



L.A. Care
HEALTH PLAN®

For All of L.A.

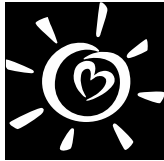
BOARD OF GOVERNORS

Finance & Budget Committee Meeting

August 23, 2023 • 1:00 PM

L.A. Care Health Plan

1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN®

AGENDA

Finance & Budget Committee Meeting Board of Governors

Wednesday, August 23, 2023, 1:00 P.M.

L.A. Care Health Plan, 1055 West 7th Street, Conference Room 1017-18
Los Angeles, CA 90017

DRAFT

Members of the Committee, staff and the public can attend the meeting in person at the address listed above. Public comment can be made live and in person at the meeting. A form will be available at the meeting to submit public comment.

To listen to the meeting via videoconference please register by using the link below:

<https://lacare.webex.com/lacare/j.php?MTID=m044da1e94fe7313c676ca01b1843f4bf>

To listen to the meeting via teleconference please dial: +1-213-306-3065

Meeting Number: 2488 535 0337 Password: lacare

Teleconference Sites

Hilda Perez

L.A. Care Health Plan Community Resource
Center
3200 E Imperial Hwy, Lynwood, CA 90262

Nina Vaccaro

Community Clinic Association of Los Angeles
County
445 S. Figueroa Street, Suite 2100
Los Angeles, CA 90071

For those not attending the meeting in person, public comments on Agenda items can be submitted in writing by e-mail to BoardServices@lacare.org, or by sending a text or voicemail to (213) 628-6420. Attendees who log on to lacare.webex using the URL above will be able to use “chat” during the meeting for public comment. You must be logged into WebEx to use the “chat” feature. The log in information is at the top of the meeting Agenda. The chat function will be available during the meeting so public comments can be made live and direct.

1. The “chat” will be available during the public comment periods before each item.
2. To use the “chat” during public comment periods, look at the bottom right of your screen for the icon that has the word, “chat” on it.
3. Click on the chat icon. It will open two small windows.
4. Select “Everyone” in the “To:” window,
5. The chat message must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.
6. Type your public comment in the box that says “Enter chat message here”.
7. When you hit the enter key, your message is sent and everyone can see it.
8. L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment.

You can send your public comments by voicemail, email or text. If we receive your comments by 1:00 P.M. on August 23, 2023, it will be provided to the members of the Finance & Budget Committee in writing at the beginning of the meeting. The chat message, text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must include the name of the item to which your comment relates.

Once the meeting has started, public comment submitted in writing must be received before the agenda item is called by the Chair. If your public comment is not related to any of the agenda item topics, it will be read in the general public comment agenda item.

Please note that there may be delay in the digital transmittal of emails, texts and voicemail. The Chair will announce when public comment period is over for each item. If your public comments are not received on time for the specific agenda item you want to address, your public comments will be read at the public comment section prior to the board going to closed session.

The purpose of public comment is an opportunity for members of the public to inform the governing body about their views. The Finance & Budget Committee appreciates hearing the input as it considers the business on the Agenda. All public comments submitted will be read for up to 3 minutes during the meeting. The process for public comment is evolving and may change at future meetings. We thank you for your patience.

All votes in a teleconferenced meeting shall be conducted by roll call.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (ADA) please contact L.A. Care Board Services staff prior to the meeting for assistance by text to 213 628-6420 or by email to BoardServices@lacare.org.

Welcome

Stephanie Booth, MD, *Chair*

1. Approve today’s Agenda *Chair*
2. Public Comment *(Please read instructions above.)* *Chair*
3. Approve Consent Agenda *Chair*
 - June 28, 2023 meeting minutes p.5
 - Quarterly Investment Report **(FIN 100)** p.15
 - Consolidated Allocation of Funds for Non-Travel Meals and Catering & Other Expenses **(FIN 101)** p.50
 - ixLayer, Inc. Contract to provide at-home test kits to members for diabetes A1c tests, colorectal cancer screenings and kidney health evaluations **(FIN 102)** p.51
 - Collective Medical Technologies Contract for Care & Utilization Optimization (Acute Care), Member Activity Visibility (Acute & SNF Encounters) and Post-Acute Care Management, Enhanced Care Management (ECM) with PAC Management **(FIN 103)** p.53
 - Center for the Study of Services for 2023 member satisfaction survey **(FIN A)** p.56
4. Chairperson’s Report *Chair*
5. Chief Executive Officer Report John Baackes
Chief Executive Officer

Committee Issues

6. Chief Financial Officer’s Report p.58 Afzal Shah
Chief Financial Officer
 - Financial Report – June 2023 **(FIN 104)** p.89
 - 9+3 Forecast Update Jeff Ingram
Deputy Chief Financial Officer
 - FY 2023-24 Operating and Capital Budget **(FIN 105)** p.100
 - Monthly Investment Transactions Reports – June 2023 p.134
 - Quarterly Internal Policy Reports p.171
7. Public Comment on Closed Session Items *(Please read instructions above.)* *Chair*

ADJOURN TO CLOSED SESSION (Est. time: 10 mins.)

Chair

DRAFT

8. CONTRACT RATES

Pursuant to Welfare and Institutions Code Section 14087.38(m)

- Plan Partner Rates
- Provider Rates
- DHCS Rates

9. REPORT INVOLVING TRADE SECRET

Pursuant to Welfare and Institutions Code Section 14087.38(n)

Discussion Concerning New Service, Program, Technology, Business Plan

Estimated date of public disclosure: *August 2025*

RECONVENE IN OPEN SESSION

ADJOURNMENT

Chair

The next Finance & Budget Committee meeting is scheduled on Wednesday, September 27, 2023 at 1:00 p.m. and may be conducted as a teleconference meeting.

Public comments will be read for up to three minutes.

The order of items appearing on the agenda may change during the meeting.

THE PUBLIC MAY SUBMIT COMMENTS TO THE FINANCE & BUDGET COMMITTEE BEFORE DISCUSSION OF EACH ITEM LISTED ON THE AGENDA BY SUBMITTING THE COMMENT IN WRITING BY TEXT MESSAGE TO 213 628 6420, OR IN WRITING BY EMAIL TO BoardServices@lacare.org. Please follow additional instructions on the first page of this Agenda.

ACTION MAY NOT BE TAKEN ON ANY MATTER RAISED DURING THE PUBLIC COMMENT PERIODS UNTIL THE MATTER IS SPECIFICALLY LISTED ON A FUTURE AGENDA, according to California Govt Code Section 54954.2 (a)(3) and Section 54954.3.

NOTE: THE FINANCE & BUDGET COMMITTEE CURRENTLY MEETS ON THE FOURTH TUESDAY OF MOST MONTHS AT 1:00 P.M. AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION AT <http://www.lacare.org/about-us/public-meetings/board-meetings> and by email request to BoardServices@lacare.org

Any documents distributed to a majority of the Board Members regarding any agenda item for an open session after the agenda has been posted will be available for public inspection at 1055 W. 7th Street, Los Angeles, CA, in the reception area in the main lobby or at <http://www.lacare.org/about-us/public-meetings/board-meetings> and can be requested by email to BoardServices@lacare.org.

An audio recording of the meeting is made to assist in writing the minutes and is retained for 30 days.

Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats - i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting notice, and meeting packet may contact L.A. Care's Board Services Department at (213) 628 6420. Notification at least one week before the meeting will enable us to make reasonable arrangements to ensure accessibility to the meetings and to the related materials.

BOARD OF GOVERNORS

Finance & Budget Committee

Meeting Minutes – June 28, 2023

1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Stephanie Booth, MD, *Chairperson*
Al Ballesteros
Hilda Perez **
G. Michael Roybal, MD *
Nina Vaccaro

Management/Staff

John Baackes, *Chief Executive Officer*
Sameer Amin, MD, *Chief Medical Officer*
Terry Brown, *Chief of Human Resources*
Augustavia Haydel, *General Counsel*
Linda Greenfeld, *Chief Products Officer*

Alex Li, MD, *Chief Health Equity Officer*
Tom MacDougall, *Chief Technology & Information Officer*
Noah Paley, *Chief of Staff*
Acacia Reed, *Chief Operating Officer*
Afzal Shah, *Chief Financial Officer*

*Absent ** Via Teleconference

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	<p>Stephanie Booth, MD, <i>Committee Chairperson</i>, called the L.A. Care and JPA Finance & Budget Committee meetings to order at 1:04 p.m. The meetings were held simultaneously. She welcomed everyone and summarized the process for public comment during this meeting.</p> <ul style="list-style-type: none"> • For those who provided public comment for this meeting by voice message or in writing, L.A. Care is glad that they provided input today. The Committee will hear their comments and they also have to finish the business on the Agenda today. • For people who have access to the internet, the meeting materials are available at the lacare.org website. If anyone needs information about how to locate the meeting materials, they can reach out to L.A. Care staff. • Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes. • Public comment will be made before the Committee starts to discuss an item. If the comment is not for a specific agenda item, it will be read at the general Public Comment. • Chairperson Booth provided information on how to submit a comment in-person, or live and directly using the “chat” feature. 	
APPROVE MEETING AGENDA	The Agenda for today’s meeting was approved.	Approved unanimously by roll call. 3 AYES (Ballesteros, Booth, and Vaccaro)

DRAFT

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
PUBLIC COMMENTS	There were no public comments.	
APPROVE CONSENT AGENDA	<p>Michael Brodsky, <i>Senior Medical Director, Community Health</i>, informed the Committee that there was a typo on the date on motion FIN C.0623 for Health Management Associates contract amendment. It should read January 1, 2023 to December 31, 2023.</p> <ul style="list-style-type: none"> • May 24, 2023 meeting minutes • North Star Alliances Contract Amendment <u>Motion FIN 100.0723</u> To authorize staff to increase the total funds available in the existing \$1,950,000 contract with North Star Alliances, LLC by \$1,028,000 for a new total amount of \$2,978,000 to provide event planning, logistics, staffing and execution services and community relations support through December 31, 2023. • CCI Network Services Contract <u>Motion FIN 101.0723</u> To authorize staff to execute a contract in the amount of \$2,400,000 with CCI Network Services to provide Telephony Service for the period of August 9, 2023 to August 31, 2026. • Infosys Limited Contract Amendment <u>Motion FIN 102.0723</u> To authorize staff to amend contracts with Infosys Limited for an additional amount of \$800,000 (total not to exceed amount of \$9,759,883) for IT staff augmentation services through September 30, 2023. • Cognizant Technology Solutions Contract Amendment <u>Motion FIN 103.0723</u> To amend the existing contract with Cognizant in the amount of \$292,000 (total contract not to exceed \$6,680,069) for continued Salesforce implementation activities through December 31, 2023. • MediKeeper Contract <u>Motion FIN A.0623</u> To authorize staff to execute a three-year contract with MediKeeper Inc. to provide Health and Wellness Platform services for a total cost not to exceed \$1,661,000. 	<p>Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, Perez, and Vaccaro)</p> <p>The Committee approved to include FIN 100, FIN 101, FIN 102, and FIN 103, on the Consent Agenda for the July 27, 2023 Board of Governors Meeting</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Cognizant Trizetto Software Group, Inc. Contract Amendment to support QNXT 6.0 <u>Motion FIN B.0623</u> To authorize and amend the existing Cognizant Trizetto Software Group, Inc. contract for an amount not to exceed \$2,000,000 (total contract not to exceed \$2,000,000) for the QNXT 6.0 Upgrade related integration activities through FY Q1 2024. • Health Management Associates Contract Amendment <u>Motion FIN C.0623</u> To authorize staff to amend a contract with Health Management Associates (HMA) in the amount of \$306,000, not to exceed \$1,148,690, to provide business consulting services for the period of June 1, 2021 to December 31, 2023. <u>Amended Motion FIN C.0623</u> To authorize staff to amend a contract with Health Management Associates (HMA) in the amount of \$306,000, not to exceed \$1,148,690, to provide business consulting services for the period of January 1, 2023 to December 31, 2023. 	
CHAIRPERSON'S REPORT	Committee Chairperson Booth commented on a public comment sent via email at the last Committee meeting, prior to the Committee going into closed session. She noted that the public comment was received after the Committee went into Closed Session, and was not read. This is because of delay in digital transmissions of emails. She apologized and urged the public to allow more time when submitting public comments.	
CHIEF EXECUTIVE OFFICER'S REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, apologized for not attending in person. He was in Sacramento for the California Safety Net Coalition (CSNC) meeting. CSNC is the organization that grew out of efforts at L.A. Care made over a year ago to create a Los Angeles County safety net coalition for the purposes of increasing the State share to Medi-Cal and increase reimbursement.</p> <p>The Legislators adapted the Governor's budget with 100% bipartisan support for provision in the budget to reinstitute the Managed Care Organization (MCO) tax that will produce \$2.6 billion a year in additional Medi-Cal funding. The prime goal of CSNC is to get an increase in Medi-Cal funding using the MCO tax. CSNC represents a coalition of all the players in the healthcare field: hospitals, doctors, federally qualified health clinics (FQHCs), health plans, SEIU. They were delighted and all are in support of this initiative. Getting this initiative</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>done is considered historic because the State has not made an increase in the base rate for Medi-Cal in over 20 years.</p> <p>The CSNC meeting today was to re-affirm the goal of seeking a ballot initiative in November 2024 for the purpose of making this a permanent formula of change in how Medi-Cal is funded. Having been adopted as part of the budget is a victory but it means that next year legislature could make a decision to reverse and divert money somewhere else. In previous reiterations, the MCO tax was used to draw down matching federal funds for the general fund. The goal of the coalition was to reinstitute the MCO tax on managed care organizations and use the money to supplement Medi-Cal funding. CSNC is going ahead with the ballot initiative and all members were encouraged. Once done, it will make a permanent improvement in Medi-Cal but this is only the beginning, this is not a fantasy. It will not solve all the problems. Not all participants in the coalition got treated equally in a sense because not every constituent group got something out of this. Mr. Baackes added that he thinks that everyone realized that as a result of the coalition coming together and getting this far that they should stick together to take this to an even better solution – doing it through the ballot.</p> <p>The redetermination process started with June renewal dates. Those that did not requalify or failed to return their applications will be terminated on July 1. Preliminary data as of last night showed that L.A. Care had a net loss of between 19-30,000 members (which is 13% budgeted in the forecast). Of the 19-30,000 members, there may be many who would be able to reclaim their eligibility during the next 90 days. Once L.A. Care gets the list of these terminated members, L.A. Care will do outreach. They will have a chance to complete the redetermination process to restore back their benefits on July 1. They will appear in the L.A. Care’s data from the state and will stay on hold for 90 days. L.A. Care is encouraged by the first number without knowing how many of them will fail to complete the process and fall into what is called “procedural disenrollment”. 45% of people in Los Angeles County who had June renewal date were automatically re-determined in an ex parte process by the Department of Public Social Services (DPSS) having access to other databases, so that members would not have to actually go through the process.</p> <p>Mr. Baackes noted that he has seen data from other states that are much worse. Many of these states have not done outreach like California has done to maintain every single person who is eligible.</p>	

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	<p>Board Member Perez commented she is honored to participate as a Health Promoter at L.A. Care food pantry events at Community Resource Center (CRC). The CRC provide food, \$20 grocery card for approximately 200-250 families. Board Member Perez noted that L.A. Care spends significant budget not only on gift cards but also the cost of CRC employees. CRCs partner with Community Based Organization (CBOs) and agencies that are there to provide information about their services. It will be great idea if DPSS can assign a DPSS staff to the CRCs to help people with the redetermination process. There are a lot of people that need help to submit their application – it’s a great opportunity for outreach.</p> <p>Mr. Baackes noted that having a qualified enroller at CRCs can only be helpful if the member bring their material. Mr. Baackes suggested if people have questions, CRC staff can make an appointment for them when there are qualified enrollers at the CRCs. CRC staff can help with the information they need and how to fill out the application but they cannot do enrollments and answer questions, such as when will they get their packets? The State do not share that information in advance but they will after the package was mailed.</p> <p>Committee Chairperson Booth asked, with regard to the money coming from Medi-Cal, how much is being matched and how much is going to the general fund. Mr. Baackes responded that the amount of the draw down is \$5.1 billion: \$3.5 billion will go to the general fund and \$2.6 billion will go to Medi-Cal. CSNC hopes that in future years, the formula would have less money going to the general fund and more in Medi-Cal. This would be the purpose of the 2024 ballot initiative, which will be spelled out in the language how much would go to the general fund and how much would go to Medi-Cal. The goal would to get all of it go into Medi-Cal. One of the things that CSNC would be looking for in the ballot initiative is to get the Governor’s support. The ballot initiative would be doomed if the Governors goes on TV and opposed it. Because of the details required in putting a ballot initiative, CSNC need to do the filing in the next couple of months to get it on calendar for the November 2024 election.</p> <p>Committee Chairperson Booth asked if there is any dribble effect that the Governor give up and just give the money over time. Mr. Baackes noted that the tax money for the 3 years will be put aside and dribbled out over a 5-year period. Nothing will happen until 2025. The first evidence of that money will be for the doctors who are primary care, obstetricians or in behavioral health will see the base rate for that reimbursement rise to 87.5% of Medicare.</p> <p>Doctors in California are currently eligible for the Proposition 56 (tobacco tax money). These are money raised by tobacco tax then distributed based on some 20 billing codes so it</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>favours primary care and some specialists. The money does not come until 1 year or so after the render of service so it accumulates and represents the amount of an entire year. Mr. Baackes thinks it does not really have the impact it should. One of the things this bill will do is it will eliminate the Prop 56 money as a directed after the fact payment. And the money now raised in Prop 56 will go into the base rate so if the current base rate + Prop 56 money does not equal 87.5% of the Medicare reimbursement in those 3 categories of physicians, the MCO tax money will be used to close the gap.</p> <p>Mr. Baackes added that within the budget, there are other spending categories that were clearly delineated and the bulk of the money is going to primary and specialty care reimbursement. More details have to be flushed out by the Department of Healthcare Services (DHCS) how that money will be distributed but it will come through the health plans. The health plans depending on how they are set up, will have some discretion which was what CSNC was hoping for because the need across the state are different depending on area. In some rural counties, the real problem is that they are much more dependent on FQHCs to be the backbone of their delivery system. There is need to get those health plans the ability to direct some of those money to FQHCs. What CSNC is hoping for is that based on expanding restrictions, those health plan can do things like grants to those facilities for hiring and retaining providers. Having the flexibility is important to be effective for each community.</p> <p>Board Chairperson Ballesteros noted that the \$2.6 billion sounds like a lot of money but if spread across California, it will end up being not enough. He asked Mr. Baackes what will help L.A. Care and its network the most. Mr. Baackes noted it will help that the bulk of the money will be used in primary and specialty care where it is needed the most. The lack of provider availability in certain areas of Los Angeles County by zip code, happen to be those communities where there are a lot of Medi-Cal members and whose incomes are lower. When there is no provider in the community, that is when members rely heavily on emergency rooms for all services including those not emergent. This provides the ability to direct more money to providers who will practice in those areas and will have tremendous benefit for Los Angeles County. Antelope Valley, East San Gabriel Valley, and South Los Angeles, have tremendous need for additional providers. When you look at emergency rooms services of hospitals serving them, you can see they are overwhelmed. This will be an opportunity to begin to address this in a meaningful way. Flexibility was built in so that some of the money can be used directed towards incentive to get providers to practice in those areas.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Board Chairperson Ballesteros acknowledged and thanked Mr. Baackes for his leadership and his ability to be able to augment especially in the primary and specialty care areas. This would not have happened if Mr. Baackes were not engaged there.</p> <p>Mr. Baackes thanked Board Chairperson Ballesteros and shared that in this CSNC meeting, L.A. Care’s leadership in terms of getting the first coalition organized was noted as how it all started; and a year later, the victory. There is more work to do.</p>	
COMMITTEE ITEMS		
Chief Financial Officer’s Report	<p>Jeffrey Ingram, <i>Deputy Chief Financial Officer</i>, reported on the May 2023 Financial Performance (<i>a copy of the report can be obtained by contacting Board Services</i>).</p> <p><u>Membership</u> Membership for May 2023 is just over 2.9 million members and 22.6 million member months year-to-date (YTD). The variance for Medi-Cal is driven by the same error in the membership forecast reported last month, which double counted the Dual Special Needs Plan (DSNP) members on the Medi-Cal side. The overall impact is about 26,000 members this month that will carry forward until the 9+3 forecast is complete. Without that error, Medi-Cal membership would be favorable to forecast by about 1,500 members. Commercial is favorable 881 members, driven by L.A. Care Covered (LACC).</p> <p><u>Consolidated Financial Performance</u> May 2023 has \$29.5 million net deficit; \$67 million unfavorable to the forecast when the Housing and Homelessness Incentive Program (HHIP) & Incentive Payment Program (IPP) are excluded. From an operating margin standpoint, results were unfavorable to the forecast by \$64 million.</p> <p>This was due to:</p> <ol style="list-style-type: none"> 1. An adjustment to the Bridge Period Prop 56 risk corridor, dates of service July 2019 to December 2020. The Department Healthcare Services (DHCS) determination letter did not account for all of L.A. Care’s costs due to some discrepancies in data submissions. DHCS is working with L.A. Care in resubmitting encounters and will issue an updated determination letter. 2. L.A. Care’s incurred claims are pretty much flat to forecast but there was a retroactive adjustment for some COVID related expenses dating back to the heart of the pandemic. This is a preliminary estimate and further details and discussion will be forthcoming. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>3. L.A. Care received the final rates for CY 2022 which had a positive impact of \$16 million. The June close will account for the MCO portion of the CY 2022 rate impact.</p> <p>For the month, administrative expenses were unfavorable to the forecast by \$5 million. The timing that was causing favorability in earlier months is catching up now. Non-operating was favorable by \$2.5 million vs the forecast driven by interest income and partially offset by unrealized losses.</p> <p>YTD there was a \$222 million net surplus which was \$74 million favorable to the forecast when HHIP and IPP are excluded. The month-to-date drivers apply here too. Other drivers include the In-Home Support Services (IHSS) reconciliation booked, Community Based Adult Services (CBAS) favorability, and higher Long-Term Care (LTC) revenue.</p> <p>YTD, administrative expenses were still favorable by \$10 million, primarily driven by lower spending in consulting fees, printing and software licenses, all due to timing. Non-Operating was favorable by \$26 million, again driven by higher interest income and unrealized gains.</p> <p><u>Operating Margins</u></p> <ul style="list-style-type: none"> • Overall Medical Care Ratio (MCR) was 91.5% vs forecast of 92.2%; excluding HHIP/IPP, MCR was 92.8% vs 93.4%. • Medi-Cal MCR is favorable to forecast. • Cal MediConnect (CMC) MCR is unfavorable to the forecast as L.A. Care continue to see run-out. • D-SNP MCR is lower than forecast and staff continues to research. • Commercial MCR is slightly higher than the forecast. • HHIP/IPP was slightly ahead of forecast due to timing. L.A, Care received \$91 million for HHIP in May for revenue earned on measurement period 1. This was \$9 million favorable to the forecast estimate. <p><u>Reported vs. Paid Claims Trend</u></p> <p>May 2023 showed paid claims exceeding reported claims and higher than previous months. This was an operations change. At month end, L.A. Care typically has a bucket of processed claims waiting for a check run, and in May 2023 L.A. Care sped up the timeline. June 2023 is anticipated to drop back below the reported claims line. The year-end reserve position is holding up with eight months of experience. Staff will continue to monitor it.</p> <p><u>Key Financial Ratios</u></p> <p>Medical Care Ratio was 92.8% vs 93.4% forecast</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Administrative Ratio was 4.7% vs. 4.9% forecast</p> <p>All ratios are favorable with the exception of cash to claims. That will remain below the benchmark until the final IHSS reconciliation is completed.</p> <p><u>Tangible Net Equity and Days of Cash on Hand</u> May 2023 Fund Balance was \$1.4 billion which represents 617% of Tangible Net Equity. For the month of May, there is enough cash to cover operating expenses for the next 68 days.</p> <p><u>Motion FIN 104.0623</u> To accept the Financial Reports for May 2023, as submitted.</p>	<p>Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, Perez, and Vaccaro)</p>
<ul style="list-style-type: none"> Monthly Investment Transactions Reports 	<p>Mr. Ingram referred to the investment transactions reports included in the meeting materials (<i>a copy of the report is available by contacting Board Services</i>). This report is to comply with the California Government Code as an informational item. L.A. Care's total investment market value as of May 31, 2023 was \$2.5 billion.</p> <ul style="list-style-type: none"> \$2.4 billion managed by Payden & Rygel and New England Asset Management (NEAM) \$34 million in Local Agency Investment Fund \$78 million in Los Angeles County Pooled Investment Fund 	
<p>Public Comments on the Closed Session agenda items.</p>	<p>There were no public comments.</p>	
<p>ADJOURN TO CLOSED SESSION</p>	<p>The Joint Powers Authority Finance & Budget Committee meeting adjourned at 1:42 p.m.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the items that the Committee will discuss in closed session. There was no public comment on the Closed Session items, and the meeting adjourned to closed session at 1:43 p.m.</p> <p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> Plan Partner Rates Provider Rates DHCS Rates 	

