

**SANTA CRUZ – MONTEREY – MERCED – SAN BENITO –  
MARIPOSA MANAGED MEDICAL CARE COMMISSION**  
**Finance Committee**



**Meeting Agenda**

**Wednesday, June 25, 2025**

**1:30 p.m. – 2:45 p.m.**

**Location:**

**In Santa Cruz County:**  
Central California Alliance for Health Board Room  
1600 Green Hills Road, Suite 101, Scotts Valley, CA

**In Monterey County:**  
Central California Alliance for Health Board Room  
950 East Blanco Road, Suite 101, Salinas, CA

**In Merced County:**  
Central California Alliance for Health Board Room  
530 West 16<sup>th</sup> Street, Suite B, Merced, CA

**In San Benito County:**  
Community Services & Workforce Development (CSWD)  
CSWD Conference Room  
1161 San Felipe Road, Building B, Hollister, CA

**In Mariposa County:**  
Mariposa County Health and Human Services Agency  
Catheys Valley Conference Room  
5362 Lemee Lane, Mariposa, CA

1. Members of the public wishing to observe the meeting remotely via online livestreaming may do so as follows. Note: Livestreaming for the public is listening/viewing only.
  - a. Computer, tablet, or smartphone via Microsoft Teams:  
[Click here to join the meeting](#)
  - b. Or by telephone at:  
United States: +1 (323) 705-3950  
Phone Conference ID: 473 855 197#
2. Members of the public wishing to provide public comment on items not listed on the agenda that are within jurisdiction of the commission or to address an item that is listed on the agenda may do so in one of the following ways.
  - a. Email comments by 5:00 p.m. on Monday, June 23, 2025, to Dulcie San Paolo, Finance Administrative Specialist, at [dsanpaolo@ccah-alliance.org](mailto:dsanpaolo@ccah-alliance.org).
    - i. Indicate in the subject line "Public Comment". Include your name, organization, agenda item number, and title of the item in the body of the e-mail along with your comments.
    - ii. Comments will be read during the meeting and are limited to three minutes.
  - b. In person, from an Alliance County office, during the meeting when that item is announced.
    - i. State your name and organization prior to providing comment.
    - ii. Comments are limited to three minutes.

**HEALTHY PEOPLE. HEALTHY COMMUNITIES.**

- 1. Call to Order by Chairperson Molesky. 1:30 p.m.**
  - A. Roll call; establish quorum.
- 2. Oral Communications. 1:35 p.m.**
  - A. Members of the public may address the Commission on items not listed on today's agenda that are within the jurisdiction of the Commission. Presentations must not exceed three minutes in length, and any individuals may speak only once during Oral Communications.
  - B. If any member of the public wishes to address the Commission on any item that is listed on today's agenda, they may do so when that item is called. Speakers are limited to three minutes per item.
- 3. Approve Finance Committee meeting minutes of March 26, 2025. 1:40 p.m.**
- 4. 2025 YTD April financial results. 1:45 p.m.**
- 5. 2025 Forecast Based on YTD April Performance. 1:55 p.m.**

*The complete agenda packet is available for review on the Alliance website at [www.thealliance.health/about-the-alliance/public-meetings/](http://www.thealliance.health/about-the-alliance/public-meetings/). The Commission complies with the Americans with Disabilities Act (ADA). Individuals who need special assistance or a disability-related accommodation to participate in this meeting should contact the Clerk of the Board at least 72 hours prior to the meeting at (831) 430-5523. Board meeting locations in Salinas and Merced are directly accessible by bus. As a courtesy to persons affected, please attend the meeting smoke and scent free.*

**FINANCE COMMITTEE  
SANTA CRUZ – MONTEREY – MERCED – SAN  
BENITO – MARIPOSA MANAGED MEDICAL CARE  
COMMISSION**



## Meeting Minutes

**Wednesday, March 26, 2025**

**Commissioners Present:**

Ms. Anita Aguirre,  
Ralph Armstrong, DO,  
Ms. Elsa Jiménez,  
Mr. Michael Molesky,  
Allen Radner, MD,

At Large Health Care Provider Representative  
At Large Health Care Provider Representative  
County Health Director  
Public Representative  
At Large Health Care Provider Representative

**Commissioners Absent:**

Supervisor Josh Pedrozo,

County Board of Supervisors

**Staff Present:**

Ms. Lisa Ba,  
Mr. Michael Schrader,  
Ms. Dulcie San Paolo,

Chief Financial Officer  
Chief Executive Officer  
Finance Administrative Specialist

**1. Call to Order. (1:40 - 1:41 p.m.)**

Chairperson Molesky called the meeting to order at 1:40 p.m. Roll call was taken. A quorum was present.

**2. Oral Communications. (1:41 – 1:41 p.m.)**

Chairperson Molesky opened the floor for any members of the public to address the Committee on items not listed on the agenda.

