



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

Finance Committee

The meeting and the Santa Cruz-Monterey-Merced-San Benito-Mariposa Managed Medical Care Commission's Finance Committee are held in accordance with the requirements of the [Ralph M. Brown Act](#).

Meeting Agenda

Wednesday, October 28, 2026

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 16th 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.
 - a. Computer, tablet, or smartphone via Microsoft Teams:
 - i. [Click here to join the meeting](#)
 - ii. Meeting ID: 236 083 302 691 42
 - ii. Enter your name if prompted (optional)
 - iii. You may join as a guest without a Teams account
 - b. Or by telephone at:
United States: +1 (872) 242-9041
Phone Conference ID: 807 857 275#
2. Members of the public wishing to provide public comment on items not listed on the agenda that are within the 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, October 26, 2026, to Dulcie San Paolo, Finance Administrative Specialist, at dsanpaolo@thealliance.health
 - 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.

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- 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.
- c. Via telephone by dialing:
 - i. United States: +1 872-242-9041
 - ii. Phone Conference ID: 807 857 275#
 - iii. Press *5 to raise your hand.
 - iv. The Clerk will call on you by using the last four digits of your phone number.
 - v. Press *6 to unmute your line.
 - vi. Comments are limited to three minutes
 - vii. Press *5 again to lower your hand when you are done speaking.
- d. Via Microsoft Teams:
 - i. [Click here to join the meeting](#)
 - ii. Meeting ID: 236 083 302 691 42
 - iii. Enter your name if prompted. Please identify yourself however you wish to be addressed, as this appears online and is how we notify you when it is your turn to speak.
 - iv. When the Finance Committee Chair calls for the item on which you wish to speak, select the "raise hand" icon in the meeting controls.
 - v. The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called to speak.
 - vi. Comments are limited to three minutes.
 - vii. Select the "raise hand" icon again to lower your hand when you are done speaking.

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 Committee on items not listed on today's agenda that are within the jurisdiction of the Committee. 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 Committee 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 the Finance Committee meeting minutes of August 26, 2026. 1:35 p.m.

4. Annual Election of Officers of the Finance Committee. 1:40 p.m.

5. 2026 Forecast #3 Based on YTD August Performance. 1:50 p.m.

6. 2027 Preliminary Budget. 2:20 p.m.

The complete agenda packet is available for review on the Alliance website at 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) 430-1429. 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, August 26, 2026

Commissioners Present:

Ms. Anita Aguirre,
Ralph Armstrong, DO,
Ms. Elsa Jiménez,
Mr. Michael Molesky,
Supervisor Josh Pedrozo,
Allen Radner, MD,
Ms. Kristynn Sullivan,

At Large Health Care Provider Representative
At Large Health Care Provider Representative
County Director of Health Services
Public Representative
County Board of Supervisors
At Large Health Care Provider Representative
County Health Department Representative

Commissioners Absent:

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. (1:35 – 1:36 p.m.)

Chairperson Molesky called the meeting to order at 1:35 p.m. Roll call was taken. A quorum was present.

2. Oral Communications. (1:36 – 1:38 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. Approval of the Minutes of the June 24, 2026 Finance Committee Meeting. (1:38 – 1:39 p.m.)**

FINANCE COMMITTEE ACTION: Chairperson Molesky opened the floor for approval of the minutes of the June 24, 2026, meeting.

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

ACTION: The motion passed with the following vote:

Ayes: Commissioners Aguirre, Jimenez, Molesky, Pedrozo, Radner, Sullivan

Noes: None

Absent: Commissioner Armstrong

Abstain: None

Regular Agenda Items:**4. 2026 Year-to-Date (YTD) June Financial Results. (1:39 – 1:53 p.m.)**

Ms. Lisa Ba, Chief Financial Officer (CFO), presented the Alliance's latest financial results for the six months ending June 30, 2026. She reported a consolidated Year-to-Date (YTD) Operating Loss of \$2.7M across the combined Medi-Cal and Dual Eligible Special Needs Plan (D-SNP) lines of business. This was compared to a budgeted loss of approximately \$1M with a per-member-per-month (PMPM) loss of \$1.05 versus a budgeted \$0.38. The Medical Loss Ratio (MLR) was 95.2%, compared with the budgeted 94.4%.

5. 2026 Forecast #2 Based on YTD June Performance. (1:53 – 2:18 p.m.)

Ms. Ba presented the updated 2026 forecast based on six months of actual results and six months of projections. The forecast projects a consolidated operating loss of \$37.8M, or 1.6%, which is \$2.9M better than the budgeted loss of \$40.7M, primarily because lower-than-budgeted D-SNP enrollment is expected to produce fewer total losses.

The Medi-Cal line of business is forecast to incur a \$23.2M operating loss compared to a budgeted loss of \$20M, with a 96.1% MLR, reflecting continued pressure from elevated medical costs despite favorable enrollment and revenue performance. Ms. Ba noted that most projected losses are associated with Enhanced Care Management (ECM) and Community Supports, while core Medi-Cal operations excluding those programs remain financially positive.

Ms. Ba pointed to increasing losses in ECM from approximately \$40M in 2025 to nearly \$58M in the current forecast. She noted that encounter data and risk corridor requirements continue to create financial pressure and emphasized the need for program changes, including the proposed transition to a fee-for-service payment model in 2027. Ms. Ba stated that improving ECM performance remains a key opportunity to strengthen overall Medi-Cal financial results.

In a review of enrollment, trends continue to decline, and the forecast projects a 5.5% decrease in Satisfactory Immigration Status (SIS) membership and a 16% decrease in Unsatisfactory Immigration Status (UIS) membership, resulting in an overall enrollment decline of approximately 7.2%. Total membership is projected to reach approximately 403,000 members by year-end. Ms. Ba also noted that UIS members are expected to represent approximately 15% of total enrollment, or about 60,000 members, by December, and will be impacted by the planned January 2027 carve-out.

Regarding medical costs, Ms. Ba highlighted several key cost drivers, including inpatient services, behavioral health, Community Supports, and emergency department (ED) utilization. She reported that outpatient facility costs are being driven in part by a small number of high-frequency ED users, with some members having six to twelve ED visits, and staff is evaluating opportunities to reduce avoidable utilization.

[Commissioner Sullivan departed at this time: 2:06 p.m.]