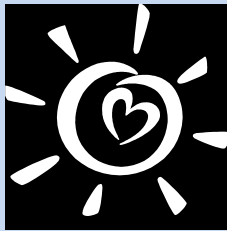
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Technology, Business Plan Estimated date of public disclosure: <i>June 2025</i>	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 2:24 pm. Ms. Haydel advised the public that no reportable action from the closed session.	
ADJOURNMENT	The meeting adjourned at 2:25 p.m.	

Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*
 Malou Balones, *Board Specialist III, Board Services*
 Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:

 Stephanie Booth, MD, *Chairperson*
 Date Signed _____



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: August 23, 2023

Motion No. FIN 100.0923

Committee: Finance & Budget

Chairperson: Stephanie Booth, M.D.

Issue: Accept the Investment Report for the quarter ended June 30, 2023

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: Per L.A. Care's Investment Policy, the Finance & Budget Committee is responsible for reviewing L.A. Care's investment portfolio to confirm compliance with the Policy, including its diversification and maturity guidelines.

Member Impact: N/A

Budget Impact: L.A. Care budgets a reasonable return on investment holdings.

Motion: To accept the Quarterly Investment Report for the quarter ending June 30, 2023, as submitted.



DATE: August 23, 2023
 TO: Finance & Budget Committee
 FROM: Afzal Shah, *Chief Financial Officer*

SUBJECT: Quarterly Investment Report – June 2023

As of June 30 2023, L.A. Care's combined investments value was approximately \$2.5 billion. Interest income, amortization, realized gains and losses was approximately \$31 million for the quarter. Unrealized losses due to market price fluctuations was approximately \$4 million for the quarter. The rate of return for the quarter was 0.96%. Based upon an independent compliance review performed as of June 30, 2023, LA Care is in compliance with its investment policy guidelines pursuant to the California Government Code and the California Insurance Code.

At quarter end \$2.1 billion (or approx. 83% of total investments) and \$0.3 billion (or approx. 13% of total investments) were under the management of Payden & Rygel and New England Asset Management, respectively. Both are external professional investment management firms. A list of the securities held under management of these two firms are attached. Below are the same securities grouped by investment type:

	Payden	NEAM	Combined
Cash and Money Market Mutual Fund	7%	0%	6%
U.S. Treasury Securities	34%	0%	30%
U.S. Agency & Municipal Securities	36%	4%	32%
Corporate bonds	0%	96%	13%
Commercial paper	10%	0%	9%
Asset Backed and Mortgage Backed Securities	9%	0%	7%
Negotiable CDs	3%	0%	2%
Other	1%	0%	1%
	100%	100%	100%
Average credit quality:	AA+	A1	
Average duration:	0.27 years	2.58 years	
Average yield to maturity:	5.19%	5.27%	

The funds managed by Payden & Rygel are managed as two separate portfolios based on investment style – 1) the short-term portfolio and 2) the extended term portfolio. The short-term portfolio had approximately \$2,017 million invested as of June 30, 2023, and returned 1.21% for the quarter. The comparative benchmark returned 1.17% for the quarter. The extended term portfolio had approximately

\$90 million invested June 30, 2023, and returned -0.56% for the quarter. The comparative benchmark had a return of -0.88%.

PORTFOLIO RETURNS				
<i>Periods over one year annualized</i>				
Periods ended 6/30/2023	2nd Quarter	2023 YTD	Trailing 1 Year	Trailing 3 Year
Performance				
LA Care - Short-Term Portfolio	1.21	2.32	3.70	1.30
Benchmark*	1.17	2.25	3.59	1.27
LA Care - Extended-Term Portfolio	-0.56	1.17	0.43	-1.10
Benchmark**	-0.88	0.97	-0.38	-1.88
LA Care - Combined Portfolio	1.14	2.27	3.50	1.15

* ICE BoA 91 Day Treasury Index

** Bloomberg US Govt 1-5 Yr Bond Index

The \$326 million portfolio managed by New England Asset Management, Inc (NEAM), focused on corporate fixed income bonds returned -0.21% for the quarter. The comparative benchmark returned -0.22% for the quarter.

LA Care also invests with 2 government pooled investment funds, the Local Agency Investment Fund (LAIF) and the Los Angeles County Pooled Investment Fund (LACPIF). L.A. Care's investment balances as of June 30, 2023 were \$35 million in LAIF and \$78 million in LACPIF.

The Local Agency Investment Fund (LAIF) yielded approximately 0.85% for the quarter. The fund's total portfolio market value as of June 30, 2023, was \$178 billion, with a weighted average maturity of 260 days. LAIF is administered and overseen by the State Treasurer's office. The fund's investment holdings as of June 30, 2023 were as follows:

U.S. Treasury Securities	63%
Agencies	22%
CD's and bank notes	8%
Commercial paper	4%
Time deposits	3%
	<u>100%</u>

The Los Angeles County Pooled Investment Fund (LACPIF) yielded approximately 0.92% for the quarter. The fund's total market value as of May 31, 2023, was \$53 billion, with a weighted average maturity of 740 days. LACPIF is administered and overseen by the Los Angeles County Treasurer. The fund's most recent published investment holdings (as of May 31, 2023) were as follows:

U.S. Govt. and Agency Securities	67%
Commercial paper	27%
CD's	6%
	<u>100%</u>

LA Care Securities Holdings
as of June 30, 2023

Portfolio	CUSIP/Identifier	Security	Type	Par	Maturity date
Payden	USD	NORTHERN INST GOVT MONEY MKT	Cash/Money Market Funds	151,433,662	NA
NEAM	USD	NORTHERN INST GOVT MONEY MKT	Cash/Money Market Funds	456,320	NA
Payden	912796ZZ5	U.S. TREASURY BILL	U.S. Treasury Security	25,000,000	7/20/2023
Payden	912797FZ5	U.S. TREASURY BILL	U.S. Treasury Security	33,000,000	7/25/2023
Payden	912796Y37	U.S. TREASURY BILL	U.S. Treasury Security	35,000,000	8/3/2023
Payden	912796Z36	U.S. TREASURY BILL	U.S. Treasury Security	35,000,000	8/17/2023
Payden	912796YJ2	U.S. TREASURY BILL	U.S. Treasury Security	150,000,000	10/5/2023
Payden	912797FA0	U.S. TREASURY BILL	U.S. Treasury Security	190,000,000	10/12/2023
Payden	912797FB8	U.S. TREASURY BILL	U.S. Treasury Security	50,000,000	10/19/2023
Payden	912797FC6	U.S. TREASURY BILL	U.S. Treasury Security	50,000,000	10/26/2023
Payden	912796YT0	U.S. TREASURY BILL	U.S. Treasury Security	50,000,000	11/2/2023
Payden	912796CX5	U.S. TREASURY BILL	U.S. Treasury Security	50,000,000	4/18/2024
Payden	91282CBA8	U.S. TREASURY NOTE	U.S. Treasury Security	12,000,000	12/15/2023
Payden	91282CBR1	U.S. TREASURY NOTE	U.S. Treasury Security	35,000	3/15/2024
Payden	9128286Z8	U.S. TREASURY NOTE	U.S. Treasury Security	25,000	6/30/2024
Payden	91282CCL3	U.S. TREASURY NOTE	U.S. Treasury Security	1,700,000	7/15/2024
Payden	912828YH7	U.S. TREASURY NOTE	U.S. Treasury Security	120,000	9/30/2024
Payden	912828YM6	U.S. TREASURY NOTE	U.S. Treasury Security	40,000	10/31/2024
Payden	912828ZC7	U.S. TREASURY NOTE	U.S. Treasury Security	455,000	2/28/2025
Payden	912828ZF0	U.S. TREASURY NOTE	U.S. Treasury Security	1,686,000	3/31/2025
Payden	912828ZL7	U.S. TREASURY NOTE	U.S. Treasury Security	935,000	4/30/2025
Payden	912828ZT0	U.S. TREASURY NOTE	U.S. Treasury Security	365,000	5/31/2025
Payden	91282CAJ0	U.S. TREASURY NOTE	U.S. Treasury Security	2,250,000	8/31/2025
Payden	91282CAM3	U.S. TREASURY NOTE	U.S. Treasury Security	500,000	9/30/2025
Payden	91282CAZ4	U.S. TREASURY NOTE	U.S. Treasury Security	4,365,000	11/30/2025
Payden	91282CBC4	U.S. TREASURY NOTE	U.S. Treasury Security	2,051,000	12/31/2025
Payden	91282CBH3	U.S. TREASURY NOTE	U.S. Treasury Security	1,410,000	1/31/2026
Payden	91282CBT7	U.S. TREASURY NOTE	U.S. Treasury Security	2,315,000	3/31/2026
Payden	91282CBW0	U.S. TREASURY NOTE	U.S. Treasury Security	1,595,000	4/30/2026
Payden	91282CCF6	U.S. TREASURY NOTE	U.S. Treasury Security	470,000	5/31/2026
Payden	91282CCJ8	U.S. TREASURY NOTE	U.S. Treasury Security	470,000	6/30/2026
Payden	91282CCP4	U.S. TREASURY NOTE	U.S. Treasury Security	2,350,000	7/31/2026
Payden	91282CCW9	U.S. TREASURY NOTE	U.S. Treasury Security	1,880,000	8/31/2026
Payden	91282CCZ2	U.S. TREASURY NOTE	U.S. Treasury Security	1,405,000	9/30/2026
Payden	91282CDQ1	U.S. TREASURY NOTE	U.S. Treasury Security	930,000	12/31/2026
Payden	91282CEF4	U.S. TREASURY NOTE	U.S. Treasury Security	1,350,000	3/31/2027
Payden	91282CEN7	U.S. TREASURY NOTE	U.S. Treasury Security	900,000	4/30/2027
Payden	91282CET4	U.S. TREASURY NOTE	U.S. Treasury Security	730,000	5/31/2027
Payden	91282CEW7	U.S. TREASURY NOTE	U.S. Treasury Security	2,470,000	6/30/2027
Payden	91282CFB2	U.S. TREASURY NOTE	U.S. Treasury Security	1,975,000	7/31/2027
Payden	91282CFH9	U.S. TREASURY NOTE	U.S. Treasury Security	1,325,000	8/31/2027
Payden	91282CFU0	U.S. TREASURY NOTE	U.S. Treasury Security	130,000	10/31/2027
Payden	91282CFZ9	U.S. TREASURY NOTE	U.S. Treasury Security	2,230,000	11/30/2027
Payden	91282CGH8	U.S. TREASURY NOTE	U.S. Treasury Security	1,950,000	1/31/2028
Payden	91282CGP0	U.S. TREASURY NOTE	U.S. Treasury Security	2,395,000	2/29/2028
Payden	91282CGT2	U.S. TREASURY NOTE	U.S. Treasury Security	11,105,000	3/31/2028
Payden	91282CHA2	U.S. TREASURY NOTE	U.S. Treasury Security	2,580,000	4/30/2028
Payden	91282CHE4	U.S. TREASURY NOTE	U.S. Treasury Security	680,000	5/31/2028
Payden	91282CHK0	U.S. TREASURY NOTE	U.S. Treasury Security	1,695,000	6/30/2028
Payden	313312HT0	FFCB DISCOUNT NOTE	U.S. Agency Security	81,000,000	7/5/2023
Payden	880592HT0	TVA DISCOUNT NOTE	U.S. Agency Security	28,500,000	7/5/2023
Payden	313588HU2	FNMA DISCOUNT NOTE	U.S. Agency Security	30,000,000	7/6/2023
Payden	313384HY8	FHLB DISCOUNT NOTE	U.S. Agency Security	20,000,000	7/10/2023
Payden	880592JA9	TVA DISCOUNT NOTE	U.S. Agency Security	60,000,000	7/12/2023
Payden	313312JC5	FFCB DISCOUNT NOTE	U.S. Agency Security	350,000,000	7/14/2023
Payden	313384JG5	FHLB DISCOUNT NOTE	U.S. Agency Security	50,000,000	7/18/2023
Payden	3130AUGN8	FHLB C 7/10/23 Q	U.S. Agency Security	7,500,000	1/10/2024
Payden	3135GADV0	FNMA C 7/25/23 1X	U.S. Agency Security	7,500,000	1/25/2024
Payden	3130AVR46	FHLB C 7/21/23 Q	U.S. Agency Security	12,800,000	5/17/2024
Payden	3134GYSH6	FHLMC C 8/18/23 Q	U.S. Agency Security	15,000,000	6/14/2024
Payden	3134GYFM9	FHLMC C 8/1/23 Q	U.S. Agency Security	5,000,000	8/1/2024
Payden	911759MW5	HOUSING URBAN DEVELOPMENT	U.S. Agency Security	140,000	8/1/2023

LA Care Securities Holdings
as of June 30, 2023

Portfolio	CUSIP/Identifier	Security	Type	Par	Maturity date
Payden	3134GXDZ4	FHLMC C 11/25/22 Q	U.S. Agency Security	510,000	11/25/2024
Payden	3135G0X24	FNMA	U.S. Agency Security	940,000	1/7/2025
Payden	3134GXS88	FHLMC C 02/28/23 Q	U.S. Agency Security	570,000	2/28/2025
Payden	3135G03U5	FNMA	U.S. Agency Security	960,000	4/22/2025
Payden	3137EAEU9	FHLMC	U.S. Agency Security	570,000	7/21/2025
Payden	3134GXR63	FHLMC C 11/28/22 Q	U.S. Agency Security	570,000	8/28/2025
Payden	3134GXS47	FHLMC C 11/28/2022 Q	U.S. Agency Security	570,000	8/28/2025
Payden	3134GX3A0	FHLMC C 12/30/2022 Q	U.S. Agency Security	610,000	9/30/2025
Payden	3135G06G3	FNMA	U.S. Agency Security	410,000	11/7/2025
Payden	3130AKXQ4	FHLB C 05/12/21 Q	U.S. Agency Security	940,000	2/12/2026
Payden	45950VQM1	INTL FINANCE CORP FRN SOFRRATE	Non U.S. Government Bond	7,500,000	4/3/2024
Payden	45906M4C2	IBRD C 09/15/2023 Q	Non U.S. Government Bond	4,200,000	6/15/2026
Payden	459058KK8	INTL BK RECON & DEVELOP FRN SOFRINDX	Non U.S. Government Bond	5,720,000	9/23/2026
Payden	4581X0DP0	INTER-AMERICAN DEVELOPMENT BANK	Non U.S. Government Bond	560,000	11/15/2023
Payden	459058JM6	INTL BANK RECON & DEVELOP	Non U.S. Government Bond	580,000	11/24/2023
Payden	06052TU32	BANK OF AMERICA	Negotiable CD	5,000,000	7/10/2023
Payden	06052TT59	BANK OF AMERICA	Negotiable CD	5,780,000	7/12/2023
Payden	23344NN85	DNB NOR BANK YCD	Negotiable CD	7,500,000	11/2/2023
Payden	06742T4S2	BARCLAYS YCD	Negotiable CD	7,500,000	11/10/2023
Payden	05966D4B5	BANCO SANTANDER YCD	Negotiable CD	7,500,000	11/13/2023
Payden	06417MT96	BANK OF NOVA SCOTIA FRN YCD SOFRRATE	Negotiable CD	7,500,000	11/20/2023
Payden	96130ASQ2	WESTPAC BANK YCD	Negotiable CD	7,500,000	11/27/2023
Payden	53947BN22	LLOYDS BANK YCD FRN SOFRRATE	Negotiable CD	10,000,000	12/11/2023
Payden	13068BJR9	CA STATE GO/ULT TXB	Municipal Securities	10,000,000	7/5/2023
Payden	91411UU52	CA UNIVERSITY OF CALIFORNIA CP TXB	Municipal Securities	8,500,000	7/5/2023
Payden	79770TRE0	CA SAN FRAN PUB CP TXB	Municipal Securities	9,000,000	7/14/2023
Payden	576004GV1	MA ST SPL OBLG REV-SOCIAL TXB	Municipal Securities	3,560,000	7/15/2023
Payden	83708BBT2	SC SANTEE COOPER CP TXB	Municipal Securities	10,000,000	7/18/2023
Payden	04537KAT6	WI ASPIRUS HEALTH CP TXB	Municipal Securities	6,500,000	7/27/2023
Payden	79769EAP9	CA SAN FRAN CITY & CNTY LEASE CP TXB	Municipal Securities	1,000,000	8/3/2023
Payden	45130HFK1	ID HSG AGY CP TXB	Municipal Securities	10,000,000	8/15/2023
Payden	79815WDN5	CA SAN JOSE FIN AUTH CP TXB	Municipal Securities	4,200,000	9/28/2023
Payden	80169BAL8	CA SANTA CLARA VLY WTR DIST CP TXB	Municipal Securities	5,000,000	10/17/2023
Payden	84247PHY0	CA SOUTHERN CA PUBLIC POWER TXB	Municipal Securities	750,000	7/1/2023
Payden	835569GQ1	CA SONOMA CNTY CLG DIST TXB	Municipal Securities	350,000	8/1/2023
Payden	79730WAZ3	CA SAN DIEGO REDEV AGY TAB TXB	Municipal Securities	450,000	9/1/2023
Payden	798189RE8	CA SAN JOSE-EVERGREEN CCD TXB	Municipal Securities	390,000	9/1/2023
Payden	56453RAX2	CA MANTECA REDEV AGY TAB TXB	Municipal Securities	500,000	10/1/2023
Payden	54473ERV8	CA LOS ANGELESX CNTY PUB WORKS TXB	Municipal Securities	425,000	12/1/2023
Payden	072024WP3	CA BAY AREA TOLL AUTH TOLL BRDG REV TXB	Municipal Securities	1,220,000	4/1/2024
Payden	13032UVB1	CA HEALTH FACS-NO PLACE LIKE HOME-TXB	Municipal Securities	380,000	6/1/2024
Payden	769036BL7	CA CITY OF RIVERSIDE POB TXB	Municipal Securities	320,000	6/1/2024
Payden	20772KJW0	CT STATE OF CONNECTICUT GO/ULT TXB	Municipal Securities	210,000	7/1/2024
Payden	284035AC6	CA CITY OF EL SEGUNDO POBS TXB	Municipal Securities	500,000	7/1/2024
Payden	664845EA8	CA NORTHERN CA PUB POWER TXB	Municipal Securities	410,000	7/1/2024
Payden	842475P66	CA SOUTHERN CA PUBLIC POWER TXB	Municipal Securities	900,000	7/1/2024
Payden	212204JE2	CA CONTRA COSTA CCD GO/ULT TXB	Municipal Securities	170,000	8/1/2024
Payden	223093VM4	CA COVINA-VALLEY USD GO/ULT TXB	Municipal Securities	250,000	8/1/2024
Payden	365298Y51	CA GARDEN GROVE USD GO/ULT TXB	Municipal Securities	395,000	8/1/2024
Payden	796720MG2	CA SAN BERNARDINO CCD TXB	Municipal Securities	570,000	8/1/2024
Payden	796720NQ9	CA SAN BERNARDINO CCD TXB	Municipal Securities	200,000	8/1/2024
Payden	378460YD5	CA GLENDALE USD GO/ULT TXB	Municipal Securities	250,000	9/1/2024
Payden	798736AW4	CA SAN LUIS WESTLANDS WTR DIST TXB	Municipal Securities	410,000	9/1/2024
Payden	544290JH3	CA LOS ALTOS SCH DIST GO BANS TXB	Municipal Securities	800,000	10/1/2024
Payden	861398CH6	CA STOCKTON PFA WTR REV-GREEN-TXB	Municipal Securities	300,000	10/1/2024
Payden	544587Y44	CA LOS ANGELES MUNI IMPT CORP LEASE TXB	Municipal Securities	500,000	11/1/2024
Payden	13080SZL1	CA STWD CMTY DEV AUTH REV-CAISO-TXB	Municipal Securities	750,000	2/1/2025
Payden	672211BM0	CA OAKLAND-ALAMEDA COLISEUM AUTH-TXBL	Municipal Securities	925,000	2/1/2025
Payden	64990FD43	NY STATE DORM AUTH PERS INC TAX TXB	Municipal Securities	680,000	3/15/2025
Payden	91412HFM0	CA UNIVERSITY OF CALIFORNIA TXB	Municipal Securities	750,000	5/15/2025
Payden	088006JZ5	CA BEVERLY HILLS PFA LEASE REV TXB	Municipal Securities	670,000	6/1/2025
Payden	13034AN55	CA INFRA & ECON BANK-SCRIPPS TXB	Municipal Securities	500,000	7/1/2025

