21.03	21.35	15.08	16.45	12.96	13.95	18.18	17.71	17.67	16.86	17.45
INPATIENT HOSPITAL	59.97	55.57	58.61	63.24	56.26	65.93	65.27	62.83	64.29	62.89	62.57	61.66
REINSURANCE EXPENSE PREMIUM	0.29	0.58	0.00	0.31	0.27	0.28	0.29	0.29	0.28	0.28	0.31	0.29
OUTPATIENT HOSPITAL SERVICES	27.08	24.82	26.10	24.79	20.30	24.84	24.63	26.04	24.47	24.42	22.58	24.53
OTHER MEDICAL												
Ambulance and NEMT	6.43	5.99	5.74	2.65	4.26	1.41	6.34	6.17	4.31	4.86	4.45	4.78
Home Health Services & CBAS	1.58	1.57	1.39	1.19	1.92	0.66	1.25	3.40	2.36	1.39	2.04	1.71
Utilization and Quality Review Expenses	1.24	0.92	0.99	0.97	0.37	0.94	1.05	0.73	1.00	1.83	0.44	0.95
Long Term/SNF/Hospice	4.23	4.79	6.12	6.13	5.67	2.69	6.75	4.12	3.76	4.53	4.99	4.88
Health Home Capitation & Incentive	0.67	0.55	0.45	1.04	1.29	0.96	0.87	1.20	0.18	0.80	1.48	0.86
Provider Enhancement Expense - Prop. 56	7.32	23.89	26.09	19.14	17.07	20.41	19.12	13.82	18.35	23.35	17.34	18.73
Provider Enhancement Expense - GEMT	1.30	2.37	1.57	1.58	1.01	1.64	1.98	1.68	1.79	2.04	1.70	1.70
Provider COVID-19 Expenses	0.00	0.00	0.00	2.22	10.80	6.73	6.59	3.09	18.72	8.60	7.39	5.99
TOTAL OTHER MEDICAL	22.77	40.08	42.35	34.92	42.40	35.44	43.96	34.20	50.46	47.40	39.84	39.60
PHARMACY SERVICES												
RX - Drugs & OTC	36.75	33.88	36.57	30.85	30.34	30.76	30.95	30.85	29.91	30.34	27.73	31.64
RX - HEP-C	1.09	1.33	1.87	1.44	1.14	1.15	1.23	1.08	0.82	1.13	0.97	1.20
Rx - DME	2.80	2.31	2.69	2.51	2.68	0.42	2.26	3.25	4.44	3.00	3.48	2.73
RX - Pharmacy Rebates	(0.54)	(0.54)	(0.14)	(0.53)	(0.53)	(0.30)	(0.90)	(0.51)	0.17	(0.50)	(0.49)	(0.43)
TOTAL PHARMACY SERVICES	40.10	36.98	40.99	34.27	33.64	32.03	33.55	34.68	35.34	33.98	31.69	35.14
PAY FOR PERFORMANCE QUALITY INCENTIVE	2.00	2.00	2.00	2.02	1.98	2.00	2.00	2.00	1.90	2.04	1.98	1.99
RISK CORRIDOR EXPENSE	0.00	0.00	0.00	0.00	0.00	18.11	(7.64)	0.00	(9.71)	0.00	0.00	0.00
HOSPITAL DIRECTED PAYMENTS	45.35	45.56	45.70	45.92	45.35	46.80	(33.85)	34.42	32.77	36.53	33.86	34.20
HOSPITAL DIRECTED PAYMENT ADJUSTMENT	0.48	0.24	0.17	0.14	0.14	(0.04)	(198.96)	(0.88)	0.02	0.00	0.02	(18.12)
NON-CLAIMS EXPENSE ADJUSTMENT	0.23	0.93	(6.30)	0.01	0.66	(1.25)	(0.09)	(0.00)	(2.80)	0.02	(0.76)	(0.86)
IBNR, INCENTIVE, AND PAID CLAIMS ADJUSTMENT	0.00	(0.03)	(10.53)	(17.57)	0.05	(1.64)	1.32	(0.46)	(15.53)	(0.02)	0.75	(3.97)
Total Medical Costs	296.10	299.13	293.50	267.65	279.64	293.97	12.34	278.36	268.81	291.15	276.06	259.43

CURRENT MONTH			KERN HEALTH SYSTEMS MEDI-CAL SCHEDULE OF ADMINISTRATIVE EXPENSES BY DEPT FOR THE MONTH ENDED NOVEMBER 30, 2020	YEAR-TO-DATE		
ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE
316,516	314,502	(2,014)	110 - Executive	3,732,536	3,534,571	(197,965)
153,242	198,806	45,564	210 - Accounting	1,979,041	2,184,924	205,883
173,060	273,113	100,053	220 - Management Information Systems	3,074,539	3,004,257	(70,282)
-	13,049	13,049	221 - Business Intelligence	101,110	143,567	42,457
260,214	281,945	21,731	222 - Enterprise Development	2,812,742	3,101,429	288,687
370,137	415,723	45,586	225 - Infrastructure	3,880,412	4,572,949	692,537
552,091	558,119	6,028	230 - Claims	5,847,860	6,141,011	293,151
103,727	114,151	10,424	240 - Project Management	1,120,655	1,255,661	135,006
81,548	100,300	18,752	310 - Health Services - Utilization Management	1,119,047	1,097,105	(21,942)
36,643	55,141	18,498	311 - Health Services - Quality Improvement	473,644	606,352	132,708
-	67	67	312 - Health Services - Education	481	1,033	552
129,932	144,883	14,951	313- Pharmacy	1,513,289	1,569,209	55,920
109	-	(109)	314 - Health Homes	1,170	-	(1,170)
16,846	16,573	(273)	315 - Case Management	185,698	182,300	(3,398)
20,774	23,131	2,357	616 - Disease Management	243,401	254,443	11,042
245,000	313,552	68,552	320 - Provider Network Management	3,049,923	3,449,072	399,149
528,313	563,886	35,573	330 - Member Services	5,738,023	6,202,696	464,673
600,397	533,116	(67,281)	340 - Corporate Services	6,338,875	5,818,276	(520,599)
79,743	67,176	(12,567)	360 - Audit & Investigative Services	799,286	738,936	(60,350)
29,950	54,315	24,365	410 - Advertising Media	498,459	597,465	99,006
91,614	68,457	(23,157)	420 - Sales/Marketing/Public Relations	538,568	753,027	214,459
181,073	221,175	40,102	510 - Human Resources	2,320,156	2,467,367	147,211
-	-	-	Administrative Expense Adjustment	(212,229)	-	212,229
3,970,929	4,331,179	360,250	Total Administrative Expenses	45,156,686	47,675,650	2,518,964