The D-SNP forecast remains consistent with expectations for a startup plan. Enrollment continues to trail original projections and is now expected to reach approximately 1,700 members by year-end. Because claims experience is still developing, Ms. Ba noted that it is too early to draw conclusions about underlying medical cost trends. The forecast incorporates updated risk score assumptions based on emerging plan data and projects a year-end operating loss of approximately \$15M. Overall, lower-than-expected enrollment has reduced projected losses compared with budget and contributed positively to consolidated financial results.

The forecast anticipates an operating reserve of \$16.1M due to the projected net loss, compared with the budgeted \$38.9M, equating to approximately 8.5 times the Department of Managed Health Care (DMHC) tangible net equity (TNE) requirement.

[Commissioner Armstrong arrived at this time: 2:16 p.m.]

Commissioners engaged in discussion related to medical cost drivers and care coordination, including frequent emergency department use, behavioral health trends, ECM enrollment among high-utilizing members, and related utilization and demographic patterns.

6. Q2 2026 Investment Update. (2:18 – 2:24 p.m.)

Ms. Ba presented the investment results for the six-month period ending June 30, 2026. The portfolio continued to prioritize safety of principal, liquidity, social responsibility, and total return, with approximately half invested in pooled investment accounts and the remainder in corporate, government, and municipal bonds. The portfolio earned approximately \$10.8M in interest income during the second quarter and achieved a 3.74% annualized year-to-date return. The Alliance reported a \$9.1M unrealized loss as of June 2026, reflecting the inverse relationship between interest rates and bond values. Ms. Ba noted that staff intends to hold the securities to maturity; therefore, the losses are not expected to be realized.

The Finance Committee adjourned its meeting of August 26, 2026, at 2:24 p.m.

Respectfully submitted,

Ms. Dulcie San Paolo
Finance Administrative Specialist

Minutes were supported by AI-generated content



DATE: October 28, 2026

TO: The Finance Committee of the Santa Cruz – Monterey – Merced – San Benito – Mariposa Managed Medical Care Commission

FROM: Lisa Ba, Chief Financial Officer

SUBJECT: Election of Officers of the Finance Committee

Recommendation. Staff recommend the Finance Committee nominate one member of the Santa Cruz – Monterey – Merced – San Benito – Mariposa Managed Medical Care Commission's Finance Committee to serve as Chairperson and one member to serve as Vice Chairperson.

Background. The Commission must elect a Chairperson and Vice Chairperson annually, pursuant to section 3.1 of the bylaws.

Discussion. As a committee of the Alliance's Board, the Finance Committee follows the rules of the Commission as outlined in the Commission's bylaws. As such, the Finance Committee shall elect officers for one-year terms at the first meeting in October of each year. Officers shall serve a term which begins on the day of the election and ends at the first meeting in October of the following calendar year.

Commissioners may be nominated by other commissioners or may nominate themselves for offices.

Fiscal Impact. There is no fiscal impact associated with this agenda item.

Attachments. N/A



DATE: October 28, 2026

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

FROM: Lisa Ba, Chief Financial Officer

SUBJECT: Financial Highlights for the Eighth Month Ending August 31, 2026

Consolidated (All Lines of Business)

For the month ending August 31, 2026, the Alliance reported Operating Income of \$4.6M. The Year-to-Date (YTD) Operating Income is \$16k, with a Medical Loss Ratio (MLR) of 94.8% and an Administrative Loss Ratio (ALR) of 5.2%. The Net Loss is \$6.5M after accounting for Non-Operating Income/Expenses.

The budget expected an \$11.0M Operating Loss for YTD August. The actual result is favorable to the budget by \$11.0M, driven by rate variances.

Aug-26 Income Statement Consolidated (\$ In 000s)								
<u>Key Indicators</u>	MTD Actual	MTD Budget	MTD Var \$	MTD Var %	YTD Actual	YTD Budget	YTD Var \$	YTD Var %
<i>Membership</i>	418,756	410,620	8,136	2.0%	3,405,037	3,352,068	52,969	1.6%
Revenue	\$201,649	\$185,632	\$16,017	8.6%	\$1,549,788	\$1,511,047	\$38,742	2.6%
Medical Expenses	187,732	185,746	(1,986)	-1.1%	1,469,893	1,436,418	(33,475)	-2.3%
Admin Expenses	9,345	10,127	781	7.7%	79,879	85,582	5,704	6.7%
Operating Income/(Loss)	4,572	(10,241)	14,813	100.0%	16	(10,953)	10,969	100.0%
Net Income/(Loss)	\$4,907	(\$8,141)	\$13,049	100.0%	(\$6,460)	\$5,846	(\$12,306)	-100.0%
<i>MLR %</i>	93.1%	100.1%	7.0%		94.8%	95.1%	0.2%	
<i>ALR %</i>	4.6%	5.5%	0.8%		5.2%	5.7%	0.5%	
<i>Operating Income %</i>	2.3%	-5.5%	7.8%		0.0%	-0.7%	0.7%	
<i>Net Income %</i>	2.4%	-4.4%	6.8%		-0.4%	0.4%	-0.8%	

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Medi-Cal Line of Business (Including IHSS)

For the month ending August 31, 2026, the Alliance reported Operating Income of \$5.1M. The Year-to-Date (YTD) Operating Income is \$6.4M, with a Medical Loss Ratio (MLR) of 94.8% and an Administrative Loss Ratio (ALR) of 4.8%. The Net Loss is \$110k after accounting for Non-Operating Income/Expenses.