LA Care Securities Holdings
as of June 30, 2023

Portfolio	CUSIP/Identifier	Security	Type	Par	Maturity date
Payden	3582326T8	CA FRESNO USD GO/ULT TXB	Municipal Securities	600,000	8/1/2025
Payden	672325M95	CA OAKLAND USD GO/ULT TXB	Municipal Securities	420,000	8/1/2025
Payden	5445872T4	CA LOS ANGELES MUNI IMPT CORP LEASE TXB	Municipal Securities	360,000	11/1/2025
Payden	20772KQJ1	CT STATE GO/ULT TXB	Municipal Securities	640,000	6/15/2026
Payden	576004HD0	MA ST SPL OBLG REV-SOCIAL TXB	Municipal Securities	440,000	7/15/2027
NEAM	68609TN61	OREGON ST	Municipal Securities	1,000,000	5/1/2024
NEAM	54438CYJ5	LOS ANGELES CA CMNTY CLG DIST	Municipal Securities	3,350,000	8/1/2024
NEAM	54438CYK2	LOS ANGELES CA CMNTY CLG DIST	Municipal Securities	1,100,000	8/1/2025
NEAM	969268DG3	WILLIAM S HART CA UNION HIGH S	Municipal Securities	2,350,000	8/1/2025
NEAM	576000ZE6	MASSACHUSETTS ST SCH BLDG AUTH	Municipal Securities	5,000,000	8/15/2025
NEAM	13063D3A4	CALIFORNIA ST	Municipal Securities	1,000,000	10/1/2026
Payden	3137FBAR7	FHMS KF36 A	Mortgage-Backed Security	7,981	8/25/2024
Payden	3137FYUR5	FHMS Q015 A 1MOFRN CMBS	Mortgage-Backed Security	236,013	8/25/2024
Payden	3137FBUC8	FHMS KF38 A	Mortgage-Backed Security	224,790	9/25/2024
Payden	3137FVNA6	FHMS KI06 A 1MOFRN CMBS	Mortgage-Backed Security	544,852	3/25/2025
Payden	3137H3KA9	FHMS KI07 A SOFRFRN	Mortgage-Backed Security	6,950,000	9/25/2026
Payden	3137H4RC6	FHMS KI08 A 1MOFRN CMBS	Mortgage-Backed Security	2,779,094	10/25/2026
Payden	3137B4WB8	FHMS K033 A2	Mortgage-Backed Security	43,583	7/25/2023
Payden	3137B5JM6	FHMS K034 A2	Mortgage-Backed Security	197,840	7/25/2023
Payden	3137BWWEO	FHMS K725 AM CMBS	Mortgage-Backed Security	810,000	2/25/2024
Payden	3137BYPR5	FHMS K726 AM CMBS	Mortgage-Backed Security	570,000	4/25/2024
NEAM	38141GXE9	GOLDMAN SACHS GROUP INC	Corporate Security	9,000,000	2/20/2024
NEAM	05565EBH7	BMW US CAPITAL LLC	Corporate Security	6,000,000	4/18/2024
NEAM	904764AX5	UNILEVER CAPITAL CORP	Corporate Security	1,250,000	5/5/2024
NEAM	66989HAG3	NOVARTIS CAPITAL CORP	Corporate Security	5,000,000	5/6/2024
NEAM	46625HJX9	JPMORGAN CHASE & CO	Corporate Security	1,000,000	5/13/2024
NEAM	06406HCV9	BANK OF NEW YORK MELLON	Corporate Security	3,750,000	5/15/2024
NEAM	14913Q2V0	CATERPILLAR FINL SERVICE	Corporate Security	2,500,000	5/17/2024
NEAM	24422ESP5	JOHN DEERE CAPITAL CORP	Corporate Security	2,000,000	6/12/2024
NEAM	02665WCZ2	AMERICAN HONDA FINANCE	Corporate Security	2,250,000	6/27/2024
NEAM	05531FBH5	TRUIST FINANCIAL CORP	Corporate Security	5,000,000	8/1/2024
NEAM	828807DG9	SIMON PROPERTY GROUP LP	Corporate Security	5,000,000	9/13/2024
NEAM	828807CS4	SIMON PROPERTY GROUP LP	Corporate Security	2,500,000	10/1/2024
NEAM	61761JVL0	MORGAN STANLEY	Corporate Security	3,000,000	10/23/2024
NEAM	05348EAU3	AVALONBAY COMMUNITIES	Corporate Security	5,000,000	11/15/2024
NEAM	07330NAT2	TRUIST BANK	Corporate Security	4,750,000	12/6/2024
NEAM	976656CL0	WISCONSIN ELECTRIC POWER	Corporate Security	1,500,000	12/15/2024
NEAM	57629WCG3	MASSMUTUAL GLOBAL FUNDIN	Corporate Security	2,500,000	1/11/2025
NEAM	89236TGT6	TOYOTA MOTOR CREDIT CORP	Corporate Security	3,000,000	2/13/2025
NEAM	384802AE4	WW GRAINGER INC	Corporate Security	1,000,000	2/15/2025
NEAM	69353REK0	PNC BANK NA	Corporate Security	2,000,000	2/23/2025
NEAM	57636QAN4	MASTERCARD INC	Corporate Security	3,000,000	3/3/2025
NEAM	30231GBH4	EXXON MOBIL CORPORATION	Corporate Security	2,000,000	3/19/2025
NEAM	254687FN1	WALT DISNEY COMPANY/THE	Corporate Security	3,000,000	3/24/2025
NEAM	458140BP4	INTEL CORP	Corporate Security	2,500,000	3/25/2025
NEAM	341081FZ5	FLORIDA POWER & LIGHT CO	Corporate Security	7,500,000	4/1/2025
NEAM	369550BK3	GENERAL DYNAMICS CORP	Corporate Security	5,000,000	4/1/2025
NEAM	911312BX3	UNITED PARCEL SERVICE	Corporate Security	5,000,000	4/1/2025
NEAM	438516CB0	HONEYWELL INTERNATIONAL	Corporate Security	5,000,000	6/1/2025
NEAM	29157TAC0	EMORY UNIVERSITY	Corporate Security	4,305,000	9/1/2025
NEAM	68233JBZ6	ONCOR ELECTRIC DELIVERY	Corporate Security	3,000,000	10/1/2025
NEAM	64952WDW0	NEW YORK LIFE GLOBAL FDG	Corporate Security	10,000,000	1/15/2026
NEAM	927804FU3	VIRGINIA ELEC & POWER CO	Corporate Security	5,000,000	1/15/2026
NEAM	06406RAQ0	BANK OF NY MELLON CORP	Corporate Security	5,000,000	1/28/2026
NEAM	74005PBQ6	LINDE INC/CT	Corporate Security	2,250,000	1/30/2026
NEAM	037833BY5	APPLE INC	Corporate Security	1,500,000	2/23/2026
NEAM	20030NBS9	COMCAST CORP	Corporate Security	3,500,000	3/1/2026
NEAM	14913R2K2	CATERPILLAR FINL SERVICE	Corporate Security	5,000,000	3/2/2026
NEAM	74456QCF1	PUBLIC SERVICE ELECTRIC	Corporate Security	9,000,000	3/15/2026
NEAM	90320WAF0	UPMC	Corporate Security	1,000,000	4/15/2026
NEAM	95000U2N2	WELLS FARGO & COMPANY	Corporate Security	10,000,000	4/30/2026
NEAM	459200JZ5	IBM CORP	Corporate Security	1,250,000	5/15/2026

LA Care Securities Holdings
as of June 30, 2023

Portfolio	CUSIP/Identifier	Security	Type	Par	Maturity date
NEAM	57629WDE7	MASSMUTUAL GLOBAL FUNDIN	Corporate Security	5,000,000	7/16/2026
NEAM	61761J3R8	MORGAN STANLEY	Corporate Security	3,000,000	7/27/2026
NEAM	931142ER0	WALMART INC	Corporate Security	5,000,000	9/17/2026
NEAM	46625HRV4	JPMORGAN CHASE & CO	Corporate Security	3,500,000	10/1/2026
NEAM	743756AB4	PROV ST JOSEPH HLTH OBL	Corporate Security	1,500,000	10/1/2026
NEAM	26884ABF9	ERP OPERATING LP	Corporate Security	1,252,000	11/1/2026
NEAM	025816CM9	AMERICAN EXPRESS CO	Corporate Security	5,000,000	11/4/2026
NEAM	641062AV6	NESTLE HOLDINGS INC	Corporate Security	5,000,000	1/14/2027
NEAM	756109AS3	REALTY INCOME CORP	Corporate Security	3,750,000	1/15/2027
NEAM	31677QBR9	FIFTH THIRD BANK	Corporate Security	5,000,000	2/1/2027
NEAM	771196BV3	ROCHE HOLDINGS INC	Corporate Security	7,500,000	3/10/2027
NEAM	29736RAJ9	ESTEE LAUDER CO INC	Corporate Security	1,500,000	3/15/2027
NEAM	20030NDK4	COMCAST CORP	Corporate Security	2,500,000	4/1/2027
NEAM	10373QAZ3	BP CAP MARKETS AMERICA	Corporate Security	5,000,000	4/14/2027
NEAM	437076CN0	HOME DEPOT INC	Corporate Security	4,750,000	4/15/2027
NEAM	907818EP9	UNION PACIFIC CORP	Corporate Security	1,000,000	4/15/2027
NEAM	46647PCB0	JPMORGAN CHASE & CO	Corporate Security	2,500,000	4/22/2027
NEAM	91159HHR4	US BANCORP	Corporate Security	7,000,000	4/27/2027
NEAM	904764AY3	UNILEVER CAPITAL CORP	Corporate Security	7,500,000	5/5/2027
NEAM	67021CAM9	NSTAR ELECTRIC CO	Corporate Security	3,500,000	5/15/2027
NEAM	74456QBS4	PUBLIC SERVICE ELECTRIC	Corporate Security	1,500,000	5/15/2027
NEAM	927804GH1	VIRGINIA ELEC & POWER CO	Corporate Security	3,100,000	5/15/2027
NEAM	59217GFB0	MET LIFE GLOB FUNDING I	Corporate Security	3,500,000	6/30/2027
NEAM	61747YEC5	MORGAN STANLEY	Corporate Security	2,000,000	7/20/2027
NEAM	06051GJS9	BANK OF AMERICA CORP	Corporate Security	5,000,000	7/22/2027
NEAM	458140BY5	INTEL CORP	Corporate Security	5,000,000	8/5/2027
NEAM	14913R3A3	CATERPILLAR FINL SERVICE	Corporate Security	2,500,000	8/12/2027
NEAM	756109BG8	REALTY INCOME CORP	Corporate Security	5,000,000	8/15/2027
NEAM	010392FY9	ALABAMA POWER CO	Corporate Security	7,000,000	9/1/2027
NEAM	89236TKJ3	TOYOTA MOTOR CREDIT CORP	Corporate Security	3,000,000	9/20/2027
NEAM	539830BV0	LOCKHEED MARTIN CORP	Corporate Security	5,000,000	11/15/2027
NEAM	278865BP4	ECOLAB INC	Corporate Security	5,000,000	1/15/2028
NEAM	756109BH6	REALTY INCOME CORP	Corporate Security	2,500,000	1/15/2028
NEAM	69353RFJ2	PNC BANK NA	Corporate Security	3,000,000	1/22/2028
NEAM	882508BV5	TEXAS INSTRUMENTS INC	Corporate Security	5,000,000	2/15/2028
NEAM	91324PEP3	UNITEDHEALTH GROUP INC	Corporate Security	5,000,000	2/15/2028
NEAM	210518DS2	CONSUMERS ENERGY CO	Corporate Security	4,650,000	3/1/2028
NEAM	04636NAF0	ASTRAZENECA FINANCE LLC	Corporate Security	5,000,000	3/3/2028
NEAM	49177JAE2	KENVUE INC	Corporate Security	2,000,000	3/22/2028
NEAM	035240AL4	ANHEUSER-BUSCH INBEV WOR	Corporate Security	2,500,000	4/13/2028
NEAM	29736RAS9	ESTEE LAUDER CO INC	Corporate Security	3,000,000	5/15/2028
NEAM	74153WCS6	PRICOA GLOBAL FUNDING 1	Corporate Security	5,000,000	5/30/2028
Payden	6698M5U31	NOVARTIS FINANCE CP 144A	Commercial Paper	5,000,000	7/3/2023
Payden	00084CU59	ABN AMRO FUNDING CP 144A	Commercial Paper	12,600,000	7/5/2023
Payden	60689GU53	MIZUNY BANK LTD CP 144A	Commercial Paper	17,500,000	7/5/2023
Payden	6698M5U56	NOVARTIS FINANCE CP 144A	Commercial Paper	25,000,000	7/5/2023
Payden	0556C3U66	BMW US CAPITAL CP 144A	Commercial Paper	20,000,000	7/6/2023
Payden	64105HU67	NESTLE CAPITAL CP 144A	Commercial Paper	20,000,000	7/6/2023
Payden	63763QUB1	NATL SEC CLEARING CP 144A	Commercial Paper	5,000,000	7/11/2023
Payden	77119MUB1	ROCHE HOLDINGS CP 144A	Commercial Paper	25,000,000	7/11/2023
Payden	14912EUD7	CATERPILLAR FIN CP	Commercial Paper	5,000,000	7/13/2023
Payden	00084CUE0	ABN AMRO FUNDING CP 144A	Commercial Paper	10,000,000	7/14/2023
Payden	60682XUH7	MINITUBISHI UFJ TRUST & BANK 144A CP	Commercial Paper	20,000,000	7/17/2023
Payden	48306BV28	KAISER FOUNDATION CP	Commercial Paper	11,000,000	8/2/2023
Payden	24423JV38	JOHN DEERE CANADA CP 144A	Commercial Paper	8,000,000	8/3/2023
Payden	09659CXS2	BNP PARIBAS NY CP	Commercial Paper	7,500,000	10/26/2023
Payden	4497W1Y34	ING (US) FUNDING CP	Commercial Paper	7,500,000	11/3/2023
Payden	22533UYA5	CREDIT AGRICOLE CP	Commercial Paper	7,500,000	11/10/2023
Payden	21687AC43	COOPERATIEVE RABOBANK CP	Commercial Paper	10,000,000	3/4/2024
Payden	39154TBU1	GALC 2022-1 A1 EQP 144A	Asset-Backed Security	529,108	10/16/2023
Payden	29374GAA9	EFF 2022-4 A1 FLEET 144A	Asset-Backed Security	3,296,201	11/20/2023
Payden	606940AA2	MMAF 2022-B A1 EQP 144A	Asset-Backed Security	1,004,301	12/1/2023

LA Care Securities Holdings
as of June 30, 2023

Portfolio	CUSIP/Identifier	Security	Type	Par	Maturity date
Payden	891940AA6	TAOT 2023-A A1 CAR	Asset-Backed Security	671,089	1/15/2024
Payden	38013JAA1	GMCAR 2023-1 A1 CAR	Asset-Backed Security	1,322,845	1/16/2024
Payden	14318DAA7	CARMX 2023-1 A1 CAR	Asset-Backed Security	857,635	2/15/2024
Payden	345287AA4	FORDL 2023-A A1 LEASE	Asset-Backed Security	293,716	2/15/2024
Payden	65480VAA1	NALT 2023-A A1 LEASE	Asset-Backed Security	1,250,670	2/15/2024
Payden	233258AA0	DLLAD 2023-1A A1 EQP 144A	Asset-Backed Security	723,464	2/20/2024
Payden	50117KAA8	KCOT 2023-1A A1 EQP 144A	Asset-Backed Security	3,783,542	3/15/2024
Payden	448979AA2	HART 2023-A A1 CAR	Asset-Backed Security	2,629,981	4/15/2024
Payden	98164QAA6	WOART 2023-B A1 CAR	Asset-Backed Security	6,540,922	4/15/2024
Payden	362583AA4	GMCAR 2023-2 A1 CAR	Asset-Backed Security	4,092,822	4/16/2024
Payden	12664QAA2	CNH 2023-A A1 EQP	Asset-Backed Security	5,262,149	5/15/2024
Payden	142921AA3	CARMX 2023-2 A1 CAR	Asset-Backed Security	5,370,609	5/15/2024
Payden	448980AA0	HALST 2023-B A1 LEASE 144A	Asset-Backed Security	3,343,303	5/15/2024
Payden	65480WAA9	NAROT 2023-A A1 CAR	Asset-Backed Security	5,448,130	5/15/2024
Payden	891941AA4	TAOT 2023-B A1 CAR	Asset-Backed Security	6,773,399	5/15/2024
Payden	981944AA9	WOLS 2023-A A1 LEASE	Asset-Backed Security	1,424,119	5/15/2024
Payden	232989AA1	DLLMT 2023-1A A1 EQP 144A	Asset-Backed Security	5,361,779	5/20/2024
Payden	362548AA7	GMALT 2023-2 A1 LEASE	Asset-Backed Security	4,807,675	5/20/2024
Payden	73328QAA2	PFAST 2023-1A A1 CAR 144A	Asset-Backed Security	6,200,000	5/22/2024
Payden	14686TAA6	CRVNA 2023-P2 A1 CAR 144A	Asset-Backed Security	1,309,413	6/10/2024
Payden	39154TCA4	GALC 2023-1 A1 EQP 144A	Asset-Backed Security	2,819,119	6/14/2024
Payden	29375NAA3	EFF 2023-2 A1 FLEET 144A	Asset-Backed Security	3,358,562	6/20/2024
Payden	24703GAA2	DEFT 2023-2 A1 EQP 144A	Asset-Backed Security	3,200,000	6/24/2024
Payden	78398AAA1	SFAST 2023-1 A1 CAR 144A	Asset-Backed Security	5,100,000	7/22/2024
Payden	80286TAC7	SRT 2021-A A3 LEASE 144A	Asset-Backed Security	1,903,800	7/22/2024



L.A. Care Health Plan Quarterly Investment Compliance Report April 1, 2023 through June 30, 2023

OVERVIEW

The California Government Code requires the L.A. Care Treasurer to submit a quarterly report detailing its investment activity for the period. This investment report covers the three-month period from April 1, 2023 through June 30, 2023.