No members of the public addressed the Committee.

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**Consent Agenda Items:****3. Approve minutes of the November 6, 2024, meeting of the Finance Committee. (1:41 – 1:42 p.m.)**

FINANCE COMMITTEE ACTION: Chairperson Molesky opened the floor for approval of the minutes of the November 6, 2024 meeting.

**MOTION:** Commissioner Jiménez moved to approve the minutes, seconded by Commissioner Radner

**ACTION:** The motion passed with the following vote:

Ayes: Commissioners Aguirre, Jiménez, Molesky, Radner

Noes: None

Absent: Commissioners Armstrong and Pedrozo

Abstain: None

**Regular Agenda Items:****4. Preliminary 2024 Financial Results (Unaudited as of 1/30/25). (1:42 – 2:05 p.m.)**

Ms. Lisa Ba, the Chief Financial Officer (CFO), presented the preliminary and unaudited financial results for 2024 as of January 30, 2025. The results show a favorable operating income of \$25.9 million, which is 1.3% higher than the budgeted \$22.3 million. The Medical Loss Ratio (MLR) stands at 93.4%, and the Administrative Loss Ratio (ALR) is 5.3%.

Medical costs were higher than budgeted due to increased utilization, which was driven by higher-than-expected enrollment and increased acuity. Additionally, Enhanced Care Management (ECM) and Community Supports (CS) expenses have contributed to these costs. It is anticipated that the losses from Community Supports expenses in 2024 could approach \$40 million. At year-end, the estimated operating reserve was approximately \$13.4 million.

[Commissioner Armstrong arrived at this time: 1:55 p.m.]

Ms. Ba explained that the results are preliminary and the external auditors are still finalizing the audited statement. The independent auditors will present the final audited results at the May 2025 Board meeting.

**5. SFY 23/24 Rate Development Template (RDT) Findings. (2:05 – 2:20 p.m.)**

Ms. Ba provided the commissioners with an overview of the findings from the State Fiscal Year (SFY) 23/24 Rate Development Template (RDT). She explained that the rates for 2026 are based on claims experience from July 2023 to June 2024, reflecting a delay of 18 to 30

months. The submitted RDTs indicated a 7.4% increase in both utilization and cost compared to the previous base period. However, with the managed care efficiency adjustment, we typically expect an annual rate increase of 2 to 5 percent.

It is important to note that Enhanced Care Management (ECM) and Community Supports (CS) have seen significant growth during the base period and continue to expand. Behavioral Health services have experienced rising unit costs and increased utilization. With the transition to in-house care for Behavioral Health services scheduled to begin in July 2025, these trends are expected to continue. The effects of federal and state budgets and policies on the 2026 rates are still unknown.

**6. CY 2024 Investment Update through December 2024. (2:20 – 2:38 p.m.)**

Ms. Ba introduced Mr. Jimmy Ho, Accounting Director, who provided an investment update as of December 2024. Mr. Ho reminded the commissioners that staff manage the Alliance's investment portfolio according to the Board-approved investment policy, which emphasizes the safety of principal, liquidity, social responsibility, and total return. Future investment strategy includes reinvesting maturing bonds into higher-yield bonds before anticipated rate cuts in 2025 and 2026.

The commissioners deliberated on possible innovative investment strategies to boost returns.

**7. Financial Audits. (2:38 – 2:42 p.m.)**

Lastly, Ms. Ba updated the commissioners on the ongoing financial audits, including the California Department of Managed Health Care (DMHC) routine financial examination, the CY 2024 Financial Statement Audit conducted by Moss Adams, and the RDT audit for the 2025 rate.

**The Finance Committee adjourned its meeting of March 26, 2025, at 2:42 p.m.**

Respectfully submitted,

Ms. Dulcie San Paolo  
Finance Administrative Specialist



**DATE:** June 25, 2025

**TO:** Santa Cruz-Monterey-Merced-San Benito-Mariposa Managed Medical Care Commission

**FROM:** Lisa Ba, Chief Financial Officer

**SUBJECT:** Financial Highlights for the Fourth Month Ending April 30, 2025

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For the month ending April 30, 2025, the Alliance reported an Operating Loss of \$8.7M. The Year-to-Date (YTD) Operating Loss is \$0.5M with a Medical Loss Ratio (MLR) of 94.9% and an Administrative Loss Ratio (ALR) of 5.2%. The Net Income is \$20.2M after accounting for Non-Operating Income/Expenses.

The budget expected an Operating Loss of \$9.6M for YTD April. The actual result is favorable to the budget by \$9.1M or 94.4%, driven primarily by rate variances.