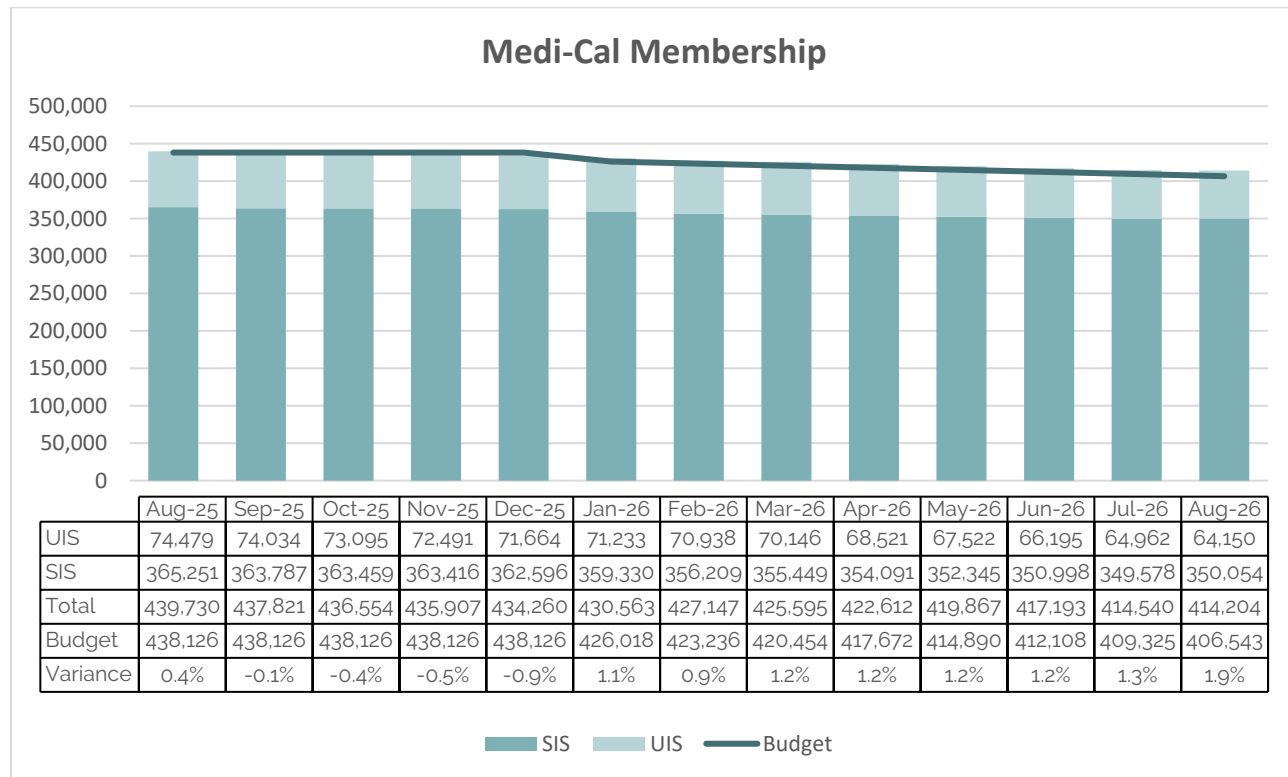
The budget expected Operating Income of \$1.9M for YTD August. The actual result is favorable to the budget by \$4.5M or 100.0%, driven by rate variances.

Aug-26 Income Statement Medi-Cal (\$ In 000s)								
<u>Key Indicators</u>	MTD Actual	MTD Budget	MTD Var \$	MTD Var %	YTD Actual	YTD Budget	YTD Var \$	YTD Var %
<i>Membership</i>	417,683	407,269	10,414	2.6%	3,399,106	3,336,064	63,042	1.9%
Revenue	\$199,643	\$179,824	\$19,819	11.0%	\$1,538,473	\$1,483,309	\$55,165	3.7%
Medical Expenses	185,883	179,159	(6,724)	-3.8%	1,458,042	1,404,314	(53,728)	-3.8%
Admin Expenses	8,676	8,970	294	3.3%	74,065	77,117	3,051	4.0%
Operating Income/(Loss)	5,084	(8,305)	13,389	100.0%	6,366	1,878	4,488	100.0%
Net Income/(Loss)	\$5,419	(\$6,205)	\$11,625	100.0%	(\$110)	\$18,677	(\$18,787)	-100.0%
PMPM								
Revenue	\$477.98	\$441.54	\$36.44	8.3%	\$452.61	\$444.63	\$7.98	1.8%
Medical Expenses	445.03	439.90	(5.13)	-1.2%	428.95	420.95	(8.00)	-1.9%
Admin Expenses	20.77	22.02	1.25	5.7%	21.79	23.12	1.33	5.7%
Operating Income/(Loss)	12.17	(20.39)	32.56	100.0%	1.87	0.56	1.31	100.0%
Net Income/(Loss)	\$12.97	(\$15.24)	\$28.21	100.0%	(\$0.03)	\$5.60	(\$5.63)	-100.0%
<i>MLR %</i>	93.1%	99.6%	6.5%		94.8%	94.7%	-0.1%	
<i>ALR %</i>	4.3%	5.0%	0.6%		4.8%	5.2%	0.4%	
<i>Operating Income %</i>	2.5%	-4.6%	7.2%		0.4%	0.1%	0.3%	
<i>Net Income %</i>	2.7%	-3.5%	6.2%		0.0%	1.3%	-1.3%	

Membership: August 2026 Medi-Cal membership is favorable to the budget by 1.9%. The 2026 budgeted Medi-Cal enrollment assumed a 7.8% decline by year-end from projected December 2025 levels, driven by the expiration of federal flexibilities, changes to the state budget, and the implications of federal H.R. 1 legislation.

Starting in January 2026, two new provisions were implemented: an Unsatisfactory Immigrant Status (UIS) enrollment freeze, with no new enrollments among members aged 19 to 64, and the reinstatement of a Medi-Cal asset limit for our SPD population. Those provisions are estimated to lower membership by 6% and 2.4%, respectively, in their aid category. These

items, along with the ongoing redetermination process and the unwinding of COVID-19 flexibilities, are causing both Satisfactory Immigration Status (SIS) and UIS membership to trend downward and are projected to continue the remainder of the year.



Revenue: The 2026 revenue budget was based on the Department of Health Care Services (DHCS) 2026 Prospective rate package (dated 11/12/2025). The budget also includes a 1% quality withhold with a 75% performance earn-back assumption. The budget assumes risk corridors will continue for Enhanced Care Management (ECM) and UIS State in CY 2026. In addition, a 1% reserve was included in the budget to account for a potential decrease in the final rate, as the Prospective rates do not incorporate the State Budget changes for 2026.

Aug-26 YTD Medi-Cal Capitation Revenue Summary (\$ In 000s)					
Region	Actual	Budget	Variance	Variance Due to Enrollment	Variance Due to Rate
CEC SIS	\$1,166,491	\$1,116,720	\$49,771	\$34,571	\$15,200
CEC UIS	279,939	285,092	(5,153)	(12,358)	7,205
SBN SIS	67,229	64,957	2,273	2,992	(719)
SBN UIS	12,136	12,542	(406)	(850)	444
Total*	\$1,525,795	\$1,479,310	\$46,485	\$24,356	\$22,129

*Excludes Aug-26 In-Home Supportive Services (IHSS) premiums revenue of \$4.7M, State Incentives of \$1.9M, and Prior Year revenue of \$6.1M.