KERN HEALTH SYSTEMS MEDICAL SCHEDULE OF ADMIN EXPENSES BY DEPT BY MONTH FOR THE MONTH ENDED NOVEMBER 30, 2020	JANUARY 2020	FEBRUARY 2020	MARCH 2020	APRIL 2020	MAY 2020	JUNE 2020	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	YEAR TO DATE 2020
110 - Executive	339,242	293,820	365,045	399,347	259,748	354,211	358,020	346,343	374,015	326,229	316,516	3,732,536
210 - Accounting	173,904	178,919	174,836	183,136	174,058	229,239	197,424	181,448	174,523	158,312	153,242	1,979,041
220 - Management Information Systems (MIS)	381,511	295,419	338,903	162,587	375,885	409,177	283,465	385,215	(71,269)	340,586	173,060	3,074,539
221 - Business Intelligence	-	11,648	20,702	22,767	15,303	14,750	15,840	100	14,760	(14,760)	-	101,110
222 - Enterprise Development	211,299	225,855	262,079	292,897	213,893	299,686	277,998	269,776	270,074	228,971	260,214	2,812,742
225 - Infrastructure	359,015	241,507	308,323	274,546	428,168	431,419	409,337	388,698	315,770	353,492	370,137	3,880,412
230 - Claims	556,280	498,960	493,312	543,105	485,601	547,271	552,376	529,257	570,198	519,409	552,091	5,847,860
240 - Project Management	85,191	84,709	97,954	100,673	102,586	121,862	123,048	107,034	102,541	91,330	103,727	1,120,655
310 - Health Services - Utilization Management	98,529	107,809	95,426	112,873	93,694	127,289	99,273	106,044	114,396	82,166	81,548	1,119,047
311 - Health Services - Quality Improvement	10,824	41,860	43,027	54,448	45,627	46,653	50,493	44,850	48,886	50,333	36,643	473,644
312 - Health Services - Education	-	60	-	61	-	-	-	102	258	-	-	481
313- Pharmacy	156,947	147,980	148,599	141,729	123,386	126,485	118,633	129,761	154,674	135,163	129,932	1,513,289
314 - Health Homes	222	15,046	98	(14,707)	-	76	68	-	258	-	109	1,170
315 - Case Management	17,349	15,664	15,615	19,456	16,074	17,240	17,939	16,261	17,064	16,190	16,846	185,698
616 - Disease Management	20,836	20,068	21,223	25,749	20,786	21,699	24,558	21,762	23,538	22,408	20,774	243,401
320 - Provider Network Management	256,860	252,748	291,995	307,450	269,465	313,902	281,741	260,987	274,601	295,174	245,000	3,049,923
330 - Member Services	530,714	484,954	496,790	563,492	484,348	547,629	542,035	529,092	504,521	526,135	528,313	5,738,023
340 - Corporate Services	439,804	482,885	487,474	449,175	1,070,946	640,485	556,403	599,825	606,212	405,269	600,397	6,338,875
360 - Audit & Investigative Services	81,923	83,979	59,288	87,154	60,510	76,957	69,507	55,676	81,171	63,378	79,743	799,286
410 - Advertising Media	9,439	47,590	38,083	134,979	29,053	138,348	28,355	(17,205)	18,396	41,471	29,950	498,459
420 - Sales/Marketing/Public Relations	44,020	35,104	43,800	36,382	55,996	54,859	78,000	3,632	45,864	49,297	91,614	538,568
510 - Human Resources	285,952	186,648	181,915	228,494	160,954	252,332	237,528	195,087	204,890	205,283	181,073	2,320,156
Total Department Expenses	4,059,861	3,753,232	3,984,487	4,125,793	4,486,081	4,771,569	4,322,041	4,153,745	3,845,341	3,895,836	3,970,929	45,368,915
ADMINISTRATIVE EXPENSE ADJUSTMENT	-	-	-	-	-	(212,229)	-	-	-	-	-	(212,229)
Total Administrative Expenses	4,059,861	3,753,232	3,984,487	4,125,793	4,486,081	4,559,340	4,322,041	4,153,745	3,845,341	3,895,836	3,970,929	45,156,686

KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM BALANCE SHEET STATEMENT AS OF NOVEMBER 30, 2020			
ASSETS	NOVEMBER 2020	OCTOBER 2020	INC(DEC)
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 1,133,718	\$ 1,133,718	-
Interest Receivable	1,594	797	797
TOTAL CURRENT ASSETS	\$ 1,135,312	\$ 1,134,515	\$ 797
LIABILITIES AND NET POSITION			
CURRENT LIABILITIES:			
Other Liabilities	-	-	-
TOTAL CURRENT LIABILITIES	\$ -	\$ -	\$ -
NET POSITION:			
Net Position- Beg. of Year	1,128,885	1,128,885	-
Increase (Decrease) in Net Position - Current Year	6,427	5,630	797
Total Net Position	\$ 1,135,312	\$ 1,134,515	\$ 797
TOTAL LIABILITIES AND NET POSITION	\$ 1,135,312	\$ 1,134,515	\$ 797

CURRENT MONTH			KERN HEALTH SYSTEMS GROUP HEALTH PLAN - HFAM STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION FOR THE MONTH ENDED NOVEMBER 30, 2020	YEAR-TO-DATE		
ENROLLMENT						
-	-	-	Members	-	-	-
REVENUES						
-	-	-	Premium	-	-	-
799	-	799	Interest	13,390	-	13,390
(2)	-	(2)	Other Investment Income	(1,963)	-	(1,963)
797	-	797	TOTAL REVENUES	11,427	-	11,427
EXPENSES						
-	-	-	Medical Costs	-	-	-
-	-	-	IBNR and Paid Claims Adjustment	-	-	-
-	-	-	Total Medical Costs	-	-	-
797	-	797	GROSS MARGIN	11,427	-	11,427
Administrative						
-	-	-	Management Fee Expense and Other Admin Exp	5,000	-	(5,000)
-	-	-	Total Administrative Expenses	5,000	-	(5,000)
-	-	-	TOTAL EXPENSES	5,000	-	(5,000)
797	-	797	OPERATING INCOME (LOSS)	6,427	-	6,427
-	-	-	TOTAL NONOPERATING REVENUE (EXPENSES)	-	-	-
797	-	797	NET INCREASE (DECREASE) IN NET POSITION	6,427	-	6,427
0%	0%	0%	MEDICAL LOSS RATIO	0%	0%	0%
0%	0%	0%	ADMINISTRATIVE EXPENSE RATIO	44%	0%	-44%