PORTFOLIO SUMMARY

As of June 30, 2023, the market values of the portfolios managed by Payden & Rygel and New England Asset Management are as follows:

<u>Portfolios</u>	<u>Payden & Rygel</u>
<i>Cash Portfolio #2365</i>	<i>\$2,017,221,998.15</i>
<i>Low Duration Portfolio #2367</i>	<i>\$90,205,550.66</i>
Total Combined Portfolio	<u>\$2,107,427,548.81</u>

<u>Portfolios</u>	<u>NEAM</u>
<i>Government and Corporate Debt</i>	<u>\$326,283,186.76</u>

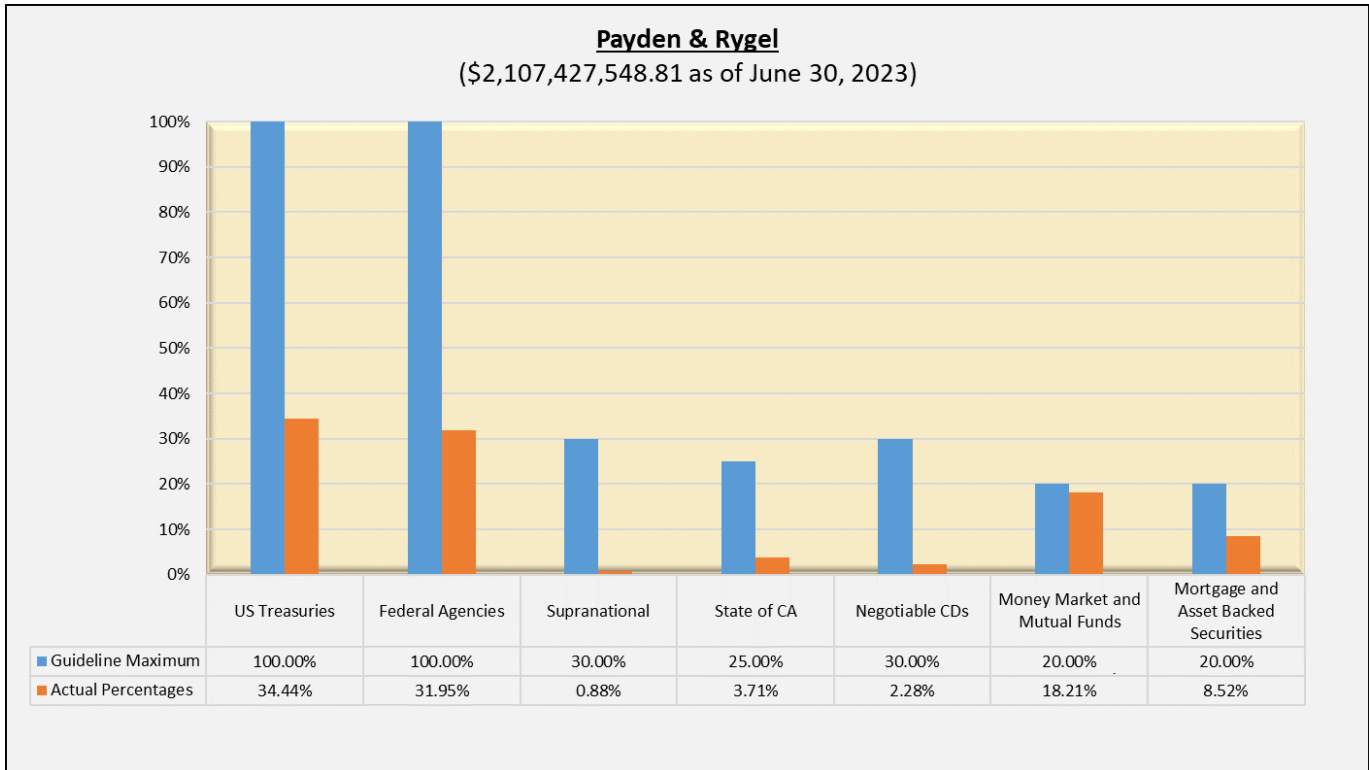
COMPLIANCE WITH ANNUAL INVESTMENT POLICY

Based on an independent compliance review of the Payden & Rygel and NEAM portfolios performed by Wilshire (using 3rd party data), L.A. Care is in compliance with the investment guidelines pursuant to the California Government Code and California Insurance Code. The Payden & Rygel and NEAM investment reports for L.A. Care are available upon request.

L.A. Care has invested funds in California's Local Agency Investment Fund (LAIF) and the Los Angeles County Treasurer's Pooled Investment Fund (LACPIF). In a LAIF statement dated July 5, 2023, the June 30, 2023 balance is reported as \$34,193,250.46 with accrued interest of \$263,167. In the LACPIF statement dated July 10, 2023, the June 30, 2023 balance is reported as \$77,313,769.66. The LACPIF account balance does not reflect accrued interest.

Payden & Rygel Compliance Verification

California Government Code Compliance Verification Detail as of June 30, 2023



	Maximum Permitted Maturity		Actual Maximum Maturity		Compliance
	#2365	#2367	#2365	#2367	
	Enhanced Cash	Low Duration	Enhanced Cash	Low Duration	
US Treasuries	5 Years	5 Years	0.80 Years	5.00 Years	YES
Federal Agencies	5 Years	5 Years	1.09 Years	2.62 Years	YES
Supranational	5 Years	5 Years	3.23 Years	0.40 Years	YES
State of CA	5 Years	5 Years	0.30 Years	4.04 Years	YES
Negotiable CDs	270 Days	270 Days	164 days	-	YES
Money Market and Mutual Funds	NA	NA	1 Day	1 Day	YES
Mortgage and Asset Backed Securities	5 Years	5 Years	3.48 Years	4.96 Years	YES

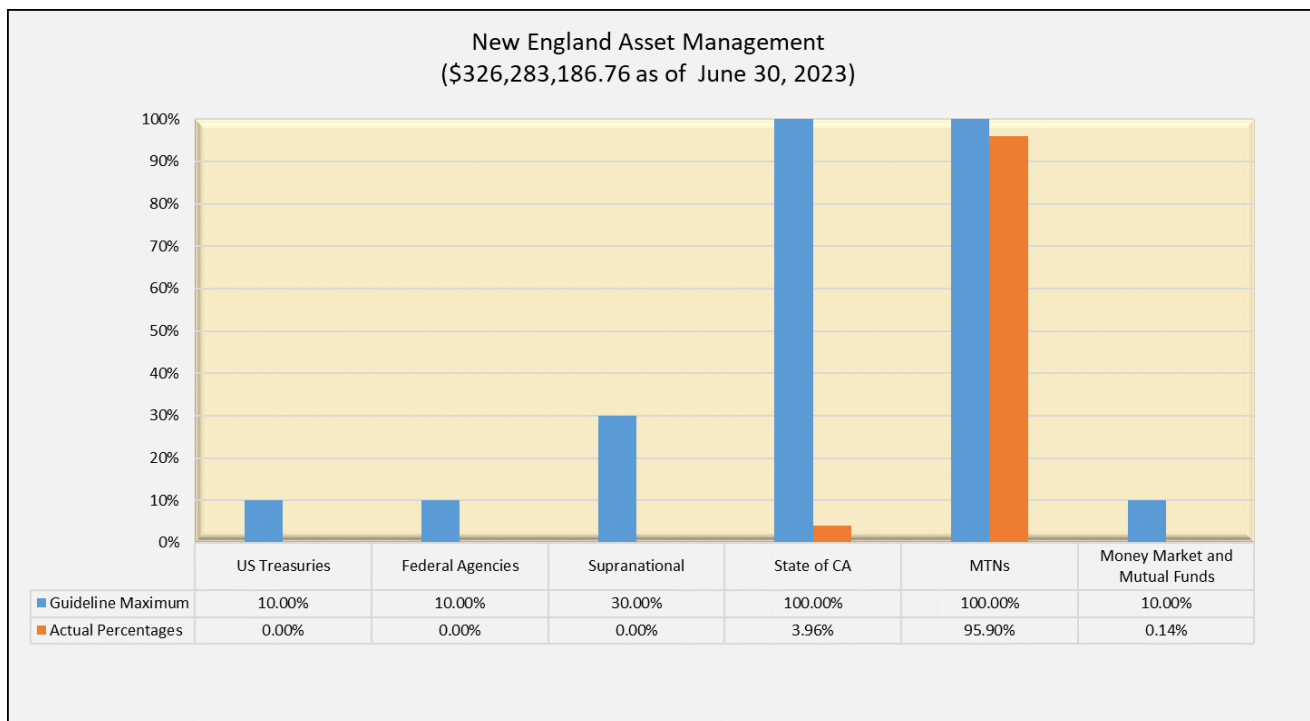
Payden & Rygel Compliance Verification

Combined #2365 and #2367 Portfolios as of June 30, 2023

	Govt. Code	Insur. Code Sections
	Section 53601	1170-1182 1191-1202
US Treasuries	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Federal Agencies	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Supranational	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
State of CA	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Negotiable CDs	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Money Market and Mutual Funds	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Mortgage and Asset Backed Securities	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>

- (1) Approved security
- (2) Meets minimum rating (A3/A-)
- (3) Meets diversification maximums (max market value of issue: 5%)
- (4) NAIC High Grade Obligations
- (5) Authorized by Insurance Code Sections 1174 and 1194.5
- (6) Authorized by Insurance Code Section 1196.1

New England Asset Management Compliance Verification
California Government Code Compliance Verification Detail as of June 30, 2023



	Maximum Permitted	Actual Maximum Maturity	Compliance
	NEAM	NEAM	
US Treasuries	5 Years	-	YES
Federal Agencies	5 Years	-	YES
Supranational	5 Years	-	YES
State of CA	5 Years	3.25 Years	YES
MTNs	5 Years	4.92 Years	YES
Money Market and Mutual Funds	NA	1 Day	YES

New England Asset Management Compliance Verification

As of June 30, 2023

	Govt. Code Section 53601	Insur. Code Sections 1170-1182 1191-1202
US Treasuries	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Federal Agencies	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Supranational	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
State of CA	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
MTNs	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Money Market and Mutual Funds	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>

- (1) Approved security
- (2) Meets minimum rating (A3/A-)
- (3) Meets diversification maximums (max market value of issue: 5%)
- (4) NAIC High Grade Obligations
- (5) Authorized by Insurance Code Sections 1174 and 1194.5
- (6) Authorized by Insurance Code Section 1196.1

Based on an independent review of Payden & Rygel’s and New England Asset Management’s month-end portfolios performed by Wilshire, L.A. Care’s portfolios are compliant with its Annual Investment Guidelines, the California Government Code, and the Insurance Code sections noted above. In addition, based on the review of the latest LAIF and LACPIF reports and their respective investment guidelines, the LAIF and LACPIF investments comply with the Annual Investment Policy, the California Government Code, and the California Insurance Code.

MARKET COMMENTARY

Economic Highlights

- **GDP:** Real GDP growth continued to slow during the second quarter but was still positive, expanding an annualized 2.0%. Consumer spending was quite strong, registering its best quarter in nearly two years and contributing 2.8% to growth. However, private spending was down by double-digits. The Atlanta Federal Reserve's (Fed) GDPNow forecast for the second quarter of 2023 currently stands at 2.2%.
Source: Bureau of Economic Analysis.
- **Interest Rates:** The Treasury curve rose across all maturities during the second quarter. The 10-year Treasury closed at 3.84%, up 37 basis points. The 10-year real yield (i.e., net of inflation) rose 47 basis points to 1.62%. The Federal Open Market Committee (FOMC) increased their overnight rate by 0.25%, targeting a range of 5.00% to 5.25%. The committee's current median outlook is for a rate of approximately 5.6% by the end of 2023.
Source: U.S. Treasury
- **Inflation:** Consumer price changes have moderated as the Consumer Price Index rose 0.5% for the three months ending May. For the one-year period, the CPI was up 4.1%. The 10-year breakeven inflation rate was down slightly at 2.23% in June versus 2.32% in March.
- **Employment:** Jobs growth remains solid, with an average of 283,000 jobs/month added during the three months ending in May. The unemployment rate was little changed at 3.7%, up from 3.6% in February. Wage growth has slowed this year, up 0.3% in May, a likely welcome sign for the Federal Reserve.

U.S. Fixed Income Markets

The U.S. Treasury yield curve was up across the maturity spectrum during the quarter, and to a greater degree from the short end to 3-years. The 10-year Treasury yield ended the quarter at 3.84%, up 37 basis points from March. Credit spreads were noticeably down during the quarter with investment grade down 15 basis points and high yield bonds down 69 basis points. The FOMC met twice during the quarter, as scheduled, and increased the overnight rate by 0.25% in May, targeting a range of 5.00% to 5.25%, before pausing increases in June. The Fed's "dot plot" is messaging that the current expectation is for another 50 basis point in increases before the end of 2023 while markets are pricing a slightly lower year-end rate, equal to approximately 25 basis points higher than the current rate. In late June, Fed Chair Jerome Powell said that central bank policy "may not be restrictive enough and it has not been restrictive for long enough."

Payden & Rygel

QUARTERLY PORTFOLIO REVIEW

2nd Quarter 2023



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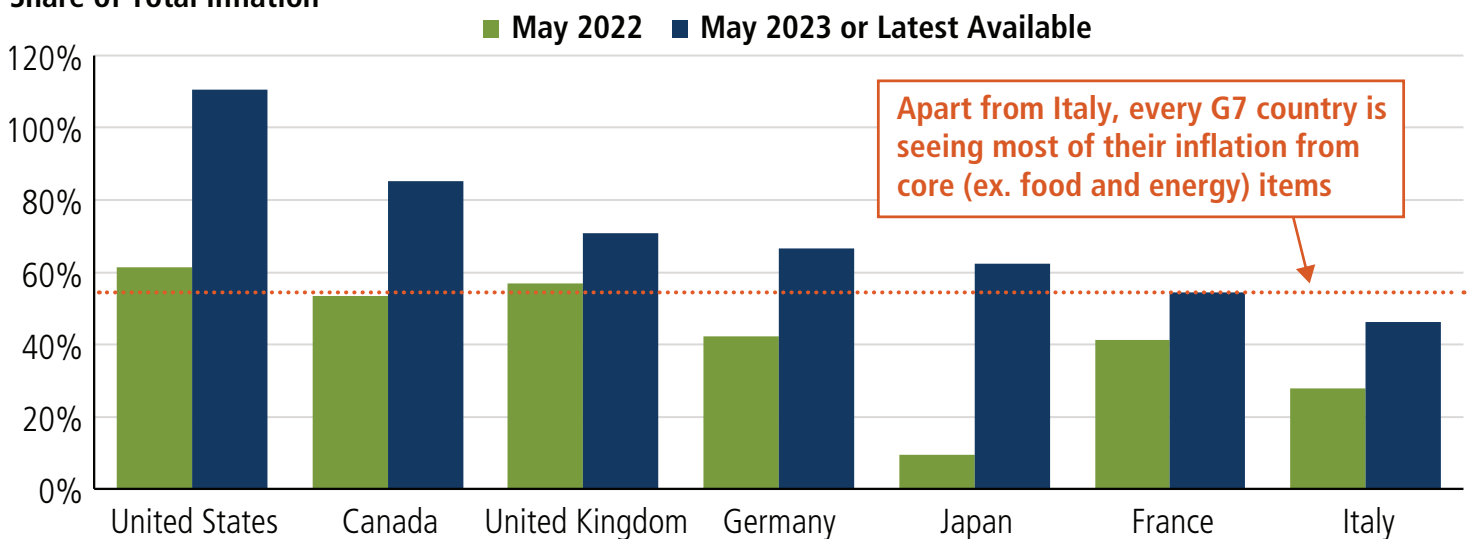
From the desk of Joan Payden:

- » Three issues loomed over markets during the second quarter of 2023: worries about the banking system’s health, drama concerning the U.S. debt ceiling, and persistent inflation.
- » First, market apprehensions were justified as a third significant bank failure occurred in April. However, by quarter end, market concerns over the banks abated.
- » Second, regarding the debt ceiling, worries that the Treasury would run out of cash sent shorter-maturity Treasury bills to 7% yields. Yields normalized once the U.S. Congress reached a deal to raise the debt ceiling through the next presidential election.
- » Third, measures of underlying inflation trends, such as the core personal consumption expenditures (PCE) index, showed little progress toward the Federal Reserve’s 2% target, hovering at 4.7% year-over-year.
- » On the positive side, the U.S. economy proved surprisingly resilient, with job growth averaging 316k a month, faster than the already robust 312k a month in Q1. A strong labor market will likely keep the Fed in play.

INFLATION REMAINS PERSISTENTLY HIGH GLOBALLY

CORE (EXCL. FOOD & ENERGY) CONTRIBUTION TO OVERALL INFLATION

Share of Total Inflation



Source: OECD

MARKET THEMES FOR Q2 AND OUTLOOK

- » The Federal Reserve communicated that policy rates might have to increase further to combat inflation.
- » Equity markets digested the rate increases well, responding positively to robust economic data.
- » Credit-sensitive bond sectors posted positive returns, but more interest rate-sensitive sectors lagged.
- » Labor market strength and the resiliency in service sector spending may have decreased the odds of a recession this year.

L.A. CARE HEALTH PLAN COMBINED PORTFOLIO

Portfolio Review and Market Update – 2nd Quarter 2023

PORTFOLIO CHARACTERISTICS (As of 6/30/2023)

Market Value	2,107,427,549
Avg Credit Quality	AA+
Avg Duration	0.27
Avg Yield to Maturity	5.19%

SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	151,433,662	7.19%
Money Market	274,563,062	13.03%
Treasury	725,343,901	34.42%
Agency	673,362,050	31.95%
Government Related	18,647,270	0.88%
Credit	-	0.00%
ABS/MBS	179,300,249	8.51%
Municipal	84,777,355	4.02%
Total	2,107,427,549	100.0%

MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	1,261,228,239	59.8%
90 days - 1 Year	746,775,777	35.4%
1 - 2 Years	35,152,843	1.7%
2 - 5 years	64,270,689	3.0%
Total	2,107,427,549	100%

PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 6/30/2023	2nd Quarter	2023 YTD	Trailing 1 Year	Trailing 3 Year
Performance				
LA Care - Short-Term Portfolio	1.21	2.32	3.70	1.30
Benchmark*	1.17	2.25	3.59	1.27
LA Care - Extended-Term Portfolio	-0.56	1.17	0.43	-1.10
Benchmark**	-0.88	0.97	-0.38	-1.88
LA Care - Combined Portfolio	1.14	2.27	3.50	1.15

* ICE BoA 91 Day Treasury Index

** Bloomberg US Govt 1-5 Yr Bond Index



L.A. CARE HEALTH PLAN SHORT TERM PORTFOLIO

Portfolio Review and Market Update – 2nd Quarter 2023

PORTFOLIO CHARACTERISTICS (As of 6/30/2023)

Market Value	2,017,221,998
Avg Credit Quality	AA+
Avg Duration	0.17
Avg Yield to Maturity	5.21%

SECTOR ALLOCATION

<u>Sector</u>	<u>Market Value</u>	<u>% of Port</u>
Cash	151,170,636	7.49%
Money Market	274,563,062	13.61%
Treasury	669,657,849	33.20%
Agency	666,910,220	33.06%
Government Related	17,528,692	0.87%
Corporate Credit	-	0.00%
ABS/MBS	169,348,114	8.40%
Municipal	68,043,426	3.37%
Total	2,017,221,998	100.0%

MATURITY DISTRIBUTION

<u>Sector</u>	<u>Market Value</u>	<u>% of Port</u>
<90 day	1,257,160,684	62.3%
90 days - 1 Year	738,216,309	36.6%
1 - 2 Years	17,642,748	0.9%
2 - 5 years	4,202,258	0.2%
Total	2,017,221,998	100.0%

PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 6/30/2023

<u>Performance</u>	<u>2nd Quarter</u>	<u>2023 YTD</u>	<u>Trailing 1 Year</u>	<u>Trailing 3 Year</u>
L.A. Care - Short-Term Portfolio	1.21	2.32	3.70	1.30
Benchmark*	1.17	2.25	3.59	1.27

* ICE BofA 91 Day Treasury Index

L.A. CARE HEALTH PLAN EXTENDED TERM PORTFOLIO

Portfolio Review and Market Update – 2nd Quarter 2023

PORTFOLIO CHARACTERISTICS (As of 6/30/2023)

Market Value	90,205,551
Avg Credit Quality	AAA
Avg Duration	2.55
Avg Yield to Maturity	4.83%

SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	263,027	0.29%
Money Market	-	0.00%
Treasury	55,686,052	61.73%
Agency	6,451,830	7.15%
Government Related	1,118,577	1.24%
Credit	-	0.00%
ABS/MBS	9,952,135	11.03%
Municipal	16,733,929	18.55%
Total	90,205,551	100.0%

MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	4,067,555	4.5%
90 days - 1 Year	8,559,469	9.5%
1 - 2 Years	17,510,095	19.4%
2 - 5 years	60,068,431	66.6%
Total	90,205,551	100%

PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 6/30/2023

Performance	2nd Quarter	2023 YTD	Trailing 1 Year	Trailing 3 Year
LA Care - Extended-Term Portfolio	-0.56	1.17	0.43	-1.10
Benchmark**	-0.88	0.97	-0.38	-1.88

** Bloomberg US Govt 1-5 Yr Bond Index



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L.A. Care Health Plan

NEAM's L.A. Care Board Report



Data as of June 30, 2023

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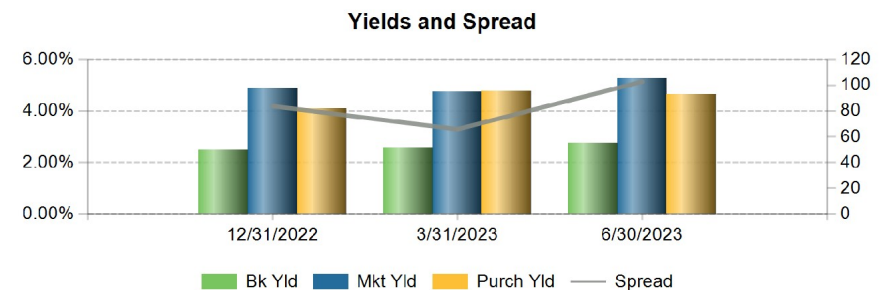
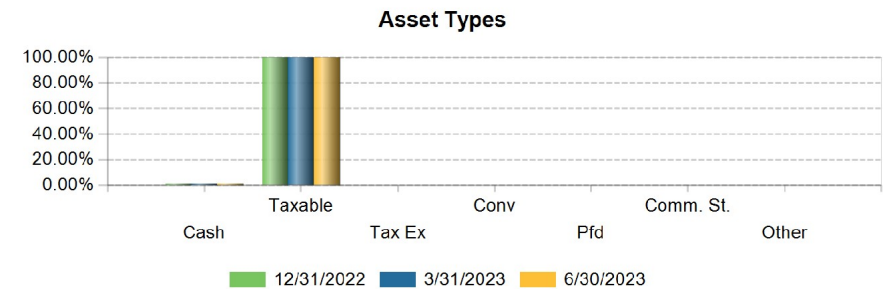
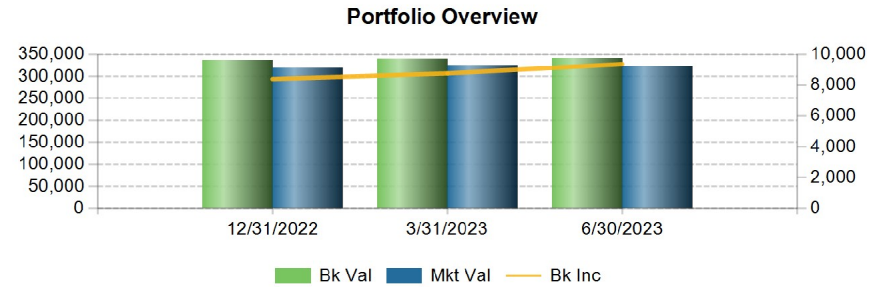
Portfolio Summary