As of August YTD, capitation revenue exceeded the budget by \$46.5M, representing a positive 3.1% variance. This variance is primarily driven by higher-than-expected SPD-LTC membership, which is 27.2% above budget. Additionally, the budget did not account for the reclassification of SPD members aged 0–20 from the Child category to SPD, implemented in 2026, which further contributes to the positive variance. Another key driver of the favorable variance was the recognition of prior-period revenue true-ups related to CY 2024 UIS Risk Corridor, TRI, and Directed Payments, which increased revenue above budget expectations. The ECM Risk Corridor was updated this month to neutralize the payable position following the DHCS' clarification of its methodology (pending the release of the official methodology), with the prior encounter-based adjustment to be recalculated in September.

Medical Expenses: The 2026 budget assumed a 2.7% increase in utilization over the 2025 forecast, based on data from 2022 through September 2025, and a 1.4% increase in unit cost driven by changes in case mix and fee schedule adjustments, excluding ECM and Community Supports (CS). The 2026 incentives include \$20M for the Hospital Quality Incentive Program (HQIP), \$15M for Care-Based Incentive (CBI), \$12.5M for the Specialist Care Incentive (SCI), \$4M for Data Sharing Incentives, and \$3.7M for Behavioral Health Value-Based Program (BH VBP).

Aug-26 YTD Medi-Cal Medical Expense Summary (\$ In 000s)					
Category	Actual	Budget	Variance	Variance Due to Enrollment	Variance Due to Rate
Inpatient Hospital	\$395,343	\$372,841	(\$22,502)	(\$7,046)	(\$15,456)
Inpatient LTC	150,423	145,536	(4,887)	(2,750)	(2,137)
Physician Services	300,652	324,861	24,208	(6,139)	30,347
Outpatient Facility	179,547	156,223	(23,324)	(2,952)	(20,371)
ECM	100,624	101,728	1,103	(1,922)	3,026
Community Supports	43,457	40,717	(2,740)	(769)	(1,971)
Behavioral Health	82,316	62,605	(19,711)	(1,183)	(18,528)
Other Medical*	203,768	199,804	(3,965)	(3,776)	(189)
State Incentives	1,911	-	(1,911)	-	(1,911)
TOTAL COST	\$1,458,042	\$1,404,314	(\$53,728)	(\$26,537)	(\$27,190)

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

August 2026 Medical Expenses of \$185.9M are \$6.7M or 3.8% unfavorable to the budget. August 2026 YTD Medical Expenses of \$1,458.0M are above budget by \$53.7M or 3.8%. Of this amount, \$26.5M is due to higher enrollment and \$27.2M due to rate variances. The unfavorability is primarily driven by Inpatient Hospital and Outpatient, reflecting high prior-year adjustments made in 2026, followed by Behavioral Health (BH), driven by an increase in BH utilizers as well as higher utilization of Mental Health Outpatient (MHOP) and Behavioral Health Treatment (BHT) services, and lastly by Community Supports (CS) due to higher cost trends.

At a PMPM level, YTD Medical Expenses are \$428.95, which is \$8.00 or 1.9% unfavorable compared to the budget.

Aug-26 YTD Medi-Cal Medical Expense by Category of Service (In PMPM)				
Category	Actual	Budget	Variance	Variance %
Inpatient Services - Hospital	\$116.31	\$111.76	(\$4.55)	-4.1%
Inpatient Services - LTC	44.25	43.62	(0.63)	-1.4%
Physician Services	88.45	97.38	8.93	9.2%
Outpatient Facility	52.82	46.83	(5.99)	-12.8%
ECM	29.60	30.49	0.89	2.9%
Community Supports	12.78	12.21	(0.58)	-4.7%
Behavioral Health	24.22	18.77	(5.45)	-29.0%
Other Medical	59.95	59.89	(0.06)	-0.1%
State Incentives	0.56	-	(0.56)	-100.0%
TOTAL MEDICAL COST	\$428.95	\$420.95	(\$8.00)	-1.9%

Inpatient Services: Inpatient Services are unfavorable to the budget, driven by higher-than expected prior-period adjustments in earlier months, which increased the expected cost included in IBNR.

Inpatient Services—Long Term Care (LTC): Utilization and unit cost are slightly trending above budget.

Physician Services: Specialty utilization is trending slightly lower, consistent with normal seasonality and is expected to increase later in the year. This is partially offset by continued higher utilization in primary and FQHC, resulting in an overall favorable result for physician services. The Specialty Physicians category includes \$4.3M per month in Provider Supplemental Payments (PSP), funded by Board-approved strategic use of reserves.

Outpatient Facility: The Outpatient Facility category consists of both Outpatient and Emergency Room (ER) services. This reflects a continued upward trend in both utilization per 1k and unit cost.

ECM: Overall, ECM performance is over budget and should be evaluated holistically, considering both revenue and expenses. The unfavorable variance is primarily driven by ECM enrollments experiencing an extended period of low-intensity services, which resulted in lower encounter service units and associated costs that were expected to remain unrecognized and be absorbed by the Plan.

However, DHCS clarified that because the encounter-based adjustment within the risk corridor methodology for CY 2026 was communicated late in the year, the lower encounter service units can be recognized under the risk corridor. As such, we will use August to reverse the payable estimate to date and recalculate the risk corridor receivable position in September.

To better align ECM provider reimbursement with the expected dosage and outcomes, the Board approved on August 26, 2026, a transition to a fee-for-service (FFS) reimbursement structure effective January 1, 2027. The Alliance will deploy targeted initiatives aligned with DHCS' ECM program guidance to strengthen sustainability, emphasizing high-touch,

community-based care, reducing low-value utilization, tighter eligibility and utilization management, and a focus on members with the greatest needs.

Community Supports: Community Supports costs remain elevated, primarily due to Personal Care and Homemaker Services (PCHS). The Alliance continues to work with DHCS on Plan-led eligibility guardrails subject to DHCS approval, which are expected to help mitigate PCHS cost volatility alongside continued provider education. The Alliance is also continuing to evaluate the clinical ROI of PCHS and exploring alternative supports to mitigate rising costs. Declining CS enrollments and the implementation of program integrity initiatives, including Medically Tailored Meals (MTM), housing services, and the transition to case-rate reimbursement for housing effective March 2026, continue to drive improved performance.