Apr-25 MTD (\$ In 000s)				
<u>Key Indicators</u>	Current Actual	Current Budget	Current Variance	% Variance to Budget
<i>Membership</i>	445,244	438,815	6,429	1.5%
Revenue	\$195,684	\$173,831	\$21,854	12.6%
Medical Expenses	194,418	165,625	(28,793)	-17.4%
Administrative Expenses	9,918	9,689	(229)	-2.4%
Operating Income	(8,651)	(1,483)	(7,168)	-100.0%
Net Income	(\$3,434)	\$171	(\$3,605)	-100.0%
<i>MLR %</i>	99.4%	95.3%	-4.1%	
<i>ALR %</i>	5.1%	5.6%	0.5%	
<i>Operating Income %</i>	-4.4%	-0.9%	-3.6%	
<i>Net Income %</i>	-1.8%	0.1%	-1.9%	

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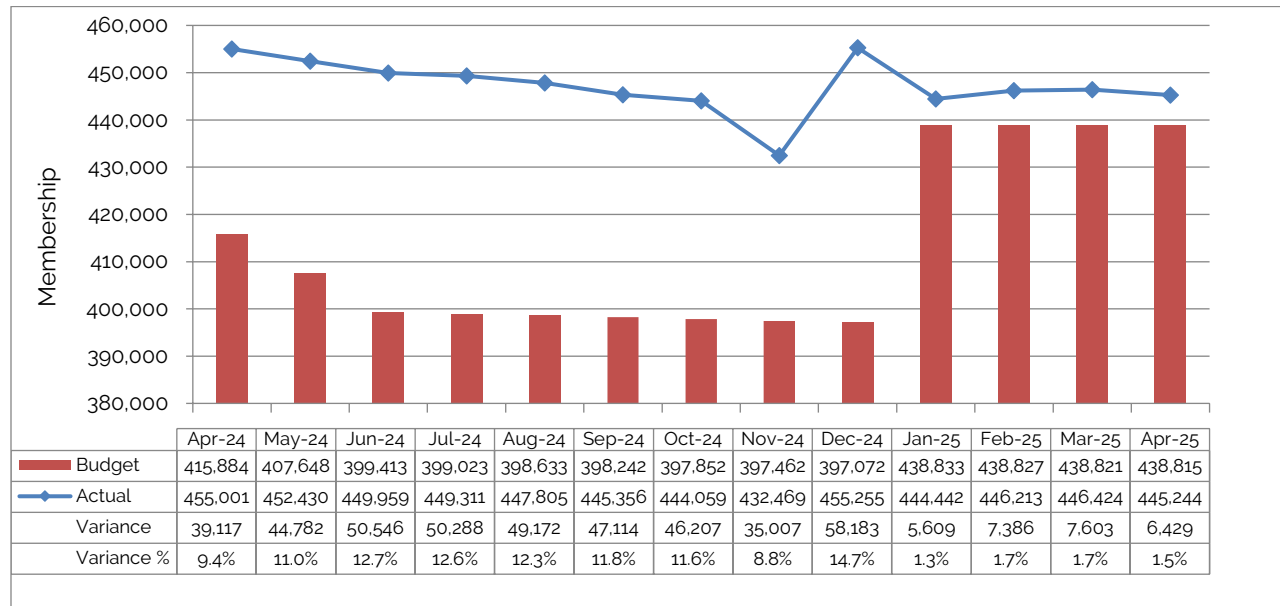
<b>Apr-25 YTD (In \$000s)</b>				
<u>Key Indicators</u>	YTD Actual	YTD Budget	YTD Variance	% Variance to Budget
<i>Member Months</i>	1,782,323	1,755,295	27,028	1.5%
Revenue	\$755,312	\$695,324	\$59,988	8.6%
Medical Expenses	716,830	666,922	(49,908)	-7.5%
Administrative Expenses	39,021	38,044	(977)	-2.6%
Operating Income/(Loss)	(538)	(9,642)	9,104	94.4%
Net Income/(Loss)	\$20,168	(\$1,064)	\$21,232	100.0%
<b>PMPM</b>				
Revenue	\$423.78	\$396.13	\$27.65	7.0%
Medical Expenses	402.19	379.95	(22.24)	-5.9%
Administrative Expenses	21.89	21.67	(0.22)	-1.0%
Operating Income/(Loss)	(\$0.30)	(\$5.49)	\$5.19	94.5%
<i>MLR %</i>	94.9%	95.9%	- 1.0%	
<i>ALR %</i>	5.2%	5.5%	-0.3%	
<i>Operating Income %</i>	-0.1%	-1.4%	1.3%	
<i>Net Income %</i>	2.7%	-0.2%	2.8%	

Per Member Per Month: Capitation revenue and medical expenses are variables based on enrollment fluctuations; therefore, the PMPM view offers more clarity than the total dollar amount. Conversely, administrative expenses do not usually correspond with enrollment and should be evaluated at the dollar amount.