**KERN HEALTH SYSTEMS
MONTHLY MEMBERS COUNT**

KERN HEALTH SYSTEMS

		2020 MEMBER MONTHS											
MEDI-CAL		JAN'20	FEB'20	MAR'20	APR'20	MAY'20	JUN'20	JUL'20	AUG'20	SEP'20	OCT'20	NOV'20	DEC'20
ADULT AND FAMILY													
ADULT	515,004	43,519	43,767	44,480	44,402	45,381	46,558	47,144	47,950	50,967	49,961	50,875	0
CHILD	1,392,751	122,496	123,040	123,357	123,687	124,785	126,031	126,735	127,723	133,883	130,268	130,746	0
SUB-TOTAL ADULT & FAMILY	1,907,755	166,015	166,807	167,837	168,089	170,166	172,589	173,879	175,673	184,850	180,229	181,621	0
OTHER MEMBERS													
BCCTP-TOBACCO SETTLEMENT	305	26	28	26	25	27	27	28	30	29	30	29	0
DUALS													
PARTIAL DUALS - FAMILY	5,290	432	432	453	461	474	450	452	462	550	570	554	0
PARTIAL DUALS - CHILD	11	1	1	1	1	1	1	1	1	1	1	1	0
PARTIAL DUALS - BCCTP	20	1	1	2	2	2	2	2	2	2	2	2	0
SPD FULL DUALS	76,815	6,599	6,759	6,911	6,923	6,983	6,941	6,945	7,021	7,235	7,172	7,326	0
SUB-TOTAL DUALS	82,136	7,033	7,193	7,367	7,387	7,460	7,394	7,400	7,486	7,788	7,745	7,883	0
TOTAL FAMILY & OTHER	1,990,196	173,074	174,028	175,230	175,501	177,653	180,010	181,307	183,189	192,667	188,004	189,533	0
SPD													
SPD (AGED AND DISABLED)	172,418	15,667	15,493	15,688	15,992	15,946	15,803	15,518	15,508	15,301	15,810	15,692	0
MEDI-CAL EXPANSION													
ACA Expansion Adult-Citizen	703,622	59,583	60,197	60,360	61,164	62,179	63,373	64,432	65,545	69,552	68,077	69,160	0
ACA Expansion Duals	4,781	316	289	274	293	356	406	475	507	580	590	695	0
SUB-TOTAL MED-CAL EXPANSION	708,403	59,899	60,486	60,634	61,457	62,535	63,779	64,907	66,052	70,132	68,667	69,855	0
TOTAL KAISER	107,296	8,992	9,125	9,169	9,262	9,475	9,594	9,823	10,138	10,386	10,579	10,753	0
TOTAL MEDI-CAL MEMBERS	2,978,313	257,632	259,132	260,721	262,212	265,609	269,186	271,555	274,887	288,486	283,060	285,833	0

**KERN·HEALTH
SYSTEMS**

November AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to- Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	433,724.38	4,926,240.00	NOVEMBER 2020 HMO EMPLOYEE HEALTH BENEFITS	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	184,355.76	2,131,420.37	AUGUST - OCTOBER PROFESSIONAL SERVICES / CONSULTING SERVICES	CAPITAL PROJECTS IN PROCESS/ MIS
T2726	DST PHARMACY SOLUTIONS, INC.	114,129.44	1,293,598.82	OCTOBER 2020 PHARMACY CLAIMS	PHARMACY
T4237	FLUIDEDGE CONSULTING, INC.	97,280.00	1,109,565.67	OCTOBER 2020 PROFESSIONAL SERVICES/ CONSULTING SERVICES	VARIOUS
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	72,172.54	719,964.26	NOVEMBER 2020 VOLUNTARY LIFE, AD&D, DENTAL INSURANCE	VARIOUS
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	48,861.12	372,383.91	OCTOBER 2020 PROFESSIONAL SERVICES, QNXT MAINT., HPA BILLING & EDI CLAIMS PROCESSING, CLAIMS INTEGRITY	VARIOUS
T5109	RAND EMPLOYMENT SOLUTIONS	41,247.04	287,270.70	OCTOBER - NOVEMBER 2020 TEMP SERVICES- 4MS, 1UM, 1 HE, 1 MIS, 1 HHP, 1 ACCT	VARIOUS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC****	40,887.23	231,540.07	SEPTEMBER & OCTOBER 2020 EDI CLAIM PROCESSING	CLAIMS
T4582	HEALTHX, INC.	40,376.00	444,136.00	NOVEMBER 2020 MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T5076	MERIDIAN HEALTH SYSTEMS, P.C.****	36,140.00	113,360.00	SEPTEMBER & OCTOBER 2020 PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4496	VOX NETWORK SOLUTIONS****	33,262.60	33,262.60	WORKFORCE MANAGEMENT ADVANCED LICENSE ANNUAL REVIEW	MIS INFRASTRUCTURE
T4165	SHI INTERNATIONAL CO.	32,943.16	317,043.51	2020-2021 VMWARE SOFTWARE	
T5185	HOUSING AUTHORITY COUNTY OF KERN****	28,900.00	181,400.00	JULY - AUGUST 2020 HOUSING AUTHORITY GRANT	UM
T2167	PG&E****	26,889.06	252,968.37	9/16/20-10/15/20 USAGE/UTILITIES	CORPORATE SERVICES

**KERN HEALTH
SYSTEMS**

November AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to-Date	Description	Department
T1272	COFFEY COMMUNICATIONS INC.****	24,360.60	148,438.09	SPRING 2020 MEMBER NEWSLETTER POSTAGE/ NOVEMBER 2020 WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE
T4060	HODEL'S DEVELOPMENT CORPORATION****	23,975.64	23,975.64	2020 EMPLOYEE AWARDS	MARKETING
T4265	SIERRA SCHOOL EQUIPMENT COMPANY****	23,760.88	76,189.71	FURNITURE - (50) OFFICE CHAIRS	CORPORATE SERVICES
T4967	ADMINISTRATIVE SOLUTIONS, INC.	19,181.26	187,835.23	11/3/20 - 11/17/20 FSA EMPLOYEE PREMIUM & NOVEMBER 2020 SECTION 125 ADMINISTRATION	VARIOUS
T3011	OFFICE ALLY, INC.	18,857.50	179,178.00	OCTOBER 2020 EDI CLAIM PROCESSING	CLAIMS
T4460	PAYSPAN, INC	18,103.75	184,959.10	OCTOBER 2020 ELECTRIC CLAIMS/PAYMENTS	FINANCE
T4733	UNITED STAFFING ASSOCIATES	17,896.81	218,472.53	OCTOBER - NOVEMBER 2020 TEMPORARY HELP- 1 MIS, 1 HHP & 2 HE	VARIOUS
T5022	SVAM INTERNATIONAL INC****	16,368.00	49,848.00	OCTOBER 2020 PROFESSIONAL SERVICES / CONSULTING SERVICES	BUSINESS INTELLIGENCE
T5145	CCS ENGINEERING FRESNO INC.,	15,295.64	170,376.25	OCTOBER - NOVEMBER 2020 JANITORIAL SERVICES	CORPORATE SERVICES
T5313	HEALTH LITERACY INNOVATIONS, LLC****	14,854.00	14,854.00	HEALTH LITERACY ADVISORY SOFTWARE LICENSE	MIS INFRASTRUCTURE
T4501	ALLIED UNIVERSAL SECURITY SERVICES	13,924.33	214,729.89	OCTOBER - NOVEMBER 2020 ONSITE SECURITY	CORPORATE SERVICES
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING	12,340.52	137,466.01	OCTOBER 2020 ACCIDENT & CRITICAL ILLNESS EMPLOYEE PREMIUM	VARIOUS
T2955	DELTA ELECTRIC INC.****	11,960.00	67,959.00	POWER AND DATA WORK ON 9 NEW CUBICLES	CORPORATE SERVICES
T4396	KAISER FOUNDATION HEALTH-DHMO****	11,625.10	137,075.78	NOVEMBER 2020 DHMO EMPLOYEE HEALTH BENEFITS	VARIOUS
T5005	CRAYON SOFTWARE EXPERTS LLC	11,010.04	542,324.99	SEPTEMBER 2020 ESD AZURE OVERAGE	MIS INFRASTRUCTURE