Behavioral Health: Behavioral Health expenses are unfavorable to the budget, primarily driven by higher-than-expected utilization of Mental Health Outpatient (MHOP) and Behavioral Health Treatment – Applied Behavior Analysis (BHT ABA) services. While the budget anticipated increased utilization following the in-sourcing initiative implemented in July 2025, recent trends have exceeded projections. This is largely due to efforts to transition members from the prior vendor's waitlist, which is anticipated to be completed by August. Recent analysis also indicates a rise in unique users receiving treatment in both MHOP and BHT, further contributing to elevated cost trends. The budget also reflects higher unit costs associated with the inclusion of TRI services, which partially offset the variance but keep overall performance above projected spending.

Other Medical: Other Medical expenses are very close to budget, with a slight unfavorable variance overall. Budget development appropriately accounted for historical utilization growth in Transportation and Hospice services, helping to keep performance largely in line with expectations. To help manage elevated non-medical transportation utilization, we implemented several operational controls in March to promote appropriate use, and we expect a decline in the coming months. Allied Health is seeing a modest unfavorable utilization trend, primarily driven by higher use of home health and physical therapy services, and we will continue to monitor it closely.

Dual Eligible Special Needs Plan (D-SNP) Line of Business

Beginning January 2026, the Alliance launched the TotalCare (HMO D-SNP), a Medicare Advantage Dual Special Needs Plan (D-SNP) for people 65 years old and over, and for some people with certain disabilities who are enrolled in both Medicare and Medi-Cal. For the month ending August 31, 2026, the Alliance reported an Operating Loss of \$0.5M. The Year-to-Date (YTD) Operating Loss is \$6.4M, with a Medical Loss Ratio (MLR) of 104.7% and an Administrative Loss Ratio (ALR) of 51.4%.

The budget expected an Operating Loss of \$12.8M for August YTD. The actual result is favorable to the budget by \$6.5M or 50.5%, due to the lower enrollment.

Aug-26 Income Statement D-SNP (\$ In 000s)								
<u>Key Indicators</u>	MTD Actual	MTD Budget	MTD Var \$	MTD Var %	YTD Actual	YTD Budget	YTD Var \$	YTD Var %
<i>Membership</i>	1,073	3,351	(2,278)	-68.0%	5,931	16,003	(10,072)	-62.9%
Revenue	\$2,006	\$5,808	(\$3,802)	-65.5%	\$11,314	\$27,738	(\$16,424)	-59.2%
Medical Expenses	1,848	6,587	4,739	71.9%	11,851	32,104	20,253	63.1%
Admin Expenses	669	1,157	488	42.2%	5,814	8,466	2,652	31.3%
Operating Income/(Loss)	(\$512)	(\$1,936)	\$1,424	73.6%	(\$6,350)	(\$12,831)	\$6,481	50.5%
PMPM								
Revenue	\$1,869.36	\$1,733.19	\$136.16	7.9%	\$1,907.67	\$1,733.28	\$174.40	10.1%
Medical Expenses	1,722.72	1,965.69	242.97	12.4%	1,998.06	2,006.05	7.99	0.4%
Admin Expenses	623.75	345.31	(278.44)	-80.6%	980.20	528.98	(451.21)	-85.3%
Operating Income/(Loss)	(\$477.11)	(\$577.81)	\$100.69	17.4%	(\$1,070.59)	(\$801.76)	(\$268.83)	-33.5%
<i>MLR %</i>	92.2%	113.4%	21.3%		104.7%	115.7%	11.0%	
<i>ALR %</i>	33.4%	19.9%	-13.4%		51.4%	30.5%	-20.9%	
<i>Operating Income %</i>	-25.5%	-33.3%	7.8%		-56.1%	-46.3%	-9.9%	

Membership: August 2026 D-SNP membership is unfavorable to the budget by 68.0%. D-SNP enrollment was projected to begin the year at approximately 635 members in January, with anticipated growth of about 350 members per month reaching an estimated 4,500 by year-end. However, the most recent revised membership forecast assumes monthly membership growth of approximately 136 per month beginning in June, inclusive of an 8% attrition rate, resulting in a projected membership of 1,681 by year-end.

Actual August membership totaled 1,073, tracking closely to the revised membership forecast from January of 459. This represents more than doubling in membership over eight months as the newly launched DSNP product progresses through its first-year enrollment cycle.

Revenue: The 2026 D-SNP revenue budget was based on the bid submitted in June 2025, prepared by our actuarial partners. It uses 2026 county-level benchmarks released by CMS and reflects that the plan is considered a "New Plan" for Star rating purposes for three years. The risk score is derived from the Medicare FFS sample and adjusted using CMS's CY 2026 county-level risk score projections.

Aug-26 YTD D-SNP Revenue Summary (\$ In 000s)					
CMS CAP	Actual	Budget	Variance	Variance Due to Enrollment	Variance Due to Rate
Part C	\$9,659	\$22,480	(\$12,821)	(\$14,149)	\$1,328
Part D	1,655	5,258	(3,603)	(3,309)	(294)
Total	\$11,314	\$27,738	(\$16,424)	(\$17,458)	\$1,034

As of August, actual revenue is \$3.8M below budget, or 65.5%. As of August YTD, actuals are \$16.4M below budget, representing a negative variance of 59.2%. This shortfall is primarily attributable to lower-than-anticipated enrollment, partially offset by a favorable variance in the risk-adjusted rate. However, revenue is scaling in line with membership reaching \$11.3M year-to-date, and revenue PMPM remains relatively stable and consistent with the assumptions reflected in the bid pricing.

Medical Expenses: The 2026 budget is based on the bid submitted in June 2025 by our actuarial partners, which covers Medicare Parts A and B services, including Part D pharmacy benefits, as well as supplemental benefits not offered through the traditional Medicare FFS program. Supplemental benefits include fitness, an allowance for over-the-counter (OTC) medications and supplies, routine vision and eyewear, and worldwide emergency coverage. The budget incorporates medical cost management savings converted from traditional FFS, provider reimbursement aligned with in-network rates, and D-SNP-related non-claims medical expenses, including \$1M Risk Adjustment Incentives.

Aug-26 YTD D-SNP Medical Expense Summary (\$ In 000s)					
Category	Actual	Budget	Variance	Variance Due to Enrollment	Variance Due to Rate
Inpatient Hospital	\$2,613	\$7,746	\$5,133	\$4,875	\$257
Inpatient Services - LTC	585	1,791	1,206	1,128	79
Physician Services	1,723	8,289	6,565	5,217	1,348
Outpatient Facility	1,567	5,601	4,035	3,525	509
CMS Pharmacy Part D	1,964	5,336	3,371	3,358	13
Other Medical*	3,398	3,341	(57)	2,103	(2,160)
TOTAL COST	\$11,851	\$32,104	\$20,253	\$20,206	\$47

*Including Ambulance, DME, Other Medicare Part B, Supplemental Benefits, and UM/QA/CC

August 2026 Medical Expenses of \$1.8M are below budget by \$4.7M or 71.9%, primarily due to lower than anticipated enrollment.