At a PMPM level, revenue is \$423.78, which is favorable to the budget by \$27.65 or 7.0%. Medical cost is \$402.19 PMPM, which is unfavorable by \$22.24 or 5.9%. This results in a favorable gross margin of \$5.41 or 33.4% compared to the budget. The operating loss PMPM is (\$0.30), compared to the budget of (\$5.49).

Membership: April 2025 membership is favorable to the budget by 1.5%. The 2025 budget assumed a flat budget with 438k members per month for all of 2025. The SIS membership continues to decrease every month through redetermination, while the UIS membership grows.

**Membership. Actual vs. Budget (based on actual enrollment trend for Apr-25 rolling 13 months)**



**Revenue:** The 2025 revenue budget was based on the Department of Health Care Services (DHCS) 2025 draft rate package (dated 10/21/24), which reflected a –0.1% rate decrease, over the CY 24 Final Amended rates (dated 12/30/24), not including the Targeted Rate Increase (TRI) and Enhanced Care Management (ECM). Furthermore, the budget assumed breakeven performances for the San Benito Region and for our Unsatisfactory Immigrant Status (UIS) population. The CY 2025 Prospective rates from DHCS (dated 1/27/2025, including Maternity) represented a 5.0% increase over the CY 2024 Final Amended Rates, excluding TRI and ECM.

Apr-25 YTD Capitation Revenue Summary (In \$000s)					
Region	Actual	Budget	Variance	Variance Due to Enrollment	Variance Due to Rate
CEC SIS	\$559,675	\$524,361	\$35,314	9,972	25,342
CEC UIS	157,503	139,690	17,813	518	17,295
SBN SIS	28,627	22,964	5,663	575	5,089
SBN UIS	6,089	6,629	(540)	(983)	443
<b>Total*</b>	<b>\$751,893</b>	<b>\$693,643</b>	<b>\$58,250</b>	<b>\$10,081</b>	<b>\$48,169</b>

\*Excludes Apr-25 In-Home Supportive Services (IHSS) premiums revenue of \$1.9M and State Incentive Revenue of \$1.6M.

The actual revenue in April exceeded the budget by \$21.9 million, representing a 12.6% positive variance. This is driven by favorable enrollment, contributing \$2.6M, and rate variances totaling \$19.2M. Of the \$19.2M, \$9.5M is from the higher-than-budget receivable from the ECM risk corridor, resulting from higher enrollment than the budgeted amount. Please note that the ECM expenses are higher than the budget as well, and the net loss is limited to 5% of the ECM revenue.



The YTD April operating revenue stands at \$755.3M, surpassing the budget by \$60.0M or 8.6%. This favorable variance includes \$10.0M from increased enrollment and \$50.0M from positive rate variances.

Medical Expenses: The 2025 budget assumed a 3.3% increase in utilization over the 2024 forecast, based on data from 2022 through September 2024, and a 4.2% increase in unit cost driven by changes in case mix and fee schedule adjustments. 2025 incentives include a \$20M for the Hospital Quality Incentive Program (HQIP), \$15M Care-Based Incentive (CBI), \$12.5M for the Specialist Care Incentive (SCI), \$4M Data Sharing Incentives, \$3.7M Behavioral Health Value Based Program (BH VBP) and \$1M Risk Adjustment Incentives.

<b>Apr-25 YTD Medical Expense Summary (\$ In 000s)</b>					
Category	Actual	Budget	Variance	Variance Due to Enrollment	Variance Due to Rate
Inpatient - Hospital	\$200,440	\$189,683	(\$10,757)	(\$2,916)	(\$7,841)
Inpatient - LTC	69,656	68,372	(1,284)	(1,035)	(249)
Physician Services	156,567	170,791	14,224		16,867
				(2,644)	
Outpatient Facility	83,539	73,452	(10,087)	(1,128)	(8,959)
ECM	52,567	36,495	(16,073)	(565)	(15,508)
Community Supports	22,907	13,469	(9,438)	(208)	(9,230)
Behavioral Health	29,526	28,605	(921)	(442)	(480)
Other Medical*	100,064	86,056	(14,008)	(1,303)	(12,705)
State Incentives	1,563	-	(1,563)	-	(1,563)
<b>TOTAL COST</b>	<b>\$716,830</b>	<b>\$666,922</b>	<b>(\$49,908)</b>	<b>(\$10,240)</b>	<b>(\$39,668)</b>

\*Other Medical actuals include Allied Health, Non-Claims HC Cost, Transportation, and Lab.

April 2025 Medical Expenses of \$194.4M are \$28.8M or 17.4% unfavorable to the budget. April 2025 YTD Medical Expenses of \$716.8M are above budget by \$49.9M or 7.5%. Of this amount, \$10.2M is due to higher enrollment, and \$39.7M is due to rate variances. The unfavorability is primarily driven by ECM and Community Supports (CS) from the higher-than-budget enrollment, followed by the Other Medical category, specifically from transportation and Hospice.