**KERN·HEALTH
SYSTEMS**

November AP Vendor Report
Amounts over \$10,000.00

Vendor No.	Vendor Name	Current Month	Year-to- Date	Description	Department
T1861	CERIDIAN HCM, INC.	10,935.00	186,894.37	SEPTEMBER & NOVEMBER 2020 MONTHLY SUBSCRIPTION FEES	HUMAN RESOURCES
T4782	LEBEAU - THELEN, LLP****	10,908.10	13,406.50	MAY - JULY 2020 LEGAL SERVICES	ADMINISTRATION
T4503	VISION SERVICE PLAN****	10,897.90	59,159.03	OCTOBER - NOVEMBER 2020 EMPLOYEE HEALTH BENEFITS	VARIOUS
T4193	STRIA LLC	10,865.36	369,926.75	OCTOBER 2020 OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS
T1189	APPLE ONE INC, EMPLOYMENT SERVICES****	10,716.01	127,958.49	OCTOBER 2020 TEMP SERVICES- 1 MIS	MIS INFRASTRUCTURE
T4476	KERN PARTNERSHIP FOR CHILDREN AND FAMILIES****	10,000.00	12,000.00	2020 COMMUNITY ACTIVITIES-SPONSORSHIP	COMMUNITY ACTIVITIES
			<u>1,549,004.77</u>		
	TOTAL VENDORS OVER \$10,000	1,549,004.77			
	TOTAL VENDORS UNDER \$10,000	183,314.16			
	TOTAL VENDOR EXPENSES- NOVEMBER		<u>1,732,318.93</u>		

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



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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1045	KAISER FOUNDATION HEALTH - HMO	4,926,240.00	HMO EMPLOYEE HEALTH BENEFITS	VARIOUS
T4350	COMPUTER ENTERPRISE INC.	2,131,420.37	PROFESSIONAL SERVICES / CONSULTING SERVICES & TRAVEL EXP.	CAPITAL PROJECTS IN PROCESS/ MIS
T4391	OMNI FAMILY HEALTH	1,787,504.03	HEALTH HOMES AND PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T4290	S.C. ANDERSON, INC.	1,555,742.74	NEW BUILDING RETAINER AND DECEMBER 2019 NEW BUILDING CONSTRUCTION SERVICES	CAPITAL PROJECT - NEW BUILDING
T5229	DIGNITY HEALTH MEDICAL GROUP - BAKERSFIELD	1,299,106.91	HEALTH HOMES GRANT	COMMUNITY GRANTS
T2726	DST PHARMACY SOLUTIONS, INC.	1,293,598.82	PHARMACY CLAIMS	PHARMACY
T4982	NGC US, LLC	1,131,810.99	PREFUND HEALTH HOMES INCENTIVES & HEALTH EDUCATION MEMBER INCENTIVES	VARIOUS
T4237	FLUIDEDGE CONSULTING, INC.	1,109,565.67	PROFESSIONAL SERVICES / CONSULTING SERVICES & TRAVEL EXP.	VARIOUS
T2686	ALLIANT INSURANCE SERVICES INC.	742,417.45	ANNUAL INSURANCE & ACIP CRIME PREMIUMS	ADMINISTRATION
T2488	THE LINCOLN NATIONAL LIFE INSURANCE	719,964.26	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE	VARIOUS
T5005	CRAYON SOFTWARE EXPERTS LLC	542,324.99	2019 TRUE UP MAINTENANCE, 2020 ESD ANNUAL SUPPORT & ESD AZURE OVERAGE	MIS INFRASTRUCTURE
T5111	ENTISYS 360	512,952.65	DISASTER RECOVERY CONTINUITY PROJECT	MIS INFRASTRUCTURE/CAPITAL PROJECT
T4483	INFUSION AND CLINICAL SERVICES, INC.	490,706.91	HEALTH HOMES GRANT	COMMUNITY GRANT
T3130	OPTUMINSIGHT, INC.	453,564.00	ANNUAL LICENSED SOFTWARE EASYGROUP & INCREMENTAL LICENSE	MIS INFRASTRUCTURE
T4582	HEALTHX, INC.	444,136.00	2020 MAINTENANCE AND SUPPORT FEES - PROVIDER AND MEMBER PORTAL	MIS INFRASTRUCTURE
T4722	COGNIZANT TRIZETTO SOFTWARE GROUP, INC.	372,383.91	PROFESSIONAL SERVICES	VARIOUS

**KERN·HEALTH
SYSTEMS**

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4193	STRIA LLC	369,926.75	OCR SERVICES AND PROFESSIONAL SERVICES	CLAIMS & HUMAN RESOURCES
T4165	SHI INTERNATIONAL CO.	317,043.51	STANDING WORKING STATIONS, LICENSES FEES, TRUEUP & JUNIPER NETWORKS -QSFP TRANSCEIVER MODULE	VARIOUS
T5109	RAND EMPLOYMENT SOLUTIONS	287,270.70	TEMPORARY HELP	VARIOUS
T1845	DEPARTMENT OF MANAGED HEALTH CARE	282,337.89	2020-2021 MCAL ANNUAL & SPECIAL CALIFORNIA HEALTH BENEFIT REVIEW PROGRAM ASSESSMENT	ADMINISTRATION
T2458	HEALTHCARE FINANCIAL, INC.	267,000.00	PROFESSIONAL SERVICES	ADMINISTRATION
T2167	PG&E	252,968.37	USAGE/UTILITIES	CORPORATE SERVICES
T5119	PACIFIC WEST SOUND PROFESSIONAL AUDIO & DESIGN INC.	235,758.22	NEW BUILDING FURNITURE (LIVE STREAM VIA IP)	CAPITAL PROJECT - NEW BUILDING
T4657	DAPONDE SIMPSON ROWE PC	233,903.50	LEGAL SERVICES	PROVIDER RELATIONS
T4538	CHANGE HEALTHCARE SOLUTIONS, LLC	231,540.07	EDI CLAIM PROCESSING (EMDEON)	CLAIMS
T4733	UNITED STAFFING ASSOCIATES	218,472.53	TEMPORARY HELP	VARIOUS
T4501	ALLIED UNIVERSAL SECURITY SERVICES	214,729.89	ONSITE SECURITY	CORPORATE SERVICES
T4959	BERKSHIRE HATHWAY HOMESTATE COMPANIES	202,824.00	2020-2021 WORKER'S COMPENSATION INSURANCE PREMIUM	ADMINISTRATION
T2584	UNITED STATES POSTAL SVC.-HASLER	200,000.00	POSTAGE (METER) FUND	CORPORATE SERVICES
T1408	DELL MARKETING L.P.	190,160.00	HARDWARE & COMPUTER EQUIPMENT	MIS INFRASTRUCTURE
T4967	ADMINISTRATIVE SOLUTIONS, INC.	187,835.23	FSA EMPLOYEE PREMIUM & SECTION 125 ADMINISTRATION	VARIOUS