L.A. Care Health Plan - Comparative Overview



	12/31/2022	3/31/2023	6/30/2023	Change since 3/31/2023
Portfolio Overview (000's Omitted)				
Book Value	336,962	338,645	340,315	1,670
Market Value	319,103	324,381	323,571	(810)
Total Unrealized Gain/Loss	(17,859)	(14,263)	(16,744)	(2,481)
Net Gains	764	1,355	304	(1,051)
Net Losses	(18,622)	(15,618)	(17,048)	(1,430)
Realized Gain / Loss	(744)	(321)	(472)	
Annualized Book Income	8,399	8,769	9,361	593
After Tax Book Income	6,635	6,927	7,395	468
Asset Types				
Cash / Cash Equivalents	0.2%	0.3%	0.1%	(0.1%)
Taxable Fixed Income	99.8%	99.7%	99.9%	0.1%
Portfolio Yields				
Book Yield (Before Tax)	2.49%	2.59%	2.75%	0.16%
Book Yield (After Tax)	1.97%	2.05%	2.17%	0.13%
Market Yield	4.88%	4.74%	5.27%	0.53%
Fixed Income Analytics				
Average OAD	2.60	2.59	2.58	(0.01)
Average Life	2.86	2.87	2.86	(0.01)
Average OAC	8.71	8.42	8.46	0.04
Average Quality	A+	A+	A+	
144A %	11.35%	11.33%	13.38%	2.05%
Average Purchase Yield	4.09%	4.77%	4.64%	(0.13%)
Average Spread Over Tsy	84	66	103	37
5 Year US Govt On The Run	3.96%	3.63%	4.12%	0.49%

	12/31/22	03/31/23	06/30/23	Change since 3/31/2023
MV Excl. Acc. Int. Inc.	319,103,446	324,381,481	323,571,060	(810,421)
Acc. Int. Inc.	2,456,342	2,588,254	2,712,127	123,873
MV Inc. Acc. Int. Inc.	321,559,788	326,969,735	326,283,187	(686,548)

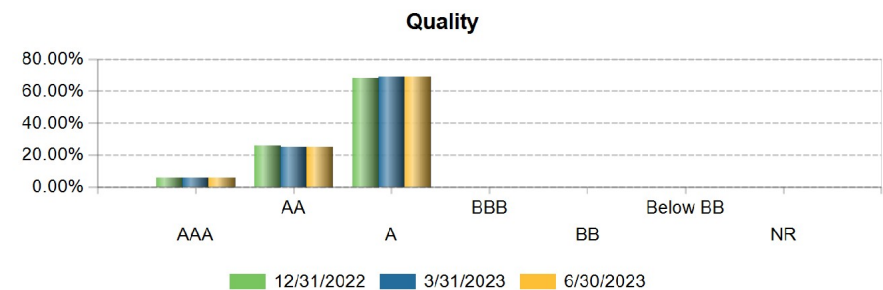
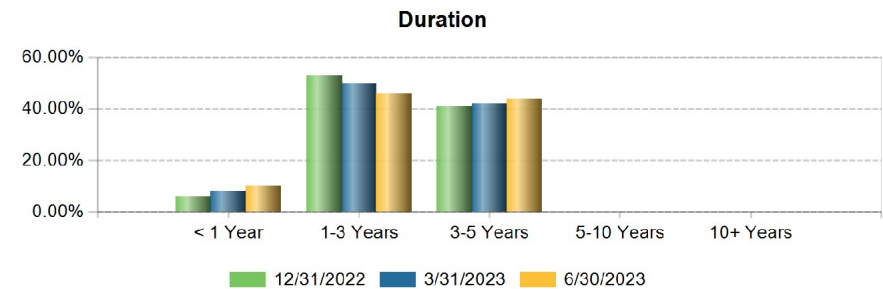
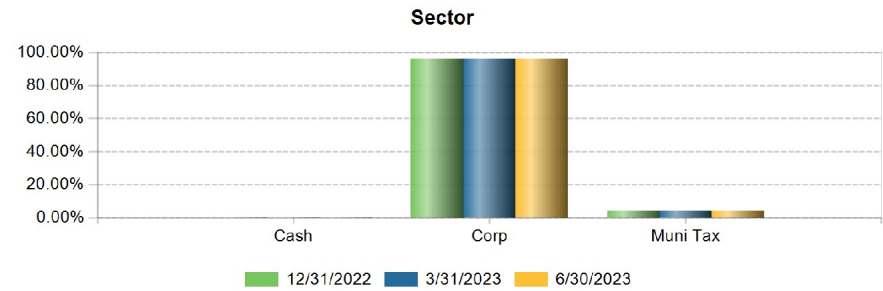


L.A. Care Health Plan - Fixed Income Summary



	12/31/2022	3/31/2023	6/30/2023	Change since 3/31/2023
Sector				
Cash & Cash Equivalents	< 1%	< 1%	< 1%	< 0%
Corporates	96%	96%	96%	-
Municipals - Taxable	4%	4%	4%	-
Fixed Income	100%	100%	100%	
Duration				
< 1 Year	6%	8%	10%	2%
1-3 Years	53%	50%	46%	(4%)
3-5 Years	41%	42%	44%	2%
Average Duration	2.60	2.59	2.58	(0.01)
Quality				
AAA	6%	6%	6%	-
AA	26%	25%	25%	-
A	68%	69%	69%	-
Average Quality	A+	A+	A+	

Average Portfolio Rating at 6/30/23					
	Moody	S&P	Fitch	Lowest	Highest
Average Rating	A1	A	A+	A	A+





L.A. Care Health Plan - Transaction Summary



(000's Omitted)

Purchases	Market Value	%	Spread (Bp)	Book Yld	High	Duration
Corporates	22,381	100.0	103	4.64	A+	4.24
Total Purchases	22,381	100.0	103	4.64	A+	4.24

Sales	Market Value	%	Realized G/L	Trade / Book Yld	High	Duration
Corporates	19,700	100.0	(472)	5.03 / 2.16	A	0.84
Total Sales	19,700	100.0	(472)	5.03 / 2.16	A	0.84



L.A. Care Health Plan - Performance Report Not Tax Adjusted



	Jun 2023 Market*	Annualized									Inc Date
		Jun 2023	May 2023	Apr 2023	Q2	YTD	12 Month	3 Year	5 Year	Inception	
LA Care HealthPlan	326,283	(0.38)	(0.47)	0.64	(0.21)	1.47	1.17	(0.89)	1.77	1.53	Jan 2018
Barclay Bloomberg U.S. Credit: 1-5 Yr A- or better (Highest)		(0.41)	(0.41)	0.60	(0.22)	1.53	0.95	(1.27)	1.53	1.31	Jan 2018
Difference		0.03	(0.06)	0.04	0.01	(0.06)	0.22	0.38	0.24	0.22	

* Market values (in 000's) include accrued income

Please see the accompanying Disclosure Page for important information regarding this Performance Exhibit.

L.A. Care Health Plan - Performance Report Not Tax Adjusted



Disclosures

Management start date is 10/1/17 and performance start date is 1/1/18 to allow for seasoning.

The performance results reflect LA Care Health Plan's portfolio managed by NEAM. A Daily Valuation Methodology that adjusts for cash flows is utilized to calculate portfolio performance. Portfolio returns are calculated daily and geometrically linked to create monthly gross of fee rates of return. Performance results are reported gross of management fees and of custody fees and other charges by the custodian for your account and net of commissions, mark-ups or mark-downs, spreads, discounts or commission equivalents. The performance results for your account are shown in comparison to an index that has been chosen by you. The securities comprising this index are not identical to those in your account. The index is comprised of securities that are not actively managed and does not reflect the deduction of any management or other fees or expenses. Past performance is not indicative of future performance.



Appendix



Risk Reports

L.A. Care Health Plan - Profile Report



Distribution by Class

	Quantity	Book	Market	Unrealized Gain/ Loss	Book Yield	OAY	OAD	OAC	Avg Life	% of Portfolio
Cash & Cash Equivalents	456,320	456,320	456,320	-	4.91	4.91	0.08	0.05	0.08	0.14
Corporates	281,307,000	279,639,344	266,898,775	(12,740,569)	2.88	5.28	2.58	8.27	2.88	82.49
144A	46,500,000	46,350,765	43,300,424	(3,050,341)	2.53	5.25	2.85	10.94	3.07	13.38
Municipals - Taxable	13,800,000	13,868,514	12,915,540	(952,974)	0.90	5.15	1.78	4.43	1.85	3.99
Total Portfolio	342,063,320	340,314,944	323,571,060	(16,743,884)	2.75	5.27	2.58	8.46	2.86	100.00

Rating Analysis - Highest

	% of Portfolio
AAA	5.92
AA	24.86
A	69.22
BBB	-
Below BBB	-
NR	-
Total Fixed Income	100.00
Equity	-
Total	100.00
Average Rating:	A+

Scenario Analysis - % of Market

	-300	-200	-100	-50	+50	+100	+200	+300
Cash & Cash Equivalents	0.22	0.16	0.08	0.04	(0.04)	(0.08)	(0.16)	(0.24)
Corporates	8.08	5.31	2.62	1.30	(1.28)	(2.53)	(4.99)	(7.35)
144A	9.06	5.93	2.91	1.44	(1.41)	(2.80)	(5.49)	(8.08)
Municipals - Taxable	5.54	3.65	1.80	0.89	(0.88)	(1.76)	(3.47)	(5.14)
Total Portfolio	8.10	5.32	2.62	1.30	(1.28)	(2.54)	(4.99)	(7.35)

Key Rate Duration

	Market Value	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	15 Year	20 Year	30 Year
Cash & Cash Equivalents	456,320	0.08	-	-	-	-	-	-	-	-
Corporates	266,898,775	0.26	0.44	1.08	0.81	< 0.01	-	-	-	-
144A	43,300,424	0.16	0.30	1.39	1.00	< 0.01	-	-	-	-
Municipals - Taxable	12,915,540	0.31	1.11	0.33	0.03	-	-	-	-	-
Total Portfolio	323,571,060	0.24	0.45	1.09	0.80	< 0.01	-	-	-	-



Disclaimers

Disclaimers

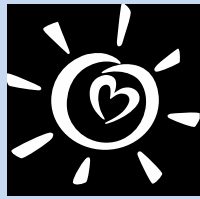


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L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: August 23, 2023

Motion No. FIN 101.0923

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Issue: Expense Policy AFS-004 “Non-Travel and Other Related Expenses” requires Board approval of funds for non-travel related expenses exceeding \$10,000 per project.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted in**

Background:

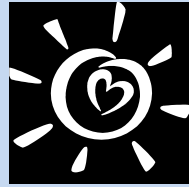
In compliance with L.A. Care policy, Board approval is required for funds to support projects that have Non-Travel Meals and Catering and Other expenses exceeding \$10,000. The programs were included as part of the FY 2023-2024 budget, and include Provider Continuing Education, Advocacy Strategy Events, Meetings with Providers and Other External Stakeholders, Business Development, and Staff Training, Recognition and Retention. Projects are listed below:

	Proposed Program	Meals and Catering	Other	Total
1	Board of Governors Offsite Meetings - June and September 2024	\$ 20,000	\$ -	\$ 20,000
2	Catering for Board & Committee Meetings	\$ 20,000	\$ -	\$ 20,000
3	Catering for Health Promoters Program	\$ 31,000	\$ -	\$ 31,000
4	Catering for LA Care Consumer Advisory Council(CAC) Member Engagement Sessions	\$ 4,320	\$ 8,000	\$ 12,320
5	Catering for LA Care Consumer Members (RCAC/ECAC/BOG)	\$ 68,300	\$ 223,550	\$ 291,850
6	Community Benefit Grant Review Committee Meetings	\$ 2,874	\$ 22,000	\$ 24,874
7	Customer Service and QI Performance Improvement Project (PIP) Trainings	\$ 15,300	\$ -	\$ 15,300
8	Provider Continuing Education (PCE) Program	\$ 43,700	\$ 116,300	\$ 160,000
	Total	\$ 205,494	\$ 369,850	\$ 575,344

Member Impact: This motion will allow L.A. Care to foresee improved provider knowledge and engagement on patient experience, leading to improved quality of care for L.A. Care’s members.

Budget Impact: The cost was anticipated and included in the approved budget for FY 2023-2024.

Motion: To approve the allocation of funds to support L.A. Care’s Projects with Non-Travel Meals and Catering and Other Expenses exceeding \$10,000 in the total amount of \$575,344 for FY 2023-2024.



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: August 23, 2023

Motion No. FIN 102.0923

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Issue: Execute a contract with ixLayer, Inc. to provide at-home test kits to members for diabetes A1c tests, colorectal cancer screenings and kidney health evaluations.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: L.A. Care staff requests approval to execute a contract with ixLayer, Inc. (Vendor) from September 15, 2023 to September 15, 2026 in the amount of \$5,400,000. The Vendor will provide at-home test kits for A1c, kidney health evaluation, and colorectal cancer screening. Vendor will also manage test kits, including outreach to members and providers, delivery of kits, return of kits, and test results. L.A. Care, the member, and the members' primary care provider will receive the test results via mail and have the option to access results through an online portal. Members with abnormal results will receive telephonic follow-up, as will their Primary Care Provider. Contract also includes a member customer service line to support with completing the test kit and the option to drop off test kits and receive support at a Walgreens Health Corner.

This contract is an essential strategy to support L.A. Care in achieving the 66th percentile for L.A. Care Covered Quality Transformation Initiative program. L.A. Care faces severe penalties if the 66th percentile is not achieved for diabetes and colorectal cancer screening measures. This contract also supports L.A. Care in improving its D-SNP STARS rating and Medi-Cal disparity rates. Evaluation will assess the test-kit return rate and the impact of HEDIS performance on measures.

We conducted a competitive request for proposal process in February 2023. Seven vendors responded to the request. ixLayer, Inc. was selected because of their competitive pricing, exemplary customer service, engaged care team and extra partners, such as the Walgreens Health Corners.

The Return On Investment (ROI) for ixLayer, Inc. at-home test kit initiative is as follows:

For L.A. Care Covered (LACC) at-home test kits, the ROI is:

- Hemoglobin A1c Test: Save \$3.06 for every \$1 spent
- Colorectal Cancer Screening: Save \$1.40 for every \$1 spent
- Kidney Health Evaluation: Not part of the QTI measures, so it is omitted from the calculation on ROI

Note: ROI is calculated based on the assumption that L.A. Care hits the 66th percentile in measures.

For Duals Special Needs Plan (D-SNP) at-home test kits, the ROI is:

- Hemoglobin A1c Test: Gross \$2.37 for every \$1 spent
- Colorectal Cancer Screening: Gross \$1.84 for every \$1 spent
- Kidney Health Evaluation: Gross \$3.40 for every \$1 spent

Note: ROI is calculated based on the assumption that L.A. Care hits an overall star rating of 3.5 (\$12 million)

Board of Governors

MOTION SUMMARY

Member Impact: L.A. Care members will benefit from this motion by receiving essential health care in the comfort of their own home. Members will overcome potential barriers such as travel, limited appointment availability, and lack of accessible office hours.

Budget Impact: The cost was anticipated and included in the upcoming FY 2023-24 healthcare expense budget. We will budget the balance in future fiscal years.

Motion: To authorize staff to execute a contract in the amount of \$5,400,000 with ixLayer, Inc. to provide at-home test kits for the period of September 15, 2023 to September 15, 2026.



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: August 23, 2023

Motion No. FIN 103.0923

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Issue: Execute a contract with Collective Medical Technologies to provide Care & Utilization Optimization (Acute Care), Member Activity Visibility (Acute & SNF Encounters), and Post-Acute Care Management (CAM), Enhanced Care Management (ECM) with PAC Management.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: L.A. Care staff requests approval to execute a contract with Collective Medical Technologies (Vendor) from September 30, 2023 to September 30, 2026 in the amount of \$1,700,032 annually. The vendor will provide us with Care & Utilization Optimization (Acute Care): Providing near-real-time access to ADT notifications for L.A. Care Users to meet various regulatory and programmatic requirements. Member Activity Visibility (Acute & SNF Encounters) and PAC Management: Enabling electronic exchange and access to acute care and SNF HL7 messages. Providing access to SNF census, clinical data, operational metrics, and trends. Enterprise Care Management (ECM) with PAC Management: Providing near-real-time access to ADT notifications for ECM providers. Providing access to SNF census, clinical data, operational metrics, and trends for ECM providers.

L.A. Care requires these services to help ensure that we are able to successfully meet regulatory requirements for large-scale programs like California Advancing and Innovating Medi-Cal (CalAIM) Population Health Management (PHM), Transitions of Care Services (TCS), Duals Special Needs Plan (D-SNP) Program Requirements (D-SNP SMAC Amendment), and Enhanced Care Management (ECM). The requirements mandate Managed Care Plans to ingest and leverage Admit, Discharge and Transfer (ADT) notifications in near real-time from the contracted network of hospitals and skilled nursing facilities to coordinate care for members in a timely manner and connect them to follow-up services including services focused on addressing Social Determinants of Health (SDOH). We have used this vendor since January 22, 2019 and are pleased with their work. Other departments, including Health Education, Facility Site Review, Quality Improvement, Utilization Management, Quality Performance Management Pharmacy & Formulary, Care Management, Managed Long Term Services and Supports, Population Health Management, Community Health, Behavioral Health, Customer Solution Center, Advanced Analytics (AAL) use Collective Medical Technologies to fulfill requirements for various projects including:

- Transitions of Care (TCS) in the CalAIM, D-SNP and ECM programs. ADT data is used to identify recently admitted or discharged members from hospitals. Case Managers utilize this data for timely outreach and care coordination, as required by the Department of Health Care Services (DHCS).
- Pharmacy Management. ADT data is utilized to identify members with multiple comorbidities and chronic conditions who may benefit from Medication Therapy Management (MTM) services.
- Behavioral Health. Data is utilized to identify members hospitalized with specific behavioral health conditions for FUM and FUH measures.

Board of Governors

MOTION SUMMARY

- Member Education. The data helps identify members eligible for specific programs, such as Prenatal/Postpartum programs and the Medically Tailored Meals program, to address service gaps for specific members and marginalized groups.
- Customer Service. The data enhances front-line staff's access to accurate member contact information, reducing "Unable to Contact" (UTC) instances.
- Quality Measurement. ADT data is utilized to close gaps in care delivery and improve performance on various HEDIS quality measures, serving as supplemental data for quality measurement.
- Risk Stratification. Members are stratified based on their risk profiles, incorporating real-time ADT data for a more accurate assessment. This is a new CalAIM PHM Requirement.
- Reduce Chart Chasing. Efforts are made to reduce manual tasks for nursing staff, such as faxing and chasing member charts.
- ECM Population of Focus 6. Members in Skilled Nursing Facilities (SNFs) who are eligible for transitioning to community living are identified using the data.
- Advanced Analytics. Readmission Risk Predictive Modelling.

No request for proposal was conducted for this vendor because L.A. Care engaged Collective Medical Technologies in a demonstration pilot to provide a Care Coordination platform leveraging ADT notifications in 2019. This pilot was conducted prior to entering into a long-term contract, and it effectively demonstrated the value of improving care for at-risk members by enabling staff and providers to access hospital notifications for timely follow-ups.

Furthermore, the vendor offers near real-time access to hospital and SNF ADT data not only in Los Angeles County but also across all 50 states. Their unique position allows them to deliver ADT data for both Acute and Post-Acute Care facilities. Additionally, the vendor provides access to full-spectrum SNF Electronic Medical Record (EMR) data, covering 80% of the SNF market in Los Angeles County.

Currently, L.A. Care spends \$2,244,940 annually on access to individual services, including ADT data from both Acute and Post-Acute Care facilities, Electronic Exchange of ADT, and ECM Access to ADT from Collective Medical Technologies Inc. under separate contracts. By investing in Care & Utilization Optimization (Acute Care), Member Activity Visibility (Acute & SNF Encounters), and PAC Management, Enhanced Care Management (ECM) with PAC Management through Collective Medical Technologies Inc., the organization can reduce costs by an estimated \$544,907 annually. This cost reduction is achieved by consolidating all the services under one contract, and transitioning to a per member per month (pmpm) service model.

Member Impact:

- Facilitate timely access to care for at-risk L.A. Care members following hospital discharges, whether from an Inpatient or Emergency Department visit.
- Ensure members receive prompt follow-up treatment with their primary care provider at the outpatient facility, aimed at reducing readmissions, checking for complications, and conducting medication reconciliation.
- Provide guidance to members during Transitions of Care as they move from an acute care setting to discharge, and transition to home or community-based care.
- Identify members with multiple comorbidities and chronic conditions, such as Diabetes, Cardiovascular Disease, and Chronic Obstructive Pulmonary Disease, and offer essential services like Medication Therapy Management.
- Proactively identify and address gaps in services for specific members and marginalized groups, including children, pregnant individuals, seniors, and undocumented immigrants, in a timely and responsive manner.

Budget Impact: The cost was anticipated and included in the approved budget for the Quality Improvement department in this fiscal year. We will budget the balance in future fiscal years.

Board of Governors

MOTION SUMMARY

Motion: To authorize staff to execute a contract with Collective Medical Technologies in the amount of \$1,700,032 annually for the period of September 30, 2023 to September 30, 2026, for a total of \$5,100,096 over the 3 year period.



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: August 23, 2023

Motion No. FIN A.0823

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Issue: Execute a contract with the Center for the Study of Services (CSS) for a survey of Medi-Cal member satisfaction with participating provider groups and community clinics.