At a PMPM level, YTD Medical Expenses are \$402.19, unfavorable by \$22.24 or 5.9% compared to the budget.

<b>Apr-25 YTD Medical Expense by Category of Service (In PMPM)</b>				
Category	Actual	Budget	Variance	Variance %
Inpatient Services - Hospital	\$112.46	\$108.06	(\$4.40)	-4.1%
Inpatient Services - LTC	39.08	38.95	(0.13)	-0.3%
Physician Services	87.84	97.30	9.46	9.7%
Outpatient Facility	46.87	41.85	(5.02)	-12.0%
ECM	29.49	20.79	(8.70)	-41.9%
Community Supports	12.85	7.67	(5.18)	-67.5%
Behavioral Health	16.57	16.30	(0.27)	-1.7%
Other Medical	56.14	49.03	(7.12)	-14.5%
State Incentives	0.88	-	(0.88)	-100.0%
<b>TOTAL MEDICAL COST</b>	<b>\$402.19</b>	<b>\$379.95</b>	<b>(\$22.24)</b>	<b>-5.9%</b>

Inpatient Services: Inpatient Services remain slightly unfavorable to the budget due to prior period claims totaling \$11M, which were paid in April 2025.

Inpatient Services—Long Term Care (LTC): LTC utilization is generally trending in line with the expected seasonal fluctuations within the budget. April PMPM trends higher by 5.5% at \$41.73, driven by a 2% higher rate increase for 2024 and 2025 than the initial budget.

Physician Services: Favorability is influenced by lower utilization of the Targeted Rate Increase (TRI) and Provider Supplemental Payment (PSP) budgets. DHCS will add new provider types to TRI eligibility in 2025, which is expected to improve budget alignment as more TRI-eligible payments are processed. Lower utilization of the TRI and PSP spend is driving favorable unit costs for FQHC, PCP, and Specialty compared to the budget, despite a utilization spike in January and February due to the flu season.

Outpatient Facility: The Outpatient Facility category consists of both Outpatient and Emergency Room (ER) services. ER continues to show an upward trend in both utilization and unit cost.

ECM: The ECM budget for 2025 was based on a cautious enrollment growth projection with an anticipated 15.4k enrollments by year-end, as the program is on its path toward stabilization. However, ECM enrollments started the year at 16k and have increased to 21k as of April, averaging 7.9% monthly growth. Before adjusting for the risk corridor, ECM's YTD loss through April is \$36M and is projected to total approximately \$135.5M for the whole year. We anticipate this growth will continue, with the program remaining under the risk corridor framework to help mitigate the higher expenses associated with this expansion.

Community Supports: Enrollments for the Community Support (CS) program were kept modest due to its newness and limited history. Since the budget preparation, there has

been a significant increase in CS enrollments. The 2025 PMPM expense is trending at \$13.15, 67% higher than the budget and 54% higher than the revenue PMPM of \$8.51. As a result, our monthly loss for CS is averaging \$2M, with a YTD loss of \$8.5M through April. Based on current trends, full-year losses are projected to reach \$26M. We expect the unfavorable variance in ECM and CS to continue throughout the year.

*We have actively engaged with the State, sharing this most recent ECM and CS data to underscore the need for a rate adjustment, as the current revenue is insufficient to offset the higher expenses.*

Behavioral Health: Behavioral Health is tracking close to the budget. The budget also accounts for anticipated growth in utilization and unit costs in the second half of the year, when we bring this service in-house, rather than through Carelon.

Other Medical: The Other Medical category is over budget primarily due to increased utilization, higher unit costs, and elevated IBNR. Transportation is the largest contributor, which accounts for a \$6.4M unfavorable variance. This is driven by higher utilization in Non-Medical Transportation and increased unit costs in both Air Transportation and Non-Emergency Medical Transportation (NEMT). The higher NEMT costs reflect add-on payments associated with bariatric transport, which require specialized equipment and support. Hospice services also contributed a \$2.6M variance, due to higher-than-expected utilization and under-budgeted unit costs.

Administrative Expenses: April YTD Administrative Expenses are unfavorable to budget by \$1.0M or 2.6% with 5.2% ALR. Salaries are unfavorable by \$1.2M due to salaries and temporary services. Non-salary administrative expenses are favorable by \$0.2M, or 2.0%, due to savings and unspent budgets.

Non-Operating Revenue/Expenses: April YTD Net Non-Operating Income is \$20.7M, which is favorable to budget by \$12.1M. The favorability is from the YTD Investment Income of \$28.5M, which is favorable to the budget by \$9.9M due to the higher interest rates. The YTD Other Revenue is \$0.7M and is slightly below budget by \$39k.