August YTD 2026 Medical Expenses of \$11.9M are below budget by \$20.3M or 63.1%, primarily due to lower than anticipated enrollment.

Aug-26 YTD D-SNP Medical Expense by Category of Service (In PMPM)				
Category	Actual	Budget	Variance	Variance %
Inpatient Services - Hospital	\$440.62	\$484.02	\$43.41	9.0%
Inpatient Services - LTC	98.64	111.94	13.30	11.9%
Physician Services	290.56	517.92	227.36	43.9%
Outpatient Facility	264.15	350.00	85.86	24.5%
CMS Pharmacy Part D	331.16	333.40	2.24	0.7%
Other Medical*	572.95	208.77	(364.18)	-100.0%
TOTAL MEDICAL COST	\$1,998.06	\$2,006.05	\$7.99	0.4%

*Including Ambulance, DME, Other Medicare Part B, Supplemental Benefits, and UM/QA/CC

At the PMPM level, Medical Expenses are \$1,998.06, favorable by \$7.99 or 0.4% compared to the budget. Please note as membership continues to grow each month, the claims experience

is still developing and should be interpreted with some caution. With that said, Q1 claims experience is considered fairly complete as of August, with medical costs trending at approximately 113% MLR vs. 115% budgeted, indicating costs are tracking close to budget. However, results may continue to fluctuate as the membership base grows and additional claims develop, particularly for hospital and skilled nursing facility (SNF) services.

Administrative Expenses: August YTD Consolidated Administrative Expenses are favorable to the budget by \$5.7M or 6.7% with 5.2% ALR. Salaries are favorable by \$1.0M or 1.6%, driven by savings from vacant positions. Non-salary administrative expenses are favorable at \$4.7M, or 18.2%, due to savings and unspent budgets.

Non-Operating Revenue/Expenses: August YTD Net Non-Operating Loss totaled \$6.5M, unfavorable to budget by \$23.3M. Of this amount, \$19.2M was attributable to unrealized investment losses due to lower bond prices. Since the investments are expected to be held to maturity, these losses are not anticipated to be realized. In addition, higher grant distributions contributed approximately \$4.0M to the unfavorable variance.

Summary of Results: Overall, the Alliance generated a Consolidated Net Loss of \$6.5M, with an MLR of 94.8% and an ALR of 5.2%.



CENTRAL CALIFORNIA ALLIANCE FOR HEALTH
Balance Sheet
For The Eighth Month Ending August 31, 2026
(In \$000s)

Assets	
Cash	\$176,140
Restricted Cash	309
Short Term Investments	764,754
Receivables	378,203
Prepaid Expenses	131
Other Current Assets	4,969
Total Current Assets	\$1,324,507
Building, Land, Furniture & Equipment	
Capital Assets	\$83,672
Accumulated Depreciation	(48,513)
CIP	952
Lease Receivable	2,799
Subscription Asset net Accum Depr	10,673
Total Non-Current Assets	49,583
Total Assets	\$1,374,089
Liabilities	
Accounts Payable	\$161,242
IBNR/Claims Payable	326,490
Provider Incentives Payable	34,450
Other Current Liabilities	8,571
Due to State	(15,750)
Total Current Liabilities	\$515,003
Subscription Liabilities	7,963
Deferred Inflow of Resources	2,556
Total Long-Term Liabilities	\$10,520
Fund Balance	
Fund Balance - Prior	\$855,027
Retained Earnings - CY	(6,460)
Total Fund Balance	848,567
Total Liabilities & Fund Balance	\$1,374,089
Additional Information	
Total Fund Balance	\$848,567
Board Designated Reserves Target	566,454
Strategic Reserve (DSNP)	50,350
Medi-Cal Capacity Grant Program (MCGP)*	125,191
Value Based Payments	9,949
Provider Supplemental Payments	73,394
Total Reserves	825,339
Total Operating Reserve	\$23,228



CENTRAL CALIFORNIA ALLIANCE FOR HEALTH
Income Statement - Actual vs. Budget-LOB Summary
For The Eighth Month Ending August 31, 2026
(In \$000s)

	Medi-Cal				D-SNP				Consolidated			
	YTD Actual	YTD Budget	Var \$	Var %	YTD Actual	YTD Budget	Var \$	Var %	YTD Actual	YTD Budget	Var \$	Var %
<i>Member Months</i>	<i>3,399,106</i>	<i>3,336,064</i>	<i>63,042</i>	<i>1.9%</i>	<i>5,931</i>	<i>16,003</i>	<i>(10,072)</i>	<i>-62.9%</i>	<i>3,405,037</i>	<i>3,352,068</i>	<i>52,969</i>	<i>1.6%</i>
Dollars												
Revenue	\$1,538,473	\$1,483,309	\$55,165	3.7%	\$11,314	\$27,738	(\$16,424)	-59.2%	\$1,549,788	\$1,511,047	\$38,741	2.6%
Medical Expenses	1,458,042	1,404,314	(53,728)	-3.8%	11,851	32,104	20,253	63.1%	1,469,893	1,436,418	(33,475)	-2.3%
Administrative Expenses	74,065	77,117	3,051	4.0%	5,814	8,466	2,652	31.3%	79,879	85,582	5,704	6.7%
Operating Income/(Loss)	6,366	1,878	4,488	100.0%	(6,350)	(12,831)	6,481	50.5%	16	(10,953)	10,969	100.0%
Total Non-Op Income/(Expense)	(6,476)	16,799	(23,275)	-100.0%	-	-	0	0.0%	(6,476)	16,799	(23,275)	-100.0%
Net Income/(Loss)	(\$110)	\$18,677	(\$18,787)	-100.0%	(\$6,350)	(\$12,831)	\$6,481	50.5%	(\$6,460)	\$5,846	(\$12,306)	-100.0%
PMPM												
Revenue	\$452.61	\$444.63	\$7.98	1.8%	\$1,907.67	\$1,733.28	\$174.40	10.1%	\$455.15	\$450.78	\$4.37	1.0%
Medical Expenses	428.95	420.95	(8.00)	-1.9%	1,998.06	2,006.05	7.99	0.4%	431.68	428.52	(3.16)	-0.7%
Administrative Expenses	21.79	23.12	1.33	5.7%	980.20	528.98	(451.21)	-85.3%	23.46	25.53	2.07	8.1%
Operating Income/(Loss)	1.87	0.56	1.31	100.0%	(1,070.59)	(801.76)	(268.83)	-33.5%	0.00	(3.27)	3.27	100.0%
Total Non-Op Income/(Expense)	(1.91)	5.04	(6.94)	-100.0%	-	-	-	0.0%	(1.90)	5.01	(6.91)	-100.0%
Net Income/(Loss)	(\$0.03)	\$5.60	(\$5.63)	-100.0%	(\$1,070.59)	(\$801.76)	(\$268.83)	-33.5%	(\$1.90)	\$1.74	(\$3.64)	-100.0%
<i>MLR</i>	<i>94.8%</i>	<i>94.7%</i>			<i>104.7%</i>	<i>115.7%</i>			<i>94.8%</i>	<i>95.1%</i>		
<i>ALR</i>	<i>4.8%</i>	<i>5.2%</i>			<i>51.4%</i>	<i>30.5%</i>			<i>5.2%</i>	<i>5.7%</i>		
<i>Operating Income %</i>	<i>0.4%</i>	<i>0.1%</i>			<i>-56.1%</i>	<i>-46.3%</i>			<i>0.0%</i>	<i>-0.7%</i>		
<i>Net Income %</i>	<i>0.0%</i>	<i>1.3%</i>			<i>-56.1%</i>	<i>-46.3%</i>			<i>-0.4%</i>	<i>0.4%</i>		