Background: VIIP+P4P measures, reports, and provides financial rewards for provider group performance across multiple domains and measures. In 2014, L.A. Care established baseline measures with its first fielding of the CG-CAHPS for participating provider groups. The 2023 CG-CAHPS survey results will be used to measure improvement in patient experience at the provider group and clinic levels, and will be the basis for incentive payments for performance and improvements in member satisfaction for providers that participate in VIIP+P4P.

For the past several years, L.A. Care has scored in the 25th percentile on major Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures. It is critical to capture patient experience at the provider group and clinic levels in order to identify opportunities for improvement in this survey, and to design interventions to improve the quality of services and raise Medi-Cal member satisfaction. To this end we will be fielding the Clinician and Group CAHPS (CG-CAHPS) as part of the Value Initiative for IPA Performance + Pay-for-Performance Program (VIIP+P4P).

Staff requests authorization to contract with Center for the Study of Services (CSS) to complete the 2023 CG-CAHPS survey for an amount not to exceed \$1,355,619, from September 1, 2023 through August 31, 2024. In comparison, the 2022 survey budget was \$1,245,715 for an estimated 150,000 members sampled. CSS is to conduct the 2023 member satisfaction survey of services provided by Plan Partners, PPGs, community clinics and individual physicians meeting minimum membership requirements to be sampled. The current estimated member sample is 150,000. The additional cost is due to the requirement that all paper and digital format surveys need to include all eleven threshold languages.

A competitive bid process was conducted for the 2019 survey in which seven firms were invited to bid. Three firms replied in sufficient detail for evaluation and CSS was selected. CSS was chosen among three vendors due to L.A. Care having a positive previous experience, a proposal which included all requested elements, extensive experience with P4P, being an NCQA-certified survey firm, and among the two reasonable bids, CSS was less expensive. CSS is now a Sole Source Vendor due to their excellent track record and competitive pricing for the past eight years.

Staff anticipates that at least 60 medical groups, 40 plus clinics and about 200 physicians will have enough L.A. Care members with office visits in the past 12 months to qualify for the survey. VIIP+P4P seeks to benefit as many members as possible by surveying and reporting performance on as many providers as can be assessed in a statistically valid manner.

Budget Impact: The \$1,355,619 cost of the contract is budgeted in the QI Department for FY 2022-23 and will be requested for FY 2023-2024.

Board of Governors
MOTION SUMMARY

Motion: To authorize staff to execute a contract with Center for the Study of Services for an amount not to exceed \$1,355,619, to conduct the 2023 member satisfaction survey with services provided by select providers, for September 1, 2023 through August 31, 2024.



L.A. Care
HEALTH PLAN®

FY 2022-23 9+3 Forecast

FY 2023-24 Budget

Finance & Budget Committee

August 23, 2023



Agenda

FY 2022-23 YTD Performance

- June 2022 Membership & Performance
- 3+9 Forecast vs. 9+3 Forecast

FY 2022-23 9+3 Forecast & FY 2023-24 Budget

- Membership Trend, Assumptions, and Projections
- Budget Assumptions – Revenue & Healthcare Costs
- Financial Performance Comparison
- Shared Risk and Provider Incentive Assumptions
- Administrative Expenses by Category
- Community Programs
- Operating Margin by Segment
- Opportunities and Risks
- Balance Sheet Comparison
- Board Designated Funds
- TNE & Days of Cash On-Hand Comparison

FY 2023-24 Capital Projects and Programs

Informational Items

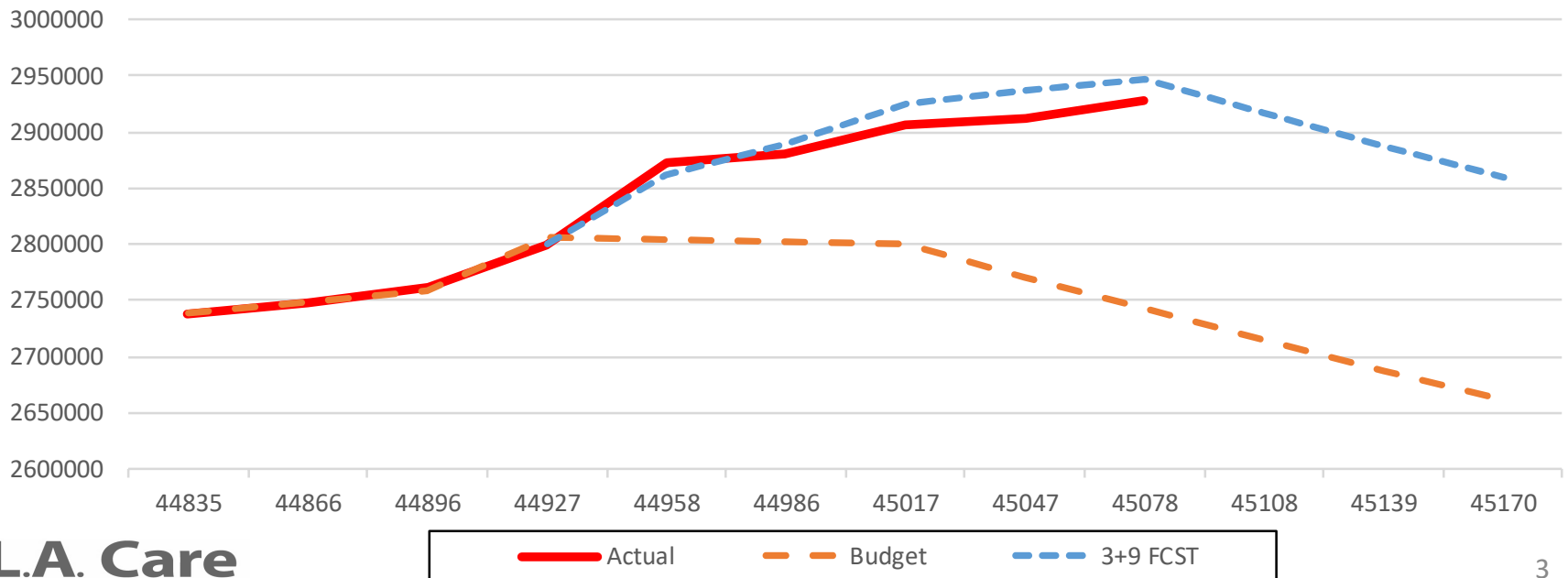
- Monthly Investment Transactions
- Quarterly Internal Policy Reports

Membership

for the 9 months ended June 2023

Sub-Segment	June 2023			Year-to-Date		
	Actual	3+9 FCST	Variance	Actual	3+9 FCST	Variance
Medi-Cal	2,752,752	2,772,760	(20,008)	23,961,047	24,028,566	(67,519)
CMC	-	-	-	51,321	51,081	240
D-SNP	18,181	17,742	439	107,239	106,284	955
Commercial	175,455	174,292	1,163	1,536,500	1,528,242	8,258
*Elimination	(18,181)	(17,742)	(439)	(107,239)	(106,284)	(955)
Consolidated	2,928,207	2,947,052	(18,845)	25,548,868	25,607,889	(59,021)

*D-SNP members included in MCLA membership under CCI beginning in January 2023



Consolidated Financial Performance

for the month of June 2023

(\$ in Thousands)	Actual	3+9 FCST	Variance
Member Months	2,928,207	2,947,052	(18,845)
Total Revenues	\$999,376	\$975,878	\$23,498
Total Healthcare Expenses	\$928,177	\$898,504	(\$29,673)
Operating Margin	\$71,198	\$77,374	(\$6,175)
<i>Operating Margin (excl HHIP/IPP)</i>	\$71,198	\$81,267	(\$10,068)
Total Admin Expenses	\$45,153	\$45,005	(\$148)
Income/(Loss) from Operations	\$26,045	\$32,368	(\$6,323)
Non-Operating Income (Expense)	(\$7,116)	\$1,306	(\$8,422)
Net Surplus	\$18,929	\$33,674	(\$14,745)
<i>Net Surplus (excl HHIP/IPP)</i>	\$18,980	\$38,022	(\$19,042)

Consolidated Financial Performance

for the 9 months ended June 2023

(\$ in Thousands)	Actual	3+9 FCST	Variance
Member Months	25,548,868	25,607,889	(59,021)
Total Revenues	\$8,422,951	\$8,379,038	\$43,914
Total Healthcare Expenses	\$7,719,745	\$7,726,915	\$7,170
Operating Margin	\$703,206	\$652,122	\$51,084
<i>Operating Margin (excl HHIP/IPP)</i>	\$593,299	\$564,929	\$28,369
Total Admin Expenses	\$389,932	\$400,198	\$10,266
Income/(Loss) from Operations	\$313,274	\$251,924	\$61,350
Non-Operating Income (Expense)	\$36,691	\$19,292	\$17,399
Net Surplus	\$349,965	\$271,216	\$78,749
<i>Net Surplus (excl HHIP/IPP)</i>	<i>\$240,678</i>	<i>\$185,804</i>	<i>\$54,874</i>

Consolidated Financial Performance

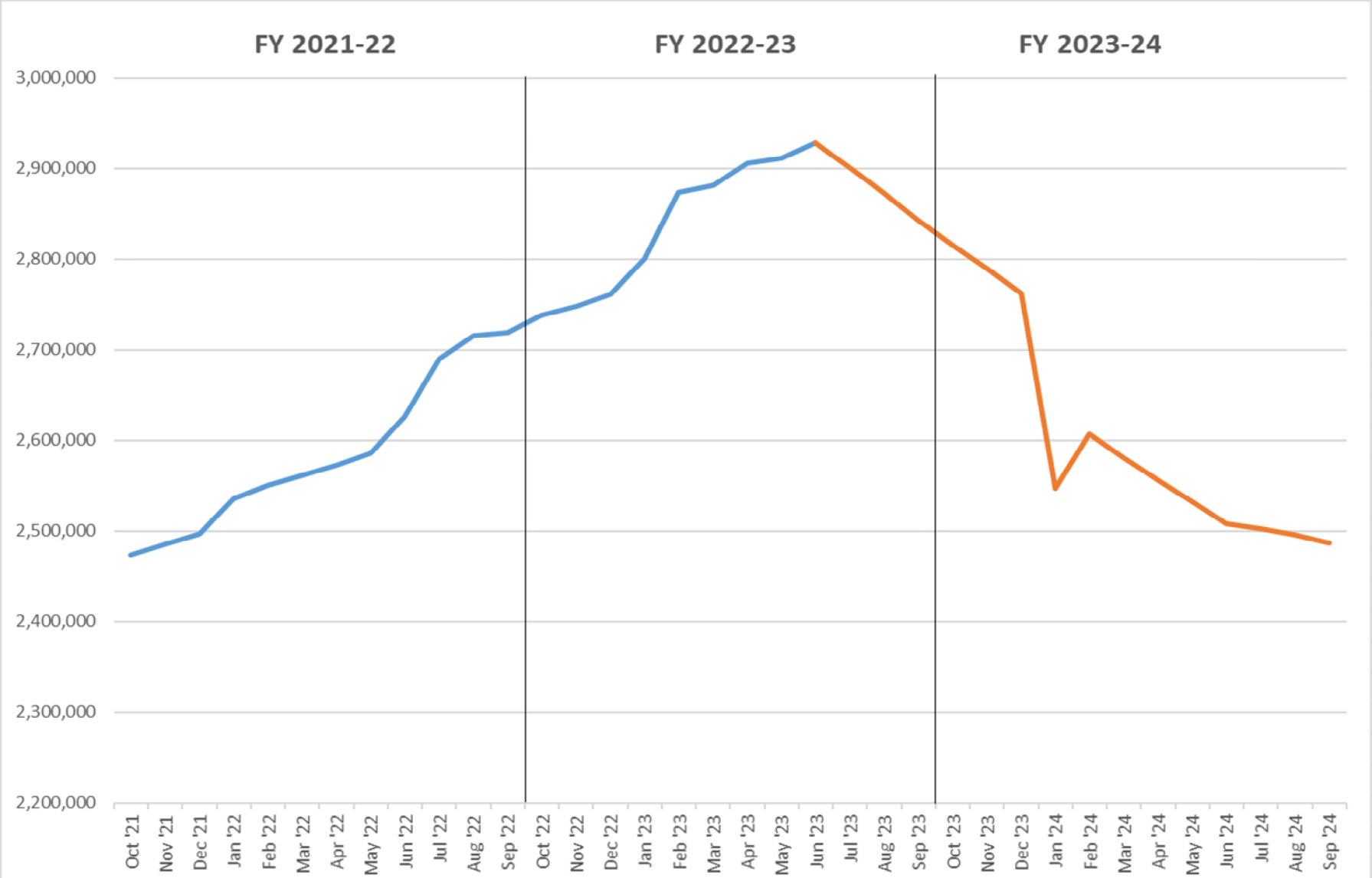
9+3 Forecast vs. 3+9 Forecast

(\$ in Thousands)	FY 2022-23		Variance
	9+3 FCST	3+9 FCST	
Member Months	34,165,096	34,272,613	(107,517)
Total Revenues	\$11,297,646	\$11,250,348	\$47,298
Total Healthcare Expenses	\$10,404,292	\$10,421,027	\$16,736
Operating Margin	\$893,354	\$829,321	\$64,033
<i>Operating Margin (excl HHIP/IPP)</i>	\$796,169	\$754,741	\$41,428
Total Admin Expenses	\$522,720	\$532,993	\$10,274
Income/(Loss) from Operations	\$370,635	\$296,327	\$74,307
Non-Operating Income (Expense)	\$19,542	\$2,144	\$17,399
Net Surplus	\$390,177	\$298,471	\$91,706
<i>Net Surplus (excl HHIP/IPP)</i>	<i>\$294,077</i>	<i>\$226,137</i>	<i>\$67,940</i>

Variance Walk – 3+9 Forecast vs 9+3 Forecast (excl HHIP/IPP)

	Revenue	Healthcare Costs	Admin/Non-Ops	Net Surplus
3+9 Forecast	\$11,120,732	\$10,365,992	\$528,604	\$226,137
Volume Impact on Operating Margin	(\$22,430)	\$23,899	\$0	\$1,469
CCI Membership Error	(\$55,958)	\$59,870	\$0	\$3,912
LTC variance from Forecast	\$74,016	(\$50,916)	\$0	\$23,100
Retro Revenue Adjustments	\$57,028	(\$23,306)	\$0	\$33,721
Risk Corridor/Shared Risk Adjustments	(\$37,469)	\$57,441	\$0	\$19,972
Supplemental Adjustments	\$10,871	\$19,706	\$0	\$30,577
Incentives	\$14,669	(\$3,912)	\$0	\$10,758
Incurred Claims	\$0	(\$83,091)	\$0	(\$83,091)
Administrative Expense	\$0	\$0	\$9,113	\$9,113
Non-Operating Income	\$0	\$0	\$30,736	\$30,736
Other	\$5,533	(\$4,522)	\$0	\$1,011
Total Variance	\$46,259	(\$4,831)	\$39,849	\$81,278
9+3 Forecast	\$11,166,992	\$10,370,823	\$502,092	\$307,414

Membership Trend



FY 2023-24 Budget Assumptions - Membership

- FY 2023-24 Budget assumes 13% annual decline in Medi-Cal membership from previous year to continue through June 2024. (1.08% p/month).
- Effective Jan 2024, Kaiser population will no longer be part of L.A. Care and was removed from the budget (~270,000 members).
- These losses will be offset somewhat by the enrollment of 150,000 additional members due to expansion of coverage to undocumented adults 26-49. Membership is spread out over Jan-Feb 2024.
- LACC & D-SNP are modeled to include retention and new membership driven by same competitive position, including broker rates, as previous fiscal year.
- The projected membership loss for FY 2023-24 Budget vs FY 2022-23 9+3 Forecast is expected to be 355,000 members or 12.5 percent, with member months falling approximately 2.98 million or 8.7 percent.

Membership: 2023-24 Projections

Segment	Membership				Member Months			
	FY 2022-23	FY 2023-24			FY 2022-23	FY 2023-24		
	9+3 Forecast	Budget	Variance	%	9+3 Forecast	Budget	Variance	%
Medi-Cal	2,664,523	2,289,506	(375,017)	-14.1%	32,042,206	28,861,501	(3,180,704)	-9.9%
CMC	0	0	0	0.0%	51,321	0	(51,321)	-100.0%
DSNP	18,369	19,457	1,089	5.9%	162,213	227,253	65,040	40.1%
LACC	129,514	149,923	20,409	15.8%	1,479,324	1,742,491	263,168	17.8%
PASC-SEIU	48,954	48,115	(839)	-1.7%	592,246	581,980	(10,265)	-1.7%
Elimination*	(18,369)	(19,457)	(1,089)		(162,213)	(227,253)	(65,040)	
Total	2,842,991	2,487,544	(355,447)	-12.5%	34,165,096	31,185,973	(2,979,123)	-8.7%

*D-SNP members included in MCLA membership for Medi-Cal under CCI beginning January 2023

FY 2023-24 Budget Assumptions - Revenue

- Medi-Cal
 - UIS|SIS break-out
 - CY2023 aligned with revised final DHCS rates
 - CY2024 assumes conservative reduction
 - CBAS rates decrease by 20%
- LACC
 - CY2023 no change; CY2024 rate increase of 6%
 - CY2023 and CY2024 RAF at 0.7
- D-SNP
 - Revenue in line with mid-year RAF adjusted rates
 - CY2024 in line with Bid
- PASC
 - CY2023 no rate change; CY2024: rate increase as of 1/1. ~\$100M/year (\$75M for FY23-24)

FY 2023-24 Budget Assumptions – Healthcare Costs

- Global Subcapitation & Capitation
 - Expense updated to reflect CY 2023 and CY 2024 revenue rate assumptions
 - LACC includes updated RAF score of 0.7
 - D-SNP reflects trended revenue assumption for CY 2024

- Fee-For-Service (FFS) Cost
 - FFS Costs were developed using a base period of CY 2022 and trended to the budget period impacting Inpatient, Outpatient, Long Term Care and Pharmacy.

- CBAS based on Oct '22 to Mar '23 to reflect trend changes associated with members returning to centers.

- Additional adjustments were made for:
 - New Public Provider-Ground Emergency Medical Transportation (PP-GEMT)
 - New Community Supports
 - New Pharmacy Copay Max program
 - Implementation of COBA program
 - End of the LTC 10% Increase

FY 2022-23 9+3 vs FY 2023-24 Budget (excl HHIP/IPP)

(\$ in thousands)	FY 2022-23		FY 2023-24		Budget	
	9+3 Forecast	PMPM	Budget	PMPM	Fav/(Unfav)	PMPM
Member Months	34,165,096		31,185,973		(2,979,123)	
Revenue						
Capitation Revenue	\$11,166,992	\$326.85	\$10,836,914	\$347.49	(\$330,078)	\$20.64
Total Revenues	\$11,166,992	\$326.85	\$10,836,914	\$347.49	(\$330,078)	\$20.64
Healthcare Expenses						
Capitation Expense	\$5,964,322	\$174.57	\$5,668,251	\$181.76	\$296,071	(\$7.18)
Inpatient Claims	\$1,501,981	\$43.96	\$1,481,472	\$47.50	\$20,509	(\$3.54)
Outpatient Claims	\$1,237,963	\$36.23	\$1,206,771	\$38.70	\$31,192	(\$2.46)
In-Home Supportive Services	(\$31,449)	(\$0.92)	\$0	\$0.00	(\$31,449)	(\$0.92)
Skilled Nurse Facility	\$1,130,509	\$33.09	\$1,125,698	\$36.10	\$4,810	(\$3.01)
Community-Based Adult Services	\$227,684	\$6.66	\$200,519	\$6.43	\$27,166	\$0.23
Multipurpose Senior Services Program	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00
Pharmacy	\$138,920	\$4.07	\$162,148	\$5.20	(\$23,228)	(\$1.13)
Shared Risk	\$23,226	\$0.68	\$21,350	\$0.68	\$1,876	(\$0.00)
Provider Incentive	\$76,719	\$2.25	\$110,636	\$3.55	(\$33,917)	(\$1.30)
Medical Administrative Expenses	\$100,947	\$2.95	\$119,604	\$3.84	(\$18,658)	(\$0.88)
Total Medical Expenses	\$10,370,823	\$303.55	\$10,096,449	\$323.75	\$274,373	(\$20.20)
MCR (%)	92.9%		93.2%		-0.3%	
Operating Margin	\$796,169	\$23.30	\$740,465	\$23.74	(\$55,705)	\$0.44

FY 2022-23 9+3 vs FY 2023-24 Budget (excl HHIP/IPP)