The YTD Non-Operating Expense is \$8.4M and is favorable to budget by \$2.2M driven by lower Grant disbursements of \$3.3M offsetting the unbudgeted Community Reinvestment of \$1.1M,

Summary of Results: Overall, the Alliance generated a YTD Net Income of \$20.2M, with an MLR of 94.9% and an ALR of 5.2%.



**CENTRAL CALIFORNIA ALLIANCE FOR HEALTH**  
**Balance Sheet**  
**For The Fourth Month Ending April 30, 2025**  
**(In \$000s)**

<b>Assets</b>	
Cash	\$113,166
Restricted Cash	304
Short Term Investments	1,061,756
Receivables	242,824
Prepaid Expenses	2,041
Other Current Assets	2,715
<b>Total Current Assets</b>	<b>\$1,422,805</b>
Building, Land, Furniture & Equipment	
Capital Assets	\$83,630
Accumulated Depreciation	(48,460)
CIP	1,618
Lease Receivable	4,133
Subscription Asset net Accum Depr	13,214
<b>Total Non-Current Assets</b>	<b>54,135</b>
<b>Total Assets</b>	<b>\$1,476,940</b>
<b>Liabilities</b>	
Accounts Payable	\$73,184
IBNR/Claims Payable	425,961
Provider Incentives Payable	50,035
Other Current Liabilities	12,007
Due to State	(10,081)
<b>Total Current Liabilities</b>	<b>\$551,105</b>
Subscription Liabilities	10,590
Deferred Inflow of Resources	3,899
<b>Total Long-Term Liabilities</b>	<b>\$14,489</b>
<b>Fund Balance</b>	
Fund Balance - Prior	\$891,178
Retained Earnings - CY	20,168
<b>Total Fund Balance</b>	<b>911,345</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$1,476,940</b>
<b>Additional Information</b>	
<b>Total Fund Balance</b>	<b>\$911,345</b>
Board Designated Reserves Target	502,422
Strategic Reserve (DSNP)	56,700
Medi-Cal Capacity Grant Program (MCGP)*	132,408
Value Based Payments	46,100
Provider Supplemental Payments	145,778
<b>Total Reserves</b>	<b>883,409</b>
<b>Total Operating Reserve</b>	<b>\$27,937</b>



**CENTRAL CALIFORNIA ALLIANCE FOR HEALTH**  
**Income Statement - Actual vs. Budget**  
**For The Fourth Month Ending April 30, 2025**  
**(In \$000s)**