**KERN·HEALTH
SYSTEMS**

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1861	CERIDIAN HCM, INC.	186,894.37	MONTHLY SUBSCRIPTION FEES,PROFESSIONAL SERVICES/ DAYFORCE HUMAN CAPITAL MANAGEMENT IMPLEMENTATION & AMENDMENTS	HUMAN RESOURCES
T4460	PAYSPAN, INC	184,959.10	ELECTRONIC CLAIMS/PAYMENTS & PPD REIMBURSEMENTS	FINANCE
T5185	HOUSING AUTHORITY COUNTY OF KERN	181,400.00	HOUSING AUTHORITY GRANT	UM
T3011	OFFICE ALLY, INC.	179,178.00	EDI CLAIM PROCESSING	CLAIMS
T2918	STINSON'S	170,376.67	2020 OFFICE SUPPLIES, CONFERENCE TABLES, OFFICE FURNITURE, CABINET FOR TRAINING, DEVELOPMENT ROOM & ADDITIONAL CUBICLES	VARIOUS
T5145	CCS ENGINEERING FRESNO INC.,	170,376.25	JANITORIAL SERVICES	CORPORATE SERVICES
T5217	AMERICAN TILE & BRICK VENEER, INC.	157,500.00	FINAL PAYMENT FOR BRICK WALL	BUILDING IMPROVEMENT
T4699	ZeOMEGA, INC.	156,632.29	PROFESSIONAL SERVICES AND TRAVEL EXP.	UM
T5269	KERN COMMUNITY FOUNDATION	150,000.00	HEALTH HOME GRANT	COMMUNITY GRANT
T4696	ZNALYTICS, LLC	149,840.00	PROFESSIONAL SERVICES	CAPITAL PROJECT-CASE MANAGEMENT/DISEASE MANAGEMENT
T1272	COFFEY COMMUNICATIONS INC.	148,438.09	MEMBER NEWSLETTER/ WEBSITE IMPLEMENTATION	HEALTH EDUCATION/ MIS INFRASTRUCTURE
T4331	COTIVITI, INC	148,388.00	CALIFORNIA MEDI-CAL MEDICAID MEASURES & ANNUAL LICENSE FEE	QUALITY IMPROVEMENT
T5258	GOOD SAMARITAN HOSPITAL, LP	144,285.41	PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T1005	COLONIAL LIFE & ACCIDENT ATTN PREMIUM PROCESSING	137,466.01	EMPLOYEE PREMIUM - ACCIDENT & CRITICAL ILLNESS	VARIOUS
T4396	KAISER FOUNDATION HEALTH-DHMO	137,075.78	DHMO EMPLOYEE HEALTH BENEFITS	VARIOUS
T1189	APPLE ONE INC, EMPLOYMENT SERVICES	127,958.49	TEMPORARY HELP	VARIOUS

KERN·HEALTH SYSTEMS

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5076	MERIDIAN HEALTH SYSTEMS, P.C.	113,360.00	PROFESSIONAL SERVICES	UTILIZATION MANAGEMENT
T4038	POLYCLINIC MEDICAL CENTER, INC	111,594.66	HEALTH HOME AND PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T3449	CDW GOVERNMENT	111,143.62	HARDWARE & COMPUTER SUPPLIES	VARIOUS
T4902	CHANGE HEALTHCARE TECHNOLOGIES, LLC	108,991.83	EDI CLAIM PROCESSING	CLAIMS / MIS
T4785	COMMGAP	107,542.50	INTERPRETATION SERVICES	HEALTH EDUCATION
T2704	MCG HEALTH LLC	104,263.86	SOFTWARE LICENSE - HEALTH CARE MANAGEMENT	UTILIZATION MANAGEMENT
T5026	TEL-TEC SECURITY SYSTEMS	103,092.05	ADDITIONAL SECURITY SYSTEM & LABOR	CORPORATE SERVICES
T5227	RIDGECREST MEDICAL TRANSPORTATION	101,880.00	PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T5132	TIME WARNER CABLE LLC	101,459.45	INTERNET SERVICES	MIS INFRASTRUCTURE
T1960	LOCAL HEALTH PLANS OF CALIFORNIA	101,221.32	VOLUNTARY LIFE, AD&D, DENTAL INSURANCE	VARIOUS
T4634	EXECUTIVE STAFFING SOLUTIONS	99,998.00	RECRUITMENT FEES	HUMAN RESOURCES
T1128	HALL LETTER SHOP, INC.	81,415.07	NEW MEMBER LETTER/ENVELOPES, MEMBER HANDBOOKS, CLINICAL CARE MANUAL FOR HH, NEW MEMBER PACKETS & POSTERS	VARIOUS
T5121	TPx COMMUNICATIONS	79,594.40	LOCAL CALL SERVICES; LONG DISTANCE CALLS; INTERNET SERVICES; 800 LINES	MIS INFRASTRUCTURE
T4265	SIERRA SCHOOL EQUIPMENT COMPANY	76,189.71	NEW FURNITURE & OFFICE CHAIRS FOR EMPLOYEES	CORPORATE SERVICES
T4054	ASSOCIATION FOR COMMUNITY AFFILIATED PLANS	75,500.00	2020 ANNUAL DUES, 2019 SALARY SURVEY, & LEADERSHIP FEES	VARIOUS
T5015	SENTINEL ENGINEERING	74,963.34	JUNIPER NETWORKS - FIBER OPTICS	MIS INFRASTRUCTURE



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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1022	UNUM LIFE INSURANCE CO.	73,802.31	EMPLOYEE PREMIUM	PAYROLL DEDUCTION
T4813	ADVENTIST HEALTH TEHACHAPI VALLEY	73,686.20	PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T4781	EDRINGTON HEALTH CONSULTING, LLC	71,881.25	CONSULTING SERVICES	ADMINISTRATION
T4963	LINKEDIN CORPORATION	68,775.00	ONLINE TRAINING FOR EMPLOYEES	HUMAN RESOURCES
T2955	DELTA ELECTRIC INC.	67,959.00	BUILDING MAINTENANCE	CORPORATE SERVICES
T2969	AMERICAN BUSINESS MACHINES INC	62,196.87	HARDWARE AND MAINTENANCE	CORPORATE SERVICES
T4503	VISION SERVICE PLAN	59,159.03	EMPLOYEE HEALTH BENEFITS	VARIOUS
T4052	RAHUL SHARMA	58,120.00	PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T4415	DANIELLS PHILLIPS VAUGHAN AND BOCK	55,135.00	2019 AUDIT FEES	ADMINISTRATION
T2446	AT&T MOBILITY	52,712.64	CELLULAR PHONE / INTERNET USAGE	MIS INFRASTRUCTURE
T3986	JACQUELYN S. JANS	50,375.00	CONSULTING FOR KHS PUBLIC IMAGE CAMPAIGN	ADMINISTRATION/ MARKETING
T4652	BAKERSFIELD SYMPHONY ORCHESTRA	50,066.66	COMMUNITY SPONSORSHIP	ADMINISTRATION
T5022	SVAM INTERNATIONAL INC	49,848.00	2020 PROFESSIONAL SERVICES / CONSULTING SERVICES	BUSINESS INTELLIGENCE
T2933	SIERRA PRINTERS, INC.	49,365.61	PRINTING OF MEMBER EDUCATION MATERIAL/PROVIDER DIRECTORY/BUSINESS CARDS	VARIOUS
T3001	MERCER	47,500.00	CONSULTING SERVICES	HUMAN RESOURCES
T2961	SOLUTION BENCH, LLC	46,414.59	M-FILES & SCANFINITY LICENSES SUPPORT	MIS INFRASTRUCTURE
T1180	LANGUAGE LINE SERVICES INC.	45,892.85	INTERPRETATION SERVICES	MEMBER SERVICES
T4731	LOGMEIN USA, INC.	44,608.00	INTERNET SERVICES	MIS INFRASTRUCTURE
T4960	ZELIS CLAIMS INTEGRITY, LLC	42,988.84	POST EDITING SYSTEMS FOR CLAIMS PROCESSING	CLAIMS
T4563	SPH ANALYTICS	42,907.80	PROVIDER AND MEMBER SATISFACTION SURVEYS	VARIOUS