CENTRAL CALIFORNIA ALLIANCE FOR HEALTH
Income Statement - Actual vs. Budget-Consolidated
For The Eighth Month Ending August 31, 2026
(In \$000s)

<i>Member Months</i>	MTD Actual	MTD Budget	Variance	%	YTD Actual	YTD Budget	Variance	%
	418,756	410,620	8,136	2.0%	3,405,037	3,352,068	52,969	1.6%
Capitation Revenue								
Capitation Revenue Medi-Cal	\$192,568	\$179,325	\$13,242	7.4%	\$1,525,795	\$1,479,310	\$46,485	3.1%
CMS D-SNP	2,006	5,808	(3,802)	-65.5%	11,314	27,738	(16,424)	-59.2%
State Incentive Programs	269	-	269	100.0%	1,911	-	1,911	100.0%
Prior Year Revenue*	6,092	-	6,092	100.0%	6,092	-	6,092	100.0%
Premiums Commercial	715	498	216	43.4%	4,675	3,999	677	16.9%
Total Operating Revenue	\$201,649	\$185,632	\$16,017	8.6%	\$1,549,788	\$1,511,047	\$38,742	2.6%
Medical Expenses								
Inpatient Services (Hospital)	\$44,235	\$49,923	\$5,688	11.4%	\$397,956	\$380,587	(\$17,369)	-4.6%
Inpatient Services (LTC)	20,038	19,254	(784)	-4.1%	151,008	147,327	(3,681)	-2.5%
Physician Services	42,419	43,552	1,133	2.6%	302,376	333,149	30,774	9.2%
Outpatient Facility	22,740	21,435	(1,304)	-6.1%	181,113	161,824	(19,289)	-11.9%
ECM	14,444	10,984	(3,460)	-31.5%	100,624	101,728	1,103	1.1%
Community Supports	4,463	5,192	729	14.0%	43,457	40,717	(2,740)	-6.7%
Behavioral Health	10,688	8,102	(2,586)	-31.9%	82,321	62,605	(19,715)	-31.5%
CMS Pharmacy Part D	95	1,117	1,022	91.5%	1,964	5,336	3,371	63.2%
Other Medical**	28,340	26,187	(2,153)	-8.2%	207,162	203,144	(4,017)	-2.0%
State Incentive Programs	269	-	(269)	-100.0%	1,911	-	(1,911)	-100.0%
Total Medical Expenses	\$187,732	\$185,746	(\$1,986)	-1.1%	\$1,469,893	\$1,436,418	(\$33,475)	-2.3%
Gross Margin	\$13,917	(\$114)	\$14,032	100.0%	\$79,895	\$74,629	\$5,266	7.1%
Administrative Expenses								
Salaries	\$6,889	\$7,253	\$365	5.0%	\$58,626	\$59,604	\$979	1.6%
Professional Fees	251	429	178	41.4%	2,905	3,660	754	20.6%
Purchased Services	632	611	(21)	-3.4%	4,758	6,181	1,422	23.0%
Supplies & Other	830	840	10	1.2%	6,532	8,221	1,689	20.5%
Occupancy	103	145	43	29.4%	918	1,133	215	19.0%
Depreciation/Amortization	641	848	207	24.4%	6,140	6,784	644	9.5%
Total Administrative Expenses	\$9,345	\$10,127	\$781	7.7%	\$79,879	\$85,582	\$5,704	6.7%
Operating Income/(Loss)	\$4,572	(\$10,241)	\$14,813	100.0%	\$16	(\$10,953)	\$10,969	100.0%
Non-Op Income/(Expense)								
Interest	\$3,364	\$3,330	\$34	1.0%	\$27,225	\$26,640	\$585	2.2%
Gain/(Loss) on Investments	(831)	833	(1,665)	-100.0%	(13,024)	6,667	(19,690)	-100.0%
Bank & Investment Fees	(10)	(38)	29	75.1%	(441)	(307)	(134)	-43.6%
Other Revenues	251	308	(57)	-18.5%	2,407	2,466	(59)	-2.4%
Grants	(2,438)	(2,333)	(105)	-4.5%	(22,644)	(18,667)	(3,978)	-21.3%
Total Non-Op Income/(Expense)	336	2,100	(1,764)	-84.0%	(6,476)	16,799	(\$23,275)	-100.0%
Net Income/(Loss)	\$4,907	(\$8,141)	\$13,049	100.0%	(\$6,460)	\$5,846	(\$12,306)	-100.0%
<i>MLR</i>	93.1%	100.1%			94.8%	95.1%		
<i>ALR</i>	4.6%	5.5%			5.2%	5.7%		
<i>Operating Income %</i>	2.3%	-5.5%			0.0%	-0.7%		
<i>Net Income %</i>	2.4%	-4.4%			-0.4%	0.4%		