	MTD Actual	MTD Budget	Variance	%	YTD Actual	YTD Budget	Variance	%
<i>Member Months</i>	<i>445,244</i>	<i>438,815</i>	<i>6,429</i>	<i>1.5%</i>	<i>1,782,323</i>	<i>1,755,295</i>	<i>27,028</i>	<i>1.5%</i>
<b>Capitation Revenue</b>								
Capitation Revenue Medi-Cal	\$190,172	\$173,416	\$16,756	9.7%	\$751,893	\$693,643	\$58,250	8.4%
State Incentive Programs	1,563	-	1,563	100.0%	1,563	-	\$1,563	100.0%
Prior Year Revenue*	3,498	-	3,498	100.0%	-	-	\$0	0.0%
Premiums Commercial	451	415	36	8.7%	1,856	1,681	175	10.4%
<b>Total Operating Revenue</b>	<b>\$195,684</b>	<b>\$173,831</b>	<b>\$21,854</b>	<b>12.6%</b>	<b>\$755,312</b>	<b>\$695,324</b>	<b>\$59,988</b>	<b>8.6%</b>
<b>Medical Expenses</b>								
Inpatient Services (Hospital)	\$52,930	\$47,106	(\$5,823)	-12.4%	\$200,440	\$189,683	(\$10,757)	-5.7%
Inpatient Services (LTC)	20,463	16,979	(3,484)	-20.5%	69,656	68,372	(1,284)	-1.9%
Physician Services	40,017	42,128	2,112	5.0%	156,567	170,791	14,224	8.3%
Outpatient Facility	24,413	18,241	(6,172)	-33.8%	83,539	73,452	(10,087)	-13.7%
ECM	14,206	9,063	(5,143)	-56.7%	52,567	36,495	(16,073)	-44.0%
Community Supports	5,764	3,345	(2,419)	-72.3%	22,907	13,469	(9,438)	-70.1%
Behavioral Health	8,276	7,391	(885)	-12.0%	29,526	28,605	(921)	-3.2%
Other Medical**	26,785	21,371	(5,414)	-25.3%	100,064	86,056	(14,008)	-16.3%
State Incentive Programs	1,563	-	(1,563)	-100.0%	1,563	-	(1,563)	-100.0%
<b>Total Medical Expenses</b>	<b>\$194,418</b>	<b>\$165,625</b>	<b>(\$28,793)</b>	<b>-17.4%</b>	<b>\$716,830</b>	<b>\$666,922</b>	<b>(\$49,908)</b>	<b>-7.5%</b>
<b>Gross Margin</b>	<b>\$1,267</b>	<b>\$8,206</b>	<b>(\$6,939)</b>	<b>-84.6%</b>	<b>\$38,483</b>	<b>\$28,402</b>	<b>\$10,081</b>	<b>35.5%</b>
<b>Administrative Expenses</b>								
Salaries	\$6,915	\$6,738	(\$178)	-2.6%	\$27,095	\$25,870	(\$1,226)	-4.7%
Professional Fees	484	407	(78)	-19.1%	1,790	1,816	27	1.5%
Purchased Services	1,037	1,079	42	3.9%	4,101	4,407	307	7.0%
Supplies & Other	(332)	703	1,035	100.0%	3,200	3,040	(161)	-5.3%
Occupancy	121	126	5	3.8%	487	507	21	4.1%
Depreciation/Amortization	1,692	637	(1,055)	-100.0%	2,348	2,404	55	2.3%
<b>Total Administrative Expenses</b>	<b>\$9,918</b>	<b>\$9,689</b>	<b>(\$229)</b>	<b>-2.4%</b>	<b>\$39,021</b>	<b>\$38,044</b>	<b>(\$977)</b>	<b>-2.6%</b>
<b>Operating Income</b>	<b>(\$8,651)</b>	<b>(\$1,483)</b>	<b>(\$7,168)</b>	<b>-100.0%</b>	<b>(\$538)</b>	<b>(\$9,642)</b>	<b>\$9,104</b>	<b>94.4%</b>
<b>Non-Op Income/(Expense)</b>								
Interest	\$4,340	\$3,704	\$636	17.2%	\$17,501	\$16,028	\$1,473	9.2%
Gain/(Loss) on Investments	4,369	500	3,869	100.0%	11,120	2,750	8,370	100.0%
Bank & Investment Fees	(40)	(62)	21	34.6%	(168)	(247)	78	31.7%
Other Revenues	165	179	(14)	-7.7%	674	713	(39)	-5.5%
Grants	(2,555)	(2,667)	112	4.2%	(7,359)	(10,667)	3,308	31.0%
Community Reinvestment	(1,061)	-	(1,061)	-100.0%	(1,061)	-	(1,061)	-100.0%
<b>Total Non-Op Income/(Expense)</b>	<b>5,217</b>	<b>1,654</b>	<b>3,563</b>	<b>100.0%</b>	<b>20,706</b>	<b>8,578</b>	<b>\$12,128</b>	<b>100.0%</b>
<b>Net Income/(Loss)</b>	<b>(\$3,434)</b>	<b>\$171</b>	<b>(\$3,605)</b>	<b>-100.0%</b>	<b>\$20,168</b>	<b>(\$1,064)</b>	<b>\$21,232</b>	<b>100.0%</b>
<i>MLR</i>	<i>99.4%</i>	<i>95.3%</i>			<i>94.9%</i>	<i>95.9%</i>		
<i>ALR</i>	<i>5.1%</i>	<i>5.6%</i>			<i>5.2%</i>	<i>5.5%</i>		
<i>Operating Income</i>	<i>-4.4%</i>	<i>-0.9%</i>			<i>-0.1%</i>	<i>-1.4%</i>		
<i>Net Income %</i>	<i>-1.8%</i>	<i>0.1%</i>			<i>2.7%</i>	<i>-0.2%</i>		

\*\*Other Medical includes Pharmacy and IHSS.



**CENTRAL CALIFORNIA ALLIANCE FOR HEALTH**  
**Income Statement - Actual vs. Budget**  
**For The Fourth Month Ending April 30, 2025**  
**(In PMPM)**