(\$ in thousands)	FY 2022-23		FY 2023-24		Budget	
	9+3 Forecast	PMPM	Budget	PMPM	Fav/(Unfav)	PMPM
Member Months	34,165,096		31,185,973		(2,979,123)	
Operating Expenses						
Salaries and Benefits	\$277,708	\$8.13	\$315,730	\$10.12	(\$38,022)	(\$2.00)
Temporary Labor and Recruitment	\$3,222	\$0.09	\$2,902	\$0.09	\$320	\$0.00
Professional Fees	\$23,055	\$0.67	\$25,460	\$0.82	(\$2,405)	(\$0.14)
Purchased Services	\$155,099	\$4.54	\$156,554	\$5.02	(\$1,456)	(\$0.48)
Advertising and Promotions	\$9,623	\$0.28	\$12,670	\$0.41	(\$3,046)	(\$0.12)
Business Fees and Insurance	\$54,916	\$1.61	\$58,738	\$1.88	(\$3,823)	(\$0.28)
Occupancy and Leases	\$8,250	\$0.24	\$7,807	\$0.25	\$443	(\$0.01)
Supplies and Other	\$47,990	\$1.40	\$49,462	\$1.59	(\$1,472)	(\$0.18)
Medical Administrative Expenses	(\$92,984)	(\$2.72)	(\$112,548)	(\$3.61)	\$19,564	\$0.89
Depreciation and Amortization	\$34,756	\$1.02	\$40,400	\$1.30	(\$5,644)	(\$0.28)
Corporate Allocation	(\$0)	(\$0.00)	(\$0)	(\$0.00)	\$0	(\$0.00)
				\$0.00		
Operating Expenses	\$521,635	\$15.27	\$557,176	\$17.87	(\$35,541)	(\$2.60)
Admin Ratio(%)	4.7%		5.1%		-0.5%	
Income (Loss) from Operations	\$274,534	\$8.04	\$183,289	\$5.88	(\$91,246)	(\$2.16)
Margin before Non-Operating Inc (Exp) (%)	2.5%		1.7%		-0.8%	
Non-Operating Income (Expense)						
Other Income (Expense)	(\$67,349)	(\$1.97)	(\$36,378)	(\$1.17)	\$30,971	\$0.80
Interest Income, net	\$81,778	\$2.39	\$59,707	\$1.91	(\$22,071)	(\$0.48)
Realized Gain/(Loss) on Invest	(\$1,562)	(\$0.05)	\$0	\$0.00	\$1,562	\$0.05
Unrealized Gain/ (Loss) on Invest	\$6,675	\$0.20	\$0	\$0.00	(\$6,675)	(\$0.20)
Total Non-Operating Income (Expense)	\$19,542	\$0.57	\$23,329	\$0.75	\$3,787	\$0.18
Net Surplus (Deficit)	\$294,077	\$8.61	\$206,618	\$6.63	(\$87,459)	(\$1.98)
Margin (%)	2.6%		1.9%		-0.7%	

FY 2023-24 Shared Risk and Provider Incentive (excl HHIP/IPP)

- PPG Shared Risk: \$21.3M expense

Provider Incentive Fiscal Year 2023-24 Budget					
Incentive Level Programs (\$ in thousands)	Segments				
	Plan Partners ⁽¹⁾	Total MCLA ⁽²⁾	Commercial	D-SNP	Total ⁽³⁾
Plan Partners	\$11,636	\$0	\$0	\$0	\$11,636
PPG	9,458	40,620	5,410	280	\$55,768
Physician	11,054	23,734	35	3,956	\$38,779
Member	-	3,227	797	430	\$4,454
Total	\$32,148	\$67,581	\$6,242	\$4,666	\$110,636

Note:

1. Excludes Kaiser
2. CCI members not eligible for Incentive Level Programs
3. Provider Incentive excludes Incentive Payment Program (IPP) & Housing and Homelessness Incentive Program (HHIP)

FY 2023-24 Admin Expenses by Category (excl HHIP/IPP)

(\$ in thousands)	FY 2022-23		FY 2023-24		Variance	PMPM
	9+3 Forecast	PMPM	Budget	PMPM		
FTEs (at year end)	2,269		2,407		138	
Salaries and Benefits	\$277,708	\$8.13	\$315,730	\$10.12	(\$38,022)	(\$2.00)
Temporary Labor and Recruitment	3,222	0.09	2,902	0.09	\$320	\$0.00
Professional Fees	23,055	0.67	25,460	0.82	(\$2,405)	(\$0.14)
Purchased Services	155,099	4.54	156,554	5.02	(\$1,456)	(\$0.48)
Advertising and Promotions	9,623	0.28	12,670	0.41	(\$3,046)	(\$0.12)
Business Fees and Insurance	54,916	1.61	58,738	1.88	(\$3,823)	(\$0.28)
Occupancy and Leases	8,250	0.24	7,807	0.25	\$443	(\$0.01)
Supplies and Other	47,990	1.40	49,462	1.59	(\$1,472)	(\$0.18)
Depreciation and Amortization	34,756	1.02	40,400	1.30	(\$5,644)	(\$0.28)
Medical Administrative Expenses	(92,984)	(2.72)	(112,548)	(3.61)	\$19,564	\$0.89
		-				
Total*	\$521,635	\$15.27	\$557,176	\$17.87	(\$35,541)	(\$2.60)
Admin Ratio %	4.7%		5.1%		-0.5%	

*Total excludes Incentive Payment Program (IPP) & Housing and Homelessness Incentive Program (HHIP)

FY 2023-24 Community Programs

(\$ in thousands)	FY 2022-23 9+3 Forecast	FY 2023-24 Budget
Community Health Investment Fund (CHIF)	\$13,337	\$10,000
Elevating the Safety Net	8,062	11,422
Blue Shield Promise Grant	4,537	9,077
Community Resource Centers	15,442	21,912
First 5 L.A. Grant	425	321
Community Programs	2,089	1,648
Community Clinic Program/SCOPE Plan	100	250
Community Benefits Program	874	887
Promotoras/Health Promoters Program	218	374
Sponsorships/In-Kind	897	138
Total	\$43,891	\$54,379

FY 2023-24 Operating Margin by Segment

(\$ in Thousands)

	Medi-Cal	D-SNP	LACC	PASC	HHIP/IPP	Total	Total (excl HHIP/IPP)
Revenue	\$9,670,928	\$328,770	\$577,020	\$260,197	\$198,667	\$11,035,582	\$10,836,915
Healthcare Exp.	\$9,063,357	\$293,405	\$473,062	\$266,625	\$102,333	\$10,198,782	\$10,096,449
Operating Margin	\$607,571	\$35,365	\$103,958	(\$6,429)	\$96,334	\$836,799	\$740,465
Budget MCR %	96.8%	89.2%	82.0%	102.5%	N/A	92.4%	93.2%
9+3 FCST MCR%	93.6%	84.2%	87.8%	96.2%	N/A	92.1%	92.9%

Opportunities & Risks

Opportunities

- Claims expenses are lowered through contracting and UM
- Higher than expected LACC membership growth due to pricing position
- Move more members into Dual Risk pods
- Increased focus on encounter data quality leads to higher Medi-Cal and Covered California revenue

Risks

- Additional unknown COVID-19 expenses from prior periods
- Higher FFS trend than assumed
- Capitation costs higher than projected
- Increases in cost due to changes in Medi-Cal Fee Schedule above additional revenue

Balance Sheet Comparison

	FY 2022-23 9+3 Forecast	FY 2023-24 Budget	Variance
(\$ in thousands)			
Current Assets			
Cash & cash equivalents	\$ 1,709,481	\$ 1,659,481	\$ (50,000)
Investments, at fair value	1,434,117	1,444,809	10,691
Other current assets	3,249,934	3,076,956	(172,978)
Total current assets	6,393,532	6,181,246	(212,287)
Capital and non-current assets	161,896	171,496	9,600
Total Assets	\$ 6,555,428	\$ 6,352,742	\$ (202,686)
Current Liabilities			
Medical and providers payable	3,751,959	3,250,359	(501,601)
Reserves for claims	913,224	910,224	(3,000)
Other current liabilities	356,540	360,140	3,600
Total current liabilities	5,021,723	4,520,723	(501,001)
Non-Current Liabilities	56,174	52,574	(3,600)
Total Liabilities	5,077,897	4,573,297	(504,601)
Fund Equity			
Invested in Capital Assets	161,455	171,055	9,600
Board Designated Funds	90,003	79,603	(10,400)
Unrestricted Net Assets	984,661	1,282,606	297,945
TNE (130% of Required)	241,412	246,181	4,769
Total Fund Equity	1,477,531	1,779,445	301,914
Total Liabilities and Fund Equity	\$ 6,555,428	\$ 6,352,742	\$ (202,687)

Board Designated Funds

Forecast as of September 30, 2023

(\$ in thousands)

Prior to 2014

Total

	Contribution	Expenditure	Balance at 09/30/23
	225,624	(225,624)	(0)

2014 - Present

I. Community Health Investment

CHIF Ad Hoc	8,055	(7,199)	856
Oral Health Initiative	4,550	(4,550)	-
Tranquada	8,615	(8,615)	-
Safety Net	13,910	(13,815)	95
Access to Service	11,500	(5,545)	5,955
Social/Health determinants	16,300	(14,904)	1,396
LACDHC Flex housing subsidy	20,000	(20,000)	-
Total	82,930	(74,628)	8,302

II. Workforce Development Initiative

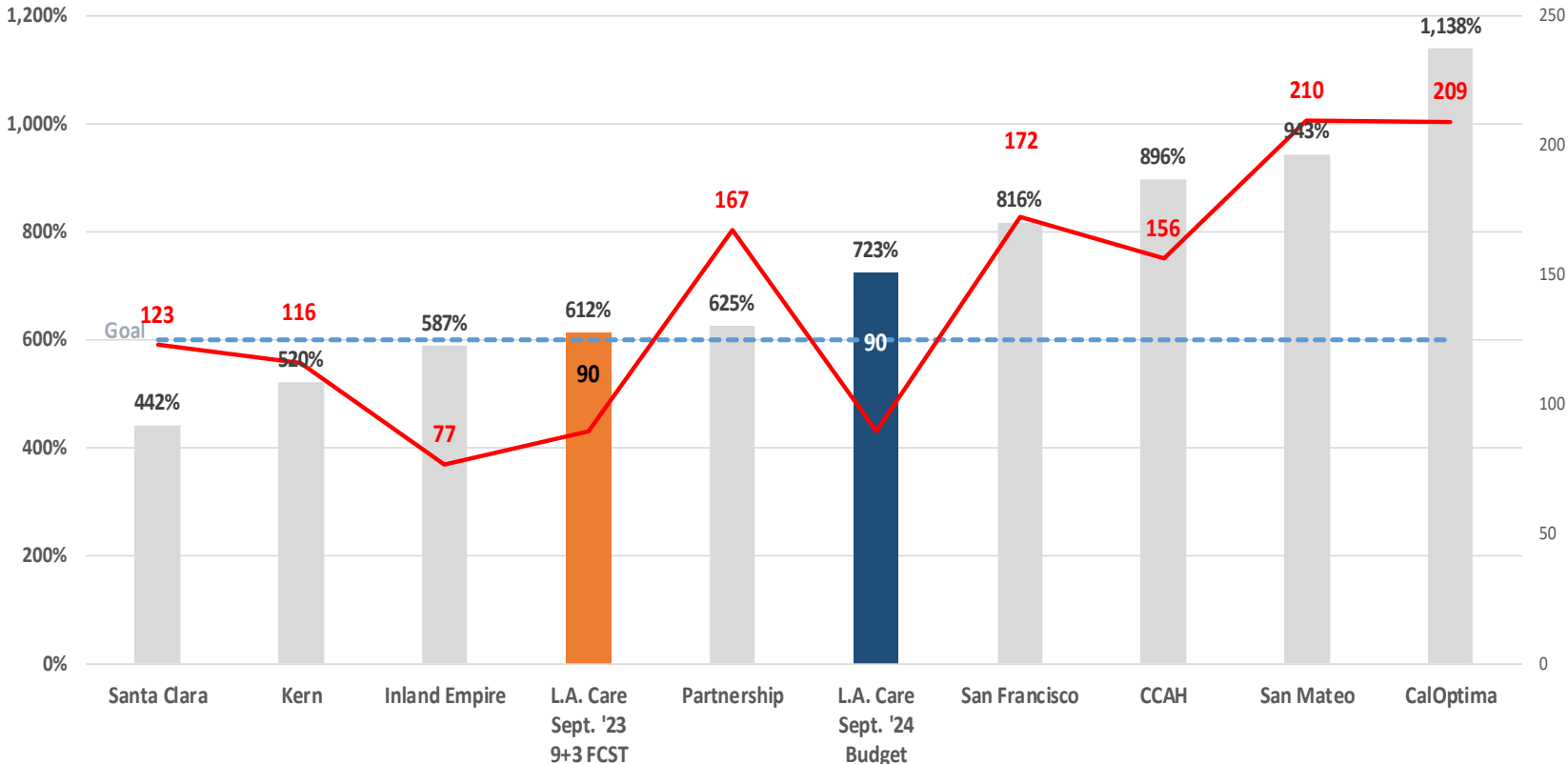
Medical School Scholarship	23,295	(23,295)	-
Medical School Loan Repayment	26,000	(26,000)	-
Primary Care Leadership Program	8,260	(8,260)	-
Residency Support Program	12,232	(12,232)	-
Health Careers Intern and Fellowship Program	800	(800)	-
Provider Recruitment Programs	23,635	(23,635)	-
Undesignated	60,778	-	60,778
Total	155,000	(94,222)	60,778

III. CRC Maintenance and Expansion

Grand Total

	62,300	(41,378)	20,922
	\$ 525,854	\$ (435,851)	\$ 90,003

Tangible Net Equity & Days of Cash On-Hand



• As of March 2023 Quarterly filings, unless noted otherwise.



FY 2023-24 Capital Projects and Programs



FY 2023-24 Capital Projects and Programs

L.A. Care Health Plan Capital Projects Fiscal Year 2023-24 (\$ in thousands)				
Project Description	Business Owner	Capital Expense	Operating Expense	Total
Artificial Intelligence	I.T.	\$ 400	\$ 100	\$ 500
Care Catalyst - New HS Clinical System	Health Services	6,000	1,500	7,500
Clinic Based Assignment and FQHC APM	Provider	1,252	58	1,311
CMS Interoperability Mandate	I.T.	1,025	496	1,521
Data Exchange Program	Health Services	1,347	337	1,684
DSNP Product Launch & Annual Regulatory Enhancements	Product	575	144	718
Edifecs Program	Operations	1,060	265	1,325
I.T. Member Experience Program	I.T.	3,643	911	4,554
Performance Optimization Program (Enterprise & Network)	Compliance	3,363	637	4,000
Provider Roadmap	Provider	3,410	1,262	4,672
QNXT Upgrade & Transformation	I.T.	3,753	941	4,693
SAP/ERP	Finance	3,200	800	4,000
VOICE - CRM & Telecom	I.T. & Operations	11,771	3,416	15,188
Leasehold Improvements	Facilities	77,284	-	77,284
Total Capital Projects		\$ 118,083	\$ 10,867	\$ 128,950

Portfolio Program Descriptions

Artificial Intelligence

This initiative is to support discovery, assessment, and initial implementation of AI solutions to improve enterprise efficiency and performance.

Care Catalyst – New Health Services Clinical System

A multi-year program created to optimize the use of systems and tools to support Health Services' operational and foundational needs. Care Catalyst aims to improve how L.A. Care manages the health of member by providing member-centric services and care tailored to meet the needs of varied populations. This program is focused on addressing foundational gaps in governance structure, training, decision support and workflow re-engineering. Current work focuses on platform optimizations for added efficiency and scalability. Population health management (PHM) and enhancements to improve L.A. Care's ability to support the Direct Network are areas of upcoming focus.

Clinic Based Assignment and FQHC APM

This initiative is to better manage the association between health plan members and their community clinic providers in L.A. Care's systems. This improved member assignment functionality is foundational to implementation of the Alternative Payment Methodology (APM), which is a State mandate effective in 2024. Under APM, L.A. Care will change how it pays participating FQHC community clinics to include the Prospective Payment System (PPS) rate for Medi-Cal services that has previously been paid to clinics by the State.



Portfolio Program Descriptions

CMS Interoperability Mandate

L.A. Care continues its multi-phase investment in electronic provider and member data portability in accordance with CMS requirements. Investments focus on payer-to-payer interfaces to ensure timely and efficient benefits coordination and transitions, as well as functionality for electronic prior authorizations.

Data Exchange Framework (DXF)

The California Health and Human Services Data Exchange Network (DXF) reflects a statewide agreement to facilitate sharing of health information among healthcare entities, government agencies, and social service programs. This initiative is to implement the data sharing capabilities of the agreement, and targets improved coordination of care.

DSNP Product Launch

With the successful development and deployment of a fully-integrated D-SNP product and the concurrent effort to sunset L.A. Care's existing CMC product, there are continued enhancements targeted in the upcoming fiscal year. Efforts will focus on implementing new Federal and State regulatory requirements for plan years 2024 and 2025.

EDIFECS Program

This multi-year program is enhancing L.A. Care's encounter data management system. Upcoming improvements focus on improved extraction of encounter data for risk adjustment, regulatory audiences, and internal end-users, as well as the availability of end-to-end encounter reconciliation reporting, and enterprise-level access to a source-of-truth for encounter data. The program includes an upgrade of the current EDIFECS platform to ensure optimal performance and functionality.



Portfolio Program Descriptions

I.T Member Experience Program

This initiative is composed of three multi-year, cross-functional programs to modernize data systems and I.T. tools to support an optimized member experience. These foundational technology efforts will enable L.A. Care to more proactively manage the member life cycle (from enrollment through care delivery). Work streams in this initiative include Data Architecture Modernization, which improves how enterprise data is organized, managed, and stored; and a Clinical Data Repository (CDR) to better organize clinical experience data in support of care coordination, operational planning, and regulatory reporting. A Member Data Master work stream will additionally improve the consistency of member demographic, clinical, and other data for the organization through a structured data governance process. These investments will enable L.A. Care to deliver future technology initiatives more effectively, and significantly improve the ability of business areas inside L.A. Care to serve member needs.

Performance Optimization Program (Enterprise & Network)

This multi-year initiative is building data management and dashboard reporting tailored to L.A. Care's Enterprise Performance Optimization Program (EPOP) and Network Performance Optimization Program (NPOP). EPOP improves monitoring and oversight of the performance of non-delegated enterprise functions, while NPOP oversees the performance of all entities in L.A. Care's service delivery model across lines of business. This initiative is improving data sources and reporting for numerous Key Performance Indicators (KPIs) for L.A. Care.



Portfolio Program Descriptions

Provider Roadmap

This is a multi-year, cross-functional program focused on improving L.A. Care's provider data quality and management, including enhancements to data intake, standardization and validation, storage, reporting, and operational use. Improvements are targeted at both technical infrastructure and business processes.

QNXT Upgrade & Transformation

L.A. Care is making progressive investments in its core claims platform (QNXT), with current work focused on the scalability and flexibility of internal development and test environments, as well as data de-identification to improve data security. This initiative also includes a generational upgrade to the latest QNXT claims platform. These improvements will enable efficiencies in L.A. Care's claims processing, and will provide health plan members new visibility into cost sharing and out-of-pocket expenditures.

SAP/ERP

L.A. Care is continuing its implementation of SAP for financial management functions. Upcoming efforts focus on the implementation of Arriba, a tool designed to integrate with current SAP procurement solutions. This spend management solution will enable improvements in areas such as electronic order and invoice routing, user and role management functionalities, as well as contract and vendor management. Other work includes the implementation of Callidus, a commission software solution for managing incentives and compensation programs for brokers.



Portfolio Program Descriptions

VOICE – CRM & Telecom

This multi-year program is implementing several solutions for improved customer service for L.A. Care members and providers. One significant area of investment is a Customer Relationship Management (CRM) platform, which provides tools and workflows for sustaining member, provider, broker, and community relationships. A second area of investment is in call center technology. This includes the modernization of the enterprise phone system used by the Call Center, as well as improvements to routing of customer calls and caller authentication. The initiative is also making investments in capturing and managing member data as required by State and Federal regulators.

Leasehold Improvements

The budget includes funds to support construction associated with two new Community Resource Centers (CRC), South L.A. and Lincoln Heights, miscellaneous upgrades to existing CRCs and an initial budget estimate for the build-out of the 1200 E. 7th Street lease space to support the return to work effort slated for September 2024.



Questions & Considerations

Motion FIN 104

- To accept the Financial Report for the nine months ended June 30, 2023.

Motion FIN 105

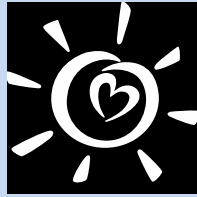
- To recommend the draft FY 2023-24 Capital and Operating Budget for Board Consideration.

Informational Items

Investment Transactions

- As of June 30, 2023, L.A. Care's total investment market value was \$2.5B
 - \$2.4 billion managed by Payden & Rygel
 - \$73 million in Local Agency Investment Fund
 - \$254 million in Los Angeles County Pooled Investment Fund

Quarterly Internal Policies Report



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: August 23, 2023

Motion No. FIN 104.0923

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

New Contract Amendment Sole Source RFP/RFQ was conducted

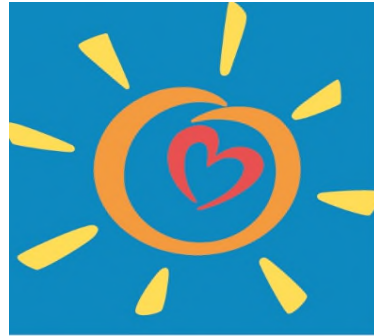
Issue: Acceptance of the Financial Reports for June 2023.

Background: N/A

Member Impact: N/A

Budget Impact: N/A

Motion: To accept the Financial Reports for June 2023, as submitted.



L.A. Care
HEALTH PLAN®

Financial Performance
June 2023
(Unaudited)

Overall

The combined member months are 25.5 million year-to-date, which is (59,021) unfavorable to the 3+9 forecast. The performance is a surplus of \$350.0 million or 4.2% of revenue and is \$78.7 million favorable to the forecast. The favorable surplus is driven by prior period program reconciliation adjustments, prior period revenue rate and RAF adjustments, lower skilled nursing facility costs, pharmacy costs, and provider incentives expenses due to timing. Overall favorability is offset by prior period COVID-19 related expenses. Operating expenses are favorable to the forecast due to added funding to the forecast and timing in vendor spending. Higher interest income, higher unrealized investment gains and timing in grant spending also contributed to higher surplus.

Medi-Cal

Medi-Cal consists of members through our contracted providers and our contracted health plans ("Plan Partners"). The member months are 24.0 million, which is (67,519) unfavorable to the forecast. The performance is a surplus of \$261.5 million and is \$38.9 million favorable to the forecast. The favorability in net surplus is driven by prior period program reconciliation adjustments, prior period revenue rate adjustments and lower skilled nursing facility costs. Overall favorability is offset by prior period COVID-19 related expenses. Also contributed to the favorable variance in surplus are lower operating and non-operating expenses as discussed in the Overall section above.