**KERN·HEALTH
SYSTEMS**

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1326	WALKER-LEWIS RENTS	42,741.06	COVID-19 TESTING SITE EQUIPMENT	MARKETING
T5226	SAN MICHAEL PEDIATRICS INC.	42,739.61	PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T4389	EXACT STAFF, INC.	42,591.30	TEMPORARY HELP	VARIOUS
T4609	GREGORY D. BYNUM AND ASSOCIATES, INC.	42,500.00	CONSTRUCTION CLOSE OUT (SERVICES COMPLETED DURING 2019) AND DEV LEED MANAGEMENT & POST CONSTRUCTION	CAPITAL PROJECT/ NEW BUILDING
T4607	AGILITY RECOVERY SOLUTIONS INC.	40,451.00	HARDWARE RENTAL- LAPTOP & MONITOR'S RENTAL FOR EMPLOYEES WORKING FROM HOME	MIS INFRASTRUCTURE
T2413	TREK IMAGING INC	40,447.87	COMMUNITY AND MARKETING EVENTS, MEMBER & HEALTH ED INCENTIVES, EMPLOYEE EVENTS, NEW HIRE SHIRTS	VARIOUS
T2441	LAURA J. BREZINSKI	37,825.00	MARKETING MATERIALS	MARKETING
T5260	HD DYNAMICS	36,995.00	2020 SYSTEM CONFIGURATION, CUSTOMIZATION, & PROJECT MANAGEMENT	PROVIDER RELATIONS
T3084	KERN COUNTY-COUNTY COUNSEL	36,844.31	LEGAL FEES	ADMINISTRATION
T4182	THE LAMAR COMPANIES	35,980.00	OUTDOOR ADVERTISEMENT-BILLBOARDS	ADVERTISING
T2941	KERN PRINT SERVICES INC.	35,450.80	OTHER PRINTING COSTS, ENVELOPES, LETTERHEAD	VARIOUS
T5279	GOOD SAMARITAN HEALTH FOUNDATION	35,000.00	COVID-19 TESTING SITE SUPPORT-SPONSORSHIP	COMMUNITY ACTIVITIES
T4792	KP LLC	33,749.67	PROVIDER DIRECTORIES & FORMULARY (SUPPORT/MAINT.)	PROVIDER RELATIONS/PHARMACY

**KERN·HEALTH
SYSTEMS**

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T4496	VOX NETWORK SOLUTIONS****	33,262.60	WORKFORCE MANAGEMENT ADVANCED LICENSE ANNUAL REVIEW	MIS INFRASTRUCTURE
T1404	CALIFORNIA ASSOCIATION OF HEALTH PLANS	32,512.00	2020 ANNUAL DUES & CONFERENCE REGISTRATION	VARIOUS
T4466	SMOOTH MOVE USA	32,329.82	MOVING SERVICES	CORPORATE SERVICES
T4663	DEVELOPMENT DIMENSIONS INTERNATIONAL, INC.	31,625.00	2020-2021 DEVELOPMENT DIMENSIONS INTERNATIONAL MASTER LICENSE FEE	HUMAN RESOURCES
T4873	L5 HEALTHCARE SOLUTIONS, INC.	29,374.47	LICENSE AND SUPPORT FEES - CLAIMS AUDIT TOOL	MIS INFRASTRUCTURE
T4228	THE SSI GROUP, LLC.	28,821.20	EDI CLAIM PROCESSING	CLAIMS / MIS
T3448	SYNERGY HEALTHCARE, INC.	28,700.00	ASTHMA PROGRAM GRANT	COMMUNITY GRANTS
T4216	NEXSTAR BROADCASTING INC	26,766.50	ADVERTISEMENT - MEDIA	MARKETING
T2232	DLT SOLUTIONS, LLC	25,733.63	SQL LICENSES	MIS INFRASTRUCTURE
T3454	DEPARTMENT OF MANAGED HEALTH CARE	25,000.00	ENFORCEMENT MATTERS	ADMINISTRATION
T4544	BARNES WEALTH MANAGEMENT GROUP	24,500.00	RETIREMENT PLAN CONSULTANTS	ADMINISTRATION
T4060	HODEL'S DEVELOPMENT CORPORATION****	23,975.64	2020 EMPLOYEE AWARDS	MARKETING
T4708	HEALTH MANAGEMENT ASSOCIATES, INC.	23,805.00	CONSULTING SERVICES	ADMINISTRATION
T4654	DELAWIE	22,825.93	1ST QTR 2020 ARCHITECTURAL SERVICES	CAPITAL PROJECT
T1183	MILLIMAN USA	22,205.00	CY2018/2019 RDT & IBNP CONSULTING - ACTUARIAL	ADMINISTRATION
T4546	LEVEL 3 COMMUNICATIONS, LLC	21,169.97	DISASTER RECOVERY, INTERNET, LONG DISTANCE CALLS	MIS INFRASTRUCTURE
T1152	MICHAEL K. BROWN LANDSCAPE & MAINTENANCE CO., INC.	20,842.75	2020 BUILDING MAINTENANCE	CORPORATE SERVICE

**KERN·HEALTH
SYSTEMS**

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

Vendor No.	Vendor Name	Year-to-Date	Description	Department
T5240	ACE EYECARE INC	20,000.00	PROVIDER QUALITY CARE GRANT	COMMUNITY GRANTS
T4239	COAST TO COAST COMPUTER PRODUCTS	19,963.44	COMPUTER PRODUCTS & SUPPLIES	CORPORATE SERVICES
T5159	AT&T CORP	19,688.35	INTERNET SERVICES	MIS INFRASTRUCTURE
T4523	BERKSHIRE LIFE INSURANCE COMPANY OF AMERICA	19,657.08	EMPLOYEE PREMIUM	ADMINISTRATION
T5275	CREATIVE FINANCIAL STAFFING, LLC	19,000.00	RECRUITMENT FEES	HUMAN RESOURCES
T4261	KAISER FOUNDATION HEALTH PLAN -TX PPO	18,858.88	TX-PPO EMPLOYEE HEALTH BENEFITS	VARIOUS
T2407	KAISER FOUNDATION HEALTH -COBRA	18,079.42	COBRA EMPLOYEE HEALTH BENEFITS	VARIOUS
T5161	INTEGRATED HEALTHCARE ASSOCIATION	17,877.50	PROVIDER DIRECTORY DATA VERIFICATION SERVICES	PROVIDER RELATIONS
T1097	NCQA	17,290.25	HEDIS, VOL 2 PLUS QUALITY COMPASS AND POPULATION HEALTH PROGRAM ACCREDITATION	QUALITY IMPROVEMENT
T4962	LIBERTY DATA, INC.	17,100.00	2020 TAX NUMBER VALIDATION SERVICES	MIS INFRASTRUCTURE
T5013	ELIZA CORPORATION	17,070.00	2020 DATA MANAGEMENT FEE	CASE MANAGEMENT