	MTD Actual	MTD Budget	Variance	%	YTD Actual	YTD Budget	Variance	%
<b>Member Months</b>	445,244	438,815	6,429	1.5%	1,782,323	1,755,295	27,028	1.5%
<b>Capitation Revenue</b>								
Capitation Revenue Medi-Cal	\$427.12	\$395.19	\$31.93	8.1%	\$421.86	\$395.17	\$26.69	6.8%
State Incentive Programs	3.51	-	3.51	100.0%	0.88	-	0.88	100.0%
Prior Year Revenue*	7.86	-	7.86	100.0%	-	-	-	0.0%
Premiums Commercial	1.01	0.95	0.07	7.1%	1.04	0.96	0.08	8.7%
<b>Total Operating Revenue</b>	<b>\$439.50</b>	<b>\$396.14</b>	<b>\$43.36</b>	<b>10.9%</b>	<b>\$423.78</b>	<b>\$396.13</b>	<b>\$27.65</b>	<b>7.0%</b>
<b>Medical Expenses</b>								
Inpatient Services (Hospital)	\$118.88	\$107.35	(\$11.53)	-10.7%	\$112.46	\$108.06	(\$4.40)	-4.1%
Inpatient Services (LTC)	45.96	38.69	(7.27)	-18.8%	39.08	38.95	(0.13)	-0.3%
Physician Services	89.88	96.00	6.13	6.4%	87.84	97.30	9.46	9.7%
Outpatient Facility	54.83	41.57	(13.26)	-31.9%	46.87	41.85	(5.02)	-12.0%
ECM	31.91	20.65	(11.25)	-54.5%	29.49	20.79	(8.70)	-41.9%
Community Supports	12.94	7.62	(5.32)	-69.8%	12.85	7.67	(5.18)	-67.5%
Behavioral Health	18.59	16.84	(1.75)	-10.4%	16.57	16.30	(0.27)	-1.7%
Other Medical**	60.16	48.70	(11.46)	-23.5%	56.14	49.03	(7.12)	-14.5%
State Incentive Programs	3.51	-	(3.51)	-100.0%	0.88	-	(0.88)	-100.0%
<b>Total Medical Expenses</b>	<b>\$436.65</b>	<b>\$377.44</b>	<b>(\$59.22)</b>	<b>-15.7%</b>	<b>\$402.19</b>	<b>\$379.95</b>	<b>(\$22.24)</b>	<b>-5.9%</b>
<b>Gross Margin</b>	<b>\$2.84</b>	<b>\$18.70</b>	<b>(\$15.86)</b>	<b>-84.8%</b>	<b>\$21.59</b>	<b>\$16.18</b>	<b>\$5.41</b>	<b>33.4%</b>
<b>Administrative Expenses</b>								
Salaries	\$15.53	\$15.35	(\$0.18)	-1.2%	\$15.20	\$14.74	(\$0.46)	-3.2%
Professional Fees	1.09	0.93	(0.16)	-17.4%	1.00	1.03	0.03	3.0%
Purchased Services	2.33	2.46	0.13	5.2%	2.30	2.51	0.21	8.4%
Supplies & Other	(0.75)	1.60	2.35	100.0%	1.80	1.73	(0.06)	-3.7%
Occupancy	0.27	0.29	0.01	5.1%	0.27	0.29	0.02	5.5%
Depreciation/Amortization	3.80	1.45	(2.35)	-100.0%	1.32	1.37	0.05	3.8%
<b>Total Administrative Expenses</b>	<b>\$22.28</b>	<b>\$22.08</b>	<b>(\$0.20)</b>	<b>-0.9%</b>	<b>\$21.89</b>	<b>\$21.67</b>	<b>(\$0.22)</b>	<b>-1.0%</b>
<b>Operating Income</b>	<b>(\$19.43)</b>	<b>(\$3.38)</b>	<b>(\$16.05)</b>	<b>-100.0%</b>	<b>(\$0.30)</b>	<b>(\$5.49)</b>	<b>\$5.19</b>	<b>94.5%</b>

\*Prior Year Revenue consist of revenue booked in the current calendar year for services rendered in prior years.

\*\*Other Medical includes Pharmacy and IHSS.



# CENTRAL CALIFORNIA ALLIANCE FOR HEALTH

## Statement of Cash Flow

For The Fourth Month Ending April 30, 2025

(In \$000s)

	MTD	YTD
Net Income	(\$3,434)	\$20,168
Items not requiring the use of cash: Depreciation	250	967
Adjustments to reconcile Net Income to Net Cash provided by operating activities:		
Changes to Assets:		
Restricted Cash	0	0
Receivables	(2,798)	181,419
Prepaid Expenses	33	(1,205)
Current Assets	333	1,145
Subscription Asset net Accum Depr	0	0
<b>Net Changes to Assets</b>	<b>(2,432)</b>	<b>181,359</b>
Changes to Payables:		
Accounts Payable	(123,536)	(310,250)
Other Current Liabilities	828	486
Incurred But Not Reported Claims/Claims Payable	(104,474)	(51,232)
Provider Incentives Payable	(6,284)	6,575
Due to State	(7,545)	(26,751)
Subscription Liabilities	0	0
<b>Net Changes to Payables</b>	<b>(241,011)</b>	<b>(381,172)</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(246,627)</b>	<b>(178,678)</b>
Change in Investments	(8,456)	(23,081)
Other Equipment Acquisitions	(746)	(1,314)
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(9,203)</b>	<b>(24,395)</b>
Deferred Inflow of Resources	0	0
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>0</b>	<b>0</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(255,830)</b>	<b>(203,073)</b>
<b>Cash &amp; Cash Equivalents at Beginning of Period</b>	<b>368,995</b>	<b>316,238</b>
<b>Cash &amp; Cash Equivalents at April 30, 2025</b>	<b>\$113,166</b>	<b>\$113,166</b>