**Other Medical includes Pharmacy and IHSS.



CENTRAL CALIFORNIA ALLIANCE FOR HEALTH
Income Statement - Actual vs. Budget-Consolidated
For The Eighth Month Ending August 31, 2026
(In PMPM)

	MTD Actual	MTD Budget	Variance	%	YTD Actual	YTD Budget	Variance	%
Member Months	418,756	410,620	8,136	2.0%	3,405,037	3,352,068	52,969	1.6%
Capitation Revenue								
Capitation Revenue Medi-Cal	\$459.86	\$436.72	\$23.14	5.3%	\$448.10	\$441.31	\$6.79	1.5%
CMS D-SNP	4.79	14.14	(9.35)	-66.1%	3.32	8.28	(4.95)	-59.8%
State Incentive Programs	0.64	-	0.64	100.0%	0.56	-	0.56	100.0%
Prior Year Revenue*	14.55	-	14.55	100.0%	1.79	-	1.79	100.0%
Premiums Commercial	1.71	1.21	0.49	40.6%	1.37	1.19	0.18	15.1%
Total Operating Revenue	\$481.54	\$452.08	\$29.47	6.5%	\$455.15	\$450.78	\$4.37	1.0%
Medical Expenses								
Inpatient Services (Hospital)	\$105.63	\$121.58	\$15.94	13.1%	\$116.87	\$113.54	(\$3.33)	-2.9%
Inpatient Services (LTC)	47.85	46.89	(0.96)	-2.1%	44.35	43.95	(0.40)	-0.9%
Physician Services	101.30	106.06	4.77	4.5%	88.80	99.39	10.58	10.6%
Outpatient Facility	54.30	52.20	(2.10)	-4.0%	53.19	48.28	(4.91)	-10.2%
ECM	34.49	26.75	(7.74)	-28.9%	29.55	30.35	0.80	2.6%
Community Supports	10.66	12.64	1.99	15.7%	12.76	12.15	(0.62)	-5.1%
Behavioral Health	25.52	19.73	(5.79)	-29.4%	24.18	18.68	(5.50)	-29.4%
CMS Pharmacy Part D	0.23	2.72	2.49	91.7%	0.58	1.59	1.01	63.8%
Other Medical**	67.68	63.77	(3.90)	-6.1%	60.84	60.60	(0.24)	-0.4%
State Incentive Programs	0.64	-	(0.64)	-100.0%	0.56	-	(0.56)	-100.0%
Total Medical Expenses	\$448.31	\$452.36	\$4.05	0.9%	\$431.68	\$428.52	(\$3.16)	-0.7%
Gross Margin	\$33.23	(\$0.28)	\$33.51	100.0%	\$23.46	\$22.26	\$1.20	5.4%
Administrative Expenses								
Salaries	\$16.45	\$17.66	\$1.21	6.9%	\$17.22	\$17.78	\$0.56	3.2%
Professional Fees	0.60	1.04	0.44	42.6%	0.85	1.09	0.24	21.8%
Purchased Services	1.51	1.49	(0.02)	-1.4%	1.40	1.84	0.45	24.2%
Supplies & Other	1.98	2.05	0.06	3.2%	1.92	2.45	0.53	21.8%
Occupancy	0.24	0.35	0.11	30.8%	0.27	0.34	0.07	20.3%
Depreciation/Amortization	1.53	2.07	0.53	25.9%	1.80	2.02	0.22	10.9%
Total Administrative Expenses	\$22.32	\$24.66	\$2.35	9.5%	\$23.46	\$25.53	\$2.07	8.1%
Operating Income/(Loss)	\$10.92	(\$24.94)	\$35.86	100.0%	\$0.00	(\$3.27)	\$3.27	100.0%
Non-Op Income/(Expense)								
Interest	\$8.03	\$8.11	(\$0.08)	-1.0%	\$8.00	\$7.95	\$0.05	0.6%
Gain/(Loss) on Investments	(1.99)	\$2.03	(4.01)	-100.0%	(3.82)	1.99	(5.81)	-100.0%
Bank & Investment Fees	(0.02)	(0.09)	0.07	75.6%	(0.13)	(0.09)	(0.04)	-41.3%
Other Revenues	0.60	0.75	(0.15)	-20.1%	0.71	0.74	(0.03)	-3.9%
Grants	(5.82)	(5.68)	(0.14)	-2.5%	(6.65)	(5.57)	(1.08)	-19.4%
Total Non-Op Income/(Expense)	\$0.80	\$5.11	(\$4.31)	-84.3%	(\$1.90)	\$5.01	(\$6.91)	-100.0%
Net Income/(Loss)	\$11.72	(\$19.83)	\$31.55	100.0%	(\$1.90)	\$1.74	(\$3.64)	-100.0%
MLR	93.1%	100.1%			94.8%	95.1%		
ALR	4.6%	5.5%			5.2%	5.7%		
Operating Income %	2.3%	-5.5%			0.0%	-0.7%		
Net Income %	2.4%	-4.4%			-0.4%	0.4%		

*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 Eighth Month Ending August 31, 2026

(In \$000s)

	MTD	YTD
Net Income	\$4,907	(\$6,460)
Items not requiring the use of cash: Depreciation	327	2,699
Adjustments to reconcile Net Income to Net Cash provided by operating activities:		
Changes to Assets:		
Restricted Cash	0	0
Receivables	1,925	19,192
Prepaid Expenses	(719)	(1,752)
Current Assets	120	60
Subscription Asset net Accum Depr	0	0
Net Changes to Assets	1,326	17,499
Changes to Payables:		
Accounts Payable	64,194	(46,319)
Other Current Liabilities	(1,945)	(763)
Incurred But Not Reported Claims/Claims Payable	6,695	(134,306)
Provider Incentives Payable	4,681	(6,658)
Due to State	0	(70,377)
Subscription Liabilities	0	0
Net Changes to Payables	73,625	(258,423)
Net Cash Provided by (Used in) Operating Activities	80,185	(244,685)
Change in Investments	48,497	42,641
Other Equipment Acquisitions	(161)	(788)
Net Cash Provided by (Used in) Investing Activities	48,336	41,853
Deferred Inflow of Resources	0	0
Net Cash Provided by (Used in) Financing Activities	0	0
Net Increase (Decrease) in Cash & Cash Equivalents	128,521	(202,832)
Cash & Cash Equivalents at Beginning of Period	141,159	394,722
Cash & Cash Equivalents at August 31, 2026	\$176,140	\$176,140