**KERN·HEALTH
SYSTEMS**

Year to Date AP Vendor Report
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Vendor No.	Vendor Name	Year-to-Date	Description	Department
T1650	UNIVISION TELEVISION GROUP	16,915.00	ADVERTISEMENT - TELEVISION	MARKETING
T1347	ADVANCED DATA STORAGE	16,890.91	STORAGE AND SHREDDING SERVICES	CORPORATE SERVICES
T5277	SUNBELT RENTALS, INC.	16,547.75	COVID-19 TESTING SITE SUPPORT-SPONSORSHIP	COMMUNITY ACTIVITIES
T4016	FIRST DATABANK, INC	16,060.00	2020-2021 NATIONAL CODE DATABASE WITH THE GENERIC CODE NUMBER RENEWAL	MIS INFRASTRUCTURE
T4521	PAYSCALE, INC.	16,000.00	COMPENSATION STUDY AND SALARY ANALYTICS	HUMAN RESOURCES
T3092	LINKS FOR LIFE	15,548.00	COMMUNITY ACTIVITIES-SPONSORSHIP	MARKETING
T5236	BEST BEST & KRIEGER LLP	15,389.24	LEGAL FEES	ADMINISTRATION
T5030	KHOA NGUYEN DBA KN CONSULTING LLC	15,000.00	LEGAL FEES	ADMINISTRATION
T5313	HEALTH LITERACY INNOVATIONS, LLC	14,854.00	ENGLISH/SPANISH HEALTH ADVISOR SOFTWARE - ANNUAL SOFTWARE LICENSE	MIS INFRASTRUCTURE
T5155	A-C ELECTRIC COMPANY	14,549.48	BUILDING MAINTENANCE	CORPORATE SERVICES
T5201	JAC SERVICES, INC.	14,535.00	SPRING 2020 AC MAINTENANCE & SERVICE	CORPORATE SERVICES
T2787	SAGE SOFTWARE, INC	14,381.75	2019-20 SAGE300 ERP SILVER BUSINESS ANNUAL LICENSE	FINANCE
T4934	APPLE INC.	14,283.66	HARDWARE, COMPUTER SUPPLIES & 2020 SERVICE AWARDS	VARIOUS
T2562	CACTUS SOFTWARE LLC	14,131.31	SOFTWARE LICENSE	MIS INFRASTRUCTURE
T4993	LEGALSHIELD	13,666.40	EMPLOYEE PAID VOLUNTARY COVERAGE	PAYROLL DEDUCTION
T4195	SCRIPPS MEDIA, INC. DBA KERO-TV	13,575.00	ADVERTISEMENT - TELEVISION	MARKETING
T5156	LIGHTS CAMERA ACTION CINEMA	13,575.00	ADVERTISEMENT - FILMING SERVICES	MARKETING
T4782	LEBEAU - THELEN. LLP****	13,406.50	LEGAL FEES	ADMINISTRATION
T4227	FREESTYLE EVENTS SERVICES INC****	12,890.00	SERVICES 2020 EMPLOYEE RECOGNITION AWARDS	MARKETING

**KERN·HEALTH
SYSTEMS**

Year to Date AP Vendor Report
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Vendor No.	Vendor Name	Year-to-Date	Description	Department
T2938	SAP AMERICA, INC	12,308.32	SAP BUSINESS OBJECTS SOFTWARE ANNUAL MAINTENANCE FEE	BUSINESS INTELLIGENCE
T5246	ACCELEBRATE, INC.	12,120.15	ASP.NET CORE 3 DEVELOPMENT TRAINING	BUSINESS INTELLIGENCE
T2300	AT&T LONG DISTANCE	12,041.39	LONG DISTANCE CALLS	MIS INFRASTRUCTURE
T4476	KERN PARTNERSHIP FOR CHILDREN AND FAMILIES****	12,000.00	COMMUNITY SPONSORSHIP	COMMUNITY ACTIVITIES
T5292	ALL'S WELL HEALTH CARE SERVICES	11,735.80	TEMPORARY HELP	VARIOUS
T5251	PREVALENT, INC.	11,412.25	ANNUAL SAAS SUBSCRIPTION	MIS INFRASTRUCTURE
T4932	SPECTRUM REACH (MEDIA)	11,107.80	ADVERTISEMENT - TELEVISION	MARKETING
T4683	CLAUDIA M. BACA PROJECT MANAGEMENT CONSULTIN	11,000.00	PROJECT MANAGEMENT CONSULTING SERVICES	PROJECT MANAGEMENT
T2292	CITY OF BAKERSFIELD	10,902.26	UTILITES-GARBAGE/SEWER FEES	CORPORATE SERVICES
T4417	KAISER FOUNDATION HEALTH PLAN -OR****	10,336.36	OR-PPO EMPLOYEE HEALTH BENEFITS	VARIOUS
T2840	ATALASOFT, INC.	10,254.00	DOT IMAGING RENEWAL	MIS INFRASTRUCTURE
T5262	YOUTH CONNECTION, INC.	10,000.00	COMMUNITY SPONSORSHIP	COMMUNITY ACTIVITIES
T5270	ENFORCE, LLC	10,000.00	DAYFORCE OPTIMIZATION & CONSULTING SERVICES	HUMAN RESOURCES
		<u>29,990,350.66</u>		
	TOTAL VENDORS OVER \$10,000	29,990,350.66		
	TOTAL VENDORS UNDER \$10,000	811,908.36		
	TOTAL VENDOR EXPENSES- November	<u>\$ 30,802,259.02</u>		

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

KHS Finance Committee Meeting, February 5, 2021

Vendor Name	Contract Amount	Budgeted	Department	Department Head	Services that this vendor will provide to KHS	Effective Date	Termination Date
January							
LinkedIn	\$52,000.00	Yes	HR	Anita Martin	Online training for managed learners	1/1/2020	12/31/2020
Poppyrock Designs	\$40,800.00	Yes	MRK	Louie Iurriria	Graphic Design Consultant of KHS/KFHC marketing materials	1/1/2020	12/31/2020
Jacquelyn S. Jans	\$55,200.00	Yes	MRK	Louie Iurriria	Marketing and corporate image consultant	1/1/2020	12/31/2020
February							
Lifesigns	\$45,000.00	Yes	HE	Isabel Silva	ASL Interpreting services for members	2/23/2020	2/22/2021
March							
Stria	\$68,118.00	Yes	HR	Anita Martin	Document Management & Workflow services for HR	3/1/2020	2/28/2021
Entisys	\$99,945.63	Yes	IT	Richard Pruitt	Nutanix Xi Leap Cloud Service	3/23/2020	3/22/2021
Bynum Inc	\$42,500.00	Yes	PR	Emily Duran	Post construction consulting services	3/23/2020	3/22/2021
April							
CDW-G	\$44,942.40	Yes	IT	Richard Pruitt	Ninety (90) new IVR Cisco Unified licenses with support	4/6/2020	4/5/2021
Hall Letter Shop	\$47,921.92	Yes	MS	Nate Scott	Print and mail COVID19 letters to KHS households	4/6/2020	4/30/2020
Agility Recovery	\$30,000.00	Yes	IT	Richard Pruitt	Rental of Laptops	4/30/2020	8/1/2020
SHI	\$64,913.60	Yes	IT	Richard Pruitt	Cisco Smartnet co-term and 70 new licenses	4/23/2020	4/22/2021
May							
Dell	\$40,258.32	Yes	IT	Richard Pruitt	Six (6) new VMware licenses with maintenance and support	5/1/2020	4/30/2025
June							
Milliman	\$50,000.00	Yes	ACCT	Robin Plumb	Actuarial Services (IBNP, ACA OE MLR, CMS ACA OE Audit)	6/1/2020	5/31/2021
MCG	\$51,277.31	Yes	UM	Deborah Murr	Medical Care Clinical Guidelines (one month extension)	6/4/2020	7/4/2020
Edrington Health Consulting	\$95,000.00	Yes	ACCT	Robin Plumb	Actuarial Services (RDT, SDRs & Rate Analysis)	6/1/2020	5/31/2021
Entisys360	\$57,162.57	Yes	IT	Richard Pruitt	Nutanix AOS Single Node	6/24/2020	6/23/2023
July							
Entisys360	\$89,706.06	Yes	IT	Richard Pruitt	Nutanix AOS 2 Nodes	7/9/2020	7/8/2023
FluidEdge	\$72,800.00	Yes	PM	Angela Ahsan	Three month extension for Corry K.	6/31/20	9/30/2020
August							
Coffey Communications	\$69,677.50	Yes	HE	Isabel Silva	Member Newsletter two times a year	8/15/2020	8/14/2021
Solution Bench	\$33,814.59	Yes	IT	Richard Pruitt	Mfiles subscription based license fee	8/1/2020	7/31/2021
September							
SHI	\$45,452.22	Yes	IT	Richard Pruitt	317 Cisco phone & voicemail licenses due to Covid-19	8/25/2020	4/22/2021
Otis	\$36,864.00	Yes	CS	Alonso Hurtado	Support & maintenance of building elevators	9/1/2020	8/31/2023
Dell	\$59,003.00	Yes	IT	Richard Pruitt	25 Dell latitude 5411 & 25 docking stations	9/3/2020	9/2/2024
October							
Agility Recovery	\$45,444.00	Yes	EXEC	Alan Avery	Disaster Recovery and business continuity	10/3/2020	10/2/2021
Dell	\$52,099.84	Yes	IT	Richard Pruitt	Dell (25) 5411 laptops & (25) docking stations	10/26/2020	10/25/2024
Entisys360	\$97,655.57	Yes	IT	Richard Pruitt	Three (3) Nutanix new node hardware platform	10/26/2020	10/25/2021
November							
SHI International	\$31,793.82	Yes	IT	Richard Pruitt	New 6 VMware with 5 year support & 6 Veeam 1 year support	11/16/2020	11/15/2021
Everbridge	\$70,331.47	Yes	IT	Richard Pruitt	Text messaging software services	11/1/2020	10/31/2021
JAC Services	\$34,880.01	Yes	CS	Alonso Hurtado	HVAC support & maintenance for building	11/13/2020	11/12/2021
December							
SHI	\$32,943.16	Yes	IT	Richard Pruitt	VMware annual support and maintenance	12/7/2020	12/7/2021
TWE Solutions	\$44,093.14	Yes	IT	Richard Pruitt	Nimble annual technical support	12/23/2020	12/31/2021
Tvk Technologies	\$30,000.00	Yes	IT	Richard Pruitt	Tvk Launch for API Manager	12/7/2020	12/6/2021

2020 TECHNOLOGY CONSULTING RESOURCES																		
ITEM	PROJECT	CAP/EXP	BUDGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	YTD	TOTAL	REMAINING BALANCE
1	Enterprise Logging	EXP	\$18,480	\$0	\$550	\$0	\$0	\$0	\$0	\$8,690	\$9,207	\$0					\$18,447	\$33
2	BizTalk Upgrade	EXP	\$14,705	\$5,100	\$4,590	\$4,845											\$14,535	\$170
3	2D - Clinical Engagement	CAP	\$12,500	\$0	\$4,118	\$5,400	\$2,633										\$12,150	\$350
4	QINXT Upgrade with Network and CES RB Update	EXP	\$500	\$0	\$0	\$468	\$0										\$468	\$32
5	Hospital Directed Payments (HDP) Encounters	EXP	\$21,705	\$0	\$0	\$0	\$0	\$0	\$0	\$306	\$1,687	\$6,035	\$7,225	\$4,250			\$19,403	\$2,302
6	HHP 2020 - CSV Health Homes	CA	\$166,090	\$28,448	\$29,143	\$12,273	\$6,695	\$2,833	\$15,680	\$12,530	\$3,554	\$773	\$14,816	\$20,520			\$147,264	\$18,826
7	HHP - Member Engagement	CA	\$18,000	\$0	\$1,442	\$7,501	\$824	\$4,928	\$2,700								\$17,395	\$606
8	Enterprise Data Warehouse	CA	\$974,490	\$58,640	\$54,275	\$71,995	\$73,410	\$66,040	\$70,090	\$72,128	\$81,420	\$82,320	\$77,600	\$69,931			\$777,849	\$196,641
9	HHP 2020 - Distributive Model	CA	\$173,810	\$0	\$412	\$6,956	\$14,983	\$15,726	\$15,371	\$23,894	\$45,612	\$30,529	\$12,498	\$824			\$166,804	\$7,006
10	Disaster Recovery and Business Continuity Test	CA	\$446,200	\$56,200	\$51,475	\$54,950	\$50,960	\$31,920	\$46,900	\$26,880	\$25,200	\$23,240	\$24,640	\$14,560			\$406,925	\$39,275
11	Rx PBM Transition	EXP	\$70,860					\$0	\$0	\$0	\$6,417	\$15,624	\$16,368	\$14,136			\$52,545	\$18,315
12	Auto Adjudication Enhancements	CA	\$688,240	\$40,480	\$19,440	\$21,120	\$35,110	\$59,532	\$61,379	\$51,196	\$54,030	\$58,359	\$57,235	\$50,281			\$508,162	\$180,078
13	MCAS Member Engagement	CA	\$200,000				\$5,880	\$18,970	\$2,520	\$30,983	\$30,890	\$25,860	\$26,430	\$21,630			\$163,163	\$36,837
14	Specialty Med Mgmt.	CA	\$10,395			\$945	\$9,450	\$0									\$10,395	\$0
15	Interoperability	CA	\$244,660					\$0	\$2,781	\$4,120	\$28,068	\$52,541	\$41,799	\$26,853			\$156,162	\$88,499
17	Staff Augmentation	EXP	\$1,175,965	\$97,401	\$87,696	\$102,619	\$101,804	\$104,894	\$99,569	\$93,860	\$65,486	\$68,828	\$77,389	\$71,045			\$970,590	\$205,375
Totals:			\$4,236,600	\$286,269	\$253,141	\$289,072	\$301,748	\$304,841	\$316,990	\$324,487	\$351,571	\$364,108	\$355,999	\$294,031			\$3,442,256	\$794,344

*Note: State's projects being re-organized due to mid-year changes.

Updated 1/12/21