Cal MediConnect (CMC)

The member months are 51,321, which is 240 favorable to the forecast. The performance is a deficit of \$9.3 million which is unfavorable to the forecast by \$4.5 million driver by a provider shared risk adjustment. Effective January 1, 2023, members enrolled in CMC have been transitioned to our D-SNP plan. The net deficit of \$9.3 million is primarily driven by the shared risk adjustment and operating expenses incurred through YTD December 2022 prior to the transition.

D-SNP

January 2023 is the first month of the D-SNP plan as the CMC members were transitioned into this product. For YTD June 2023, the member months are 107,239, which is 955 favorable to the forecast. The performance is a surplus of \$20.3 million which is \$17.5 million favorable to the forecast driven by higher revenue due to RAF and risk share adjustments, better than forecasted capitation expenses and timing in provider incentives and shared risk. Lower operating expenses also contributed to the favorable variance in net surplus.

Commercial

L.A. Care Commercial consists of LACC and PASC-SEIU. The member months are 1.5 million, which is 8,258 favorable to the forecast. The performance is a deficit of \$17.4 million and is \$13.9 million unfavorable to the forecast driven by higher inpatient claims, prior period COVID-19 related expenses, but partially offset by a retro RAF adjustment, lower provider incentives and shared risk due to timing. Higher operating expenses also contributed to the unfavorable variance in net deficit.

Incentive Programs

L.A. Care Incentive Programs consist of CalAIM Incentive Payment Program (IPP) and Housing and Homelessness Incentive Program (HHIP). The YTD surplus of \$109.3 million, which is \$23.9 million favorable to the forecast, is driven by the recognition of revenue for the submission of our investment plan to DHCS and revenue earned from measurement period 1. The favorable variance is driven by the timing in provider incentive spending for HHIP and the expenditures related to this program will be expensed when incur in future periods.



Consolidated Operations Income Statement (\$ in thousands)

June 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
2,928,207		2,947,052		(18,845)							
						Membership					
						Member Months	25,548,868		25,607,889		(59,021)
						Revenue					
\$ 999,376	\$ 341.29	\$ 975,878	\$ 331.14	\$ 23,498	\$ 10.16	Capitation	\$ 8,422,951	\$ 329.68	\$ 8,379,038	\$ 327.21	\$ 43,914 \$ 2.47
\$ 999,376	\$ 341.29	\$ 975,878	\$ 331.14	\$ 23,498	\$ 10.16	Total Revenues	\$ 8,422,951	\$ 329.68	\$ 8,379,038	\$ 327.21	\$ 43,914 \$ 2.47
						Healthcare Expenses					
\$ 523,688	\$ 178.84	\$ 511,320	\$ 173.50	\$ (12,367)	\$ (5.34)	Capitation	\$ 4,460,868	\$ 174.60	\$ 4,463,558	\$ 174.30	\$ 2,690 \$ (0.30)
\$ 132,470	\$ 45.24	\$ 128,028	\$ 43.44	\$ (4,442)	\$ (1.80)	Inpatient Claims	\$ 1,129,467	\$ 44.21	\$ 1,113,411	\$ 43.48	\$ (16,056) \$ (0.73)
\$ 120,043	\$ 41.00	\$ 122,327	\$ 41.51	\$ 2,284	\$ 0.51	Outpatient Claims	\$ 1,019,030	\$ 39.89	\$ 1,005,956	\$ 39.28	\$ (13,075) \$ (0.60)
\$ 98,142	\$ 33.52	\$ 103,920	\$ 35.26	\$ 5,778	\$ 1.75	Skilled Nursing Facility	\$ 839,956	\$ 32.88	\$ 875,073	\$ 34.17	\$ 35,117 \$ 1.30
\$ 14,668	\$ 5.01	\$ 11,849	\$ 4.02	\$ (2,819)	\$ (0.99)	Pharmacy	\$ 102,452	\$ 4.01	\$ 102,599	\$ 4.01	\$ 147 \$ (0.00)
\$ 28,987	\$ 9.90	\$ 11,388	\$ 3.86	\$ (17,599)	\$ (6.03)	Provider Incentives and Shared Risk	\$ 93,839	\$ 3.67	\$ 86,191	\$ 3.37	\$ (7,647) \$ (0.31)
\$ 10,180	\$ 3.48	\$ 9,672	\$ 3.28	\$ (508)	\$ (0.19)	Medical Administrative Expenses	\$ 74,134	\$ 2.90	\$ 80,128	\$ 3.13	\$ 5,994 \$ 0.23
\$ 928,177	\$ 316.98	\$ 898,504	\$ 304.88	\$ (29,673)	\$ (12.10)	Total Healthcare Expenses	\$ 7,719,745	\$ 302.16	\$ 7,726,915	\$ 301.74	\$ 7,170 \$ (0.42)
92.9%		92.1%		-0.8%		MCR(%)	91.7%		92.2%		0.6%
\$ 71,198	\$ 24.31	\$ 77,374	\$ 26.25	\$ (6,175)	\$ (1.94)	Operating Margin	\$ 703,206	\$ 27.52	\$ 652,122	\$ 25.47	\$ 51,084 \$ 2.06
\$ 45,153	\$ 15.42	\$ 45,005	\$ 15.27	\$ (148)	\$ (0.15)	Total Operating Expenses	\$ 389,932	\$ 15.26	\$ 400,198	\$ 15.63	\$ 10,266 \$ 0.37
4.5%		4.6%		0.1%		Admin Ratio(%)	4.6%		4.8%		0.1%
\$ 26,045	\$ 8.89	\$ 32,368	\$ 10.98	\$ (6,323)	\$ (2.09)	Income (Loss) from Operations	\$ 313,274	\$ 12.26	\$ 251,924	\$ 9.84	\$ 61,350 \$ 2.42
\$ (15,504)	\$ (5.29)	\$ (3,795)	\$ (1.29)	\$ (11,708)	\$ (4.01)	Other Income/(Expense), net	\$ (34,874)	\$ (1.36)	\$ (29,054)	\$ (1.13)	\$ (5,819) \$ (0.23)
\$ 10,636	\$ 3.63	\$ 5,101	\$ 1.73	\$ 5,535	\$ 1.90	Interest Income, net	\$ 66,451	\$ 2.60	\$ 44,139	\$ 1.72	\$ 22,312 \$ 0.88
\$ (235)	\$ (0.08)	\$ -	\$ -	\$ (235)	\$ (0.08)	Realized Gain / Loss	\$ (1,562)	\$ (0.06)	\$ (842)	\$ (0.03)	\$ (720) \$ (0.03)
\$ (2,013)	\$ (0.69)	\$ -	\$ -	\$ (2,013)	\$ (0.69)	Unrealized Gain / Loss	\$ 6,675	\$ 0.26	\$ 5,050	\$ 0.20	\$ 1,626 \$ 0.06
\$ (7,116)	\$ (2.43)	\$ 1,306	\$ 0.44	\$ (8,422)	\$ (2.87)	Total Non-Operating Income (Expense)	\$ 36,691	\$ 1.44	\$ 19,292	\$ 0.75	\$ 17,399 \$ 0.68
\$ 18,929	\$ 6.46	\$ 33,674	\$ 11.43	\$ (14,745)	\$ (4.96)	Net Surplus (Deficit)	\$ 349,965	\$ 13.70	\$ 271,216	\$ 10.59	\$ 78,749 \$ 3.11
1.9%		3.5%		-1.6%		Margin(%)	4.2%		3.2%		0.9%



Total Medi-Cal Income Statement (\$ in thousands)

June 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM
2,752,752		2,772,760		(20,008)	
\$ 890,949	\$ 323.66	\$ 895,699	\$ 323.04	\$ (4,750)	\$ 0.62
\$ 890,949	\$ 323.66	\$ 895,699	\$ 323.04	\$ (4,750)	\$ 0.62
\$ 484,249	\$ 175.91	\$ 480,797	\$ 173.40	\$ (3,453)	\$ (2.51)
\$ 113,348	\$ 41.18	\$ 112,905	\$ 40.72	\$ (443)	\$ (0.46)
\$ 107,923	\$ 39.21	\$ 111,379	\$ 40.17	\$ 3,456	\$ 0.96
\$ 97,640	\$ 35.47	\$ 103,920	\$ 37.48	\$ 6,280	\$ 2.01
\$ (5)	\$ (0.00)	\$ -	\$ -	\$ 5	\$ 0.00
\$ 35,241	\$ 12.80	\$ 5,361	\$ 1.93	\$ (29,880)	\$ (10.87)
\$ 8,827	\$ 3.21	\$ 8,636	\$ 3.11	\$ (190)	\$ (0.09)
\$ 847,223	\$ 307.77	\$ 822,997	\$ 296.82	\$ (24,225)	\$ (10.96)
95.1%		91.9%		-3.2%	
\$ 43,726	\$ 15.88	\$ 72,702	\$ 26.22	\$ (28,976)	\$ (10.34)
\$ 36,553	\$ 13.28	\$ 36,422	\$ 13.14	\$ (131)	\$ (0.14)
4.1%		4.1%		0.0%	
\$ 7,173	\$ 2.61	\$ 36,280	\$ 13.08	\$ (29,107)	\$ (10.48)
\$ (4,693)	\$ (1.70)	\$ 4,621	\$ 1.67	\$ (9,315)	\$ (3.37)
\$ 2,479	\$ 0.90	\$ 40,901	\$ 14.75	\$ (38,421)	\$ (13.85)
0.3%		4.6%		-4.3%	

	YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
Membership						
Member Months	23,961,047		24,028,566		(67,519)	
Revenue						
Capitation	\$ 7,573,059	\$ 316.06	\$ 7,567,231	\$ 314.93	\$ 5,828	\$ 1.13
Total Revenues	\$ 7,573,059	\$ 316.06	\$ 7,567,231	\$ 314.93	\$ 5,828	\$ 1.13
Healthcare Expenses						
Capitation	\$ 4,195,916	\$ 175.11	\$ 4,199,423	\$ 174.77	\$ 3,507	\$ (0.35)
Inpatient Claims	\$ 978,140	\$ 40.82	\$ 975,868	\$ 40.61	\$ (2,272)	\$ (0.21)
Outpatient Claims	\$ 917,002	\$ 38.27	\$ 911,074	\$ 37.92	\$ (5,928)	\$ (0.35)
Skilled Nursing Facility	\$ 828,740	\$ 34.59	\$ 867,525	\$ 36.10	\$ 38,785	\$ 1.52
Pharmacy	\$ 401	\$ 0.02	\$ (162)	\$ (0.01)	\$ (563)	\$ (0.02)
Provider Incentives and Shared Risk	\$ 69,622	\$ 2.91	\$ 40,249	\$ 1.68	\$ (29,373)	\$ (1.23)
Medical Administrative Expenses	\$ 69,641	\$ 2.91	\$ 73,541	\$ 3.06	\$ 3,900	\$ 0.15
Total Healthcare Expenses	\$ 7,059,461	\$ 294.62	\$ 7,067,518	\$ 294.13	\$ 8,057	\$ (0.49)
MCR(%)	93.2%		93.4%		0.2%	
Operating Margin	\$ 513,598	\$ 21.43	\$ 499,713	\$ 20.80	\$ 13,885	\$ 0.64
Total Operating Expenses	\$ 310,813	\$ 12.97	\$ 323,492	\$ 13.46	\$ 12,679	\$ 0.49
Admin Ratio(%)	4.1%		4.3%		0.2%	
Income (Loss) from Operations	\$ 202,785	\$ 8.46	\$ 176,221	\$ 7.33	\$ 26,564	\$ 1.13
Total Non-Operating Income (Expense)	\$ 58,715	\$ 2.45	\$ 46,334	\$ 1.93	\$ 12,381	\$ 0.52
Net Surplus (Deficit)	\$ 261,499	\$ 10.91	\$ 222,555	\$ 9.26	\$ 38,945	\$ 1.65
Margin(%)	3.5%		2.9%		0.5%	



CMC Income Statement (\$ in thousands)

June 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
-				-							
\$ 1,919	N/A	\$ -	N/A	\$ 1,919	N/A						
<u>\$ 1,919</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,919</u>	<u>\$ -</u>						
\$ 357	N/A	\$ -	N/A	\$ (357)	N/A						
\$ (1,393)	N/A	\$ -	N/A	\$ 1,393	N/A						
\$ (244)	N/A	\$ -	N/A	\$ 244	N/A						
\$ (123)	N/A	\$ -	N/A	\$ 123	N/A						
\$ (0)	N/A	\$ -	N/A	\$ 0	N/A						
\$ -	N/A	\$ -	N/A	\$ -	N/A						
\$ 194	N/A	\$ -	N/A	\$ (194)	N/A						
<u>\$ (1,209)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,209</u>	<u>\$ -</u>						
-63.0%		0.0%		63.0%							
\$ 3,128	\$ -	\$ -	\$ -	\$ 3,128	\$ -						
<u>\$ 219</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (219)</u>	<u>\$ -</u>						
11.4%		0.0%		-11.4%							
\$ 2,909	\$ -	\$ -	\$ -	\$ 2,909	\$ -						
<u>\$ 327</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 327</u>	<u>N/A</u>						
\$ 3,236	N/A	\$ -	-	\$ 3,236	N/A						
168.6%		0.0%		168.6%							

	YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
Membership						
Member Months	51,321		51,081		240	
Revenue						
Capitation	\$ 77,319	\$ 1,506.57	\$ 75,769	\$ 1,483.31	\$ 1,550	\$ 23.26
Total Revenues	<u>\$ 77,319</u>	<u>\$ 1,506.57</u>	<u>\$ 75,769</u>	<u>\$ 1,483.31</u>	<u>\$ 1,550</u>	<u>\$ 23.26</u>
Healthcare Expenses						
Capitation	\$ 31,439	\$ 612.60	\$ 30,024	\$ 587.77	\$ (1,415)	\$ (24.83)
Inpatient Claims	\$ 24,909	\$ 485.36	\$ 24,578	\$ 481.16	\$ (331)	\$ (4.20)
Outpatient Claims	\$ 10,904	\$ 212.46	\$ 11,230	\$ 219.85	\$ 326	\$ 7.39
Skilled Nursing Facility	\$ 7,208	\$ 140.44	\$ 7,194	\$ 140.84	\$ (13)	\$ 0.40
Pharmacy	\$ (3,775)	\$ (73.55)	\$ 1,193	\$ 23.35	\$ 4,967	\$ 96.90
Provider Incentives and Shared Risk	\$ 11,174	\$ 217.72	\$ 1,046	\$ 20.48	\$ (10,128)	\$ (197.24)
Medical Administrative Expenses	\$ 1,795	\$ 34.97	\$ 842	\$ 16.48	\$ (953)	\$ (18.49)
Total Healthcare Expenses	<u>\$ 83,653</u>	<u>\$ 1,630.00</u>	<u>\$ 76,107</u>	<u>\$ 1,489.93</u>	<u>\$ (7,546)</u>	<u>\$ (140.07)</u>
MCR(%)	108.2%		100.4%		-7.7%	
Operating Margin	\$ (6,334)	\$ (123.43)	\$ (338)	\$ (6.62)	\$ (5,996)	\$ (116.81)
Total Operating Expenses	\$ 5,628	\$ 109.67	\$ 5,189	\$ 101.58	\$ (440)	\$ (8.09)
Admin Ratio(%)	7.3%		6.8%		-0.4%	
Income (Loss) from Operations	<u>\$ (11,963)</u>	<u>\$ (233.10)</u>	<u>\$ (5,527)</u>	<u>\$ (108.20)</u>	<u>\$ (6,436)</u>	<u>\$ (124.90)</u>
Total Non-Operating Income (Expense)	<u>\$ 2,646</u>	<u>\$ 51.55</u>	<u>\$ 670</u>	<u>\$ 13.11</u>	<u>\$ 1,976</u>	<u>\$ 38.44</u>
Net Surplus (Deficit)	<u>\$ (9,317)</u>	<u>\$ (181.55)</u>	<u>\$ (4,857)</u>	<u>\$ (95.09)</u>	<u>\$ (4,460)</u>	<u>\$ (86.46)</u>
Margin(%)	-12.1%		-6.4%		-5.6%	



D-SNP Income Statement (\$ in thousands)

June 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast		
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	
18,181		17,742		439								
\$ 25,005	\$ 1,375.32	\$ 24,597	\$ 1,386.34	\$ 408	\$ (11.02)					\$ 10,873	\$ 89.05	
\$ 25,005	\$ 1,375.32	\$ 24,597	\$ 1,386.34	\$ 408	\$ (11.02)					\$ 10,873	\$ 89.05	
\$ 11,272	\$ 620.01	\$ 10,733	\$ 604.94	\$ (539)	\$ (15.07)	Membership						
\$ 7,720	\$ 424.63	\$ 6,223	\$ 350.72	\$ (1,498)	\$ (73.91)	Member Months	107,239	106,284	955			
\$ 3,039	\$ 167.18	\$ 2,680	\$ 151.06	\$ (359)	\$ (16.12)							
\$ 469	\$ 25.80	\$ -	\$ -	\$ (469)	\$ (25.80)	Revenue						
\$ 517	\$ 28.42	\$ 1,247	\$ 70.27	\$ 730	\$ 41.85	Capitation	\$ 158,219	\$ 1,475.39	\$ 147,346	\$ 1,386.34	\$ 10,873	\$ 89.05
\$ 1,544	\$ 84.90	\$ 913	\$ 51.43	\$ (631)	\$ (33.47)	Total Revenues	\$ 158,219	\$ 1,475.39	\$ 147,346	\$ 1,386.34	\$ 10,873	\$ 89.05
\$ 566	\$ 31.16	\$ 509	\$ 28.71	\$ (57)	\$ (2.45)	Healthcare Expenses						
\$ 25,128	\$ 1,382.10	\$ 22,305	\$ 1,257.13	\$ (2,823)	\$ (124.97)	Capitation	\$ 59,464	\$ 554.50	\$ 64,296	\$ 604.94	\$ 4,832	\$ 50.45
100.5%		90.7%		-9.8%		Inpatient Claims	\$ 38,654	\$ 360.44	\$ 37,276	\$ 350.72	\$ (1,378)	\$ (9.72)
\$ (123)	\$ (6.79)	\$ 2,292	\$ 129.20	\$ (2,416)	\$ (135.99)	Outpatient Claims	\$ 16,120	\$ 150.32	\$ 16,025	\$ 150.77	\$ (95)	\$ 0.45
\$ 1,417	\$ 77.93	\$ 1,798	\$ 101.31	\$ 381	\$ 23.38	Skilled Nursing Facility	\$ 2,914	\$ 27.17	\$ -	\$ -	\$ (2,914)	\$ (27.17)
5.7%		7.3%		1.6%		Pharmacy	\$ 6,278	\$ 58.54	\$ 7,469	\$ 70.27	\$ 1,191	\$ 11.73
\$ (1,540)	\$ (84.72)	\$ 495	\$ 27.89	\$ (2,035)	\$ (112.61)	Provider Incentives and Shared Risk	\$ 4,126	\$ 38.47	\$ 5,467	\$ 51.43	\$ 1,341	\$ 12.96
\$ -	\$ -	\$ 163	\$ 9.17	\$ (163)	\$ (9.17)	Medical Administrative Expenses	\$ 1,026	\$ 9.57	\$ 2,704	\$ 25.45	\$ 1,679	\$ 15.88
\$ (1,540)	\$ (84.72)	\$ 658	\$ 37.06	\$ (2,198)	\$ (121.78)	Total Healthcare Expenses	\$ 128,581	\$ 1,199.01	\$ 133,237	\$ 1,253.59	\$ 4,656	\$ 54.57
-6.2%		2.7%		-8.8%		MCR(%)	81.3%	90.4%	9.2%			
						Operating Margin	\$ 29,638	\$ 276.37	\$ 14,109	\$ 132.75	\$ 15,529	\$ 143.62
						Total Operating Expenses	\$ 9,316	\$ 86.87	\$ 12,221	\$ 114.99	\$ 2,905	\$ 28.11
						Admin Ratio(%)	5.9%	8.3%	2.4%			
						Income (Loss) from Operations	\$ 20,322	\$ 189.50	\$ 1,888	\$ 17.76	\$ 18,434	\$ 171.74
						Total Non-Operating Income (Expense)	\$ -	\$ -	\$ 972	\$ 9.15	\$ (972)	\$ (9.15)
						Net Surplus (Deficit)	\$ 20,322	\$ 189.50	\$ 2,860	\$ 26.91	\$ 17,462	\$ 162.59
						Margin(%)	12.8%	1.9%	10.9%			



Commercial Income Statement (\$ in thousands)

June 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM
175,455		174,292		1,163	
\$ 79,750	\$ 454.53	\$ 53,748	\$ 308.38	\$ 26,002	\$ 146.16
\$ 79,750	\$ 454.53	\$ 53,748	\$ 308.38	\$ 26,002	\$ 146.16
\$ 27,809	\$ 158.49	\$ 18,921	\$ 108.56	\$ (8,888)	\$ (49.94)
\$ 12,794	\$ 72.92	\$ 8,900	\$ 51.07	\$ (3,894)	\$ (21.86)
\$ 9,321	\$ 53.12	\$ 7,381	\$ 42.35	\$ (1,940)	\$ (10.77)
\$ 156	\$ 0.89	\$ -	\$ -	\$ (156)	\$ (0.89)
\$ 14,157	\$ 80.69	\$ 10,602	\$ 60.83	\$ (3,555)	\$ (19.86)
\$ 1,087	\$ 6.19	\$ 1,205	\$ 6.91	\$ 118	\$ 0.72
\$ 592	\$ 3.37	\$ 466	\$ 2.67	\$ (126)	\$ (0.70)
\$ 65,916	\$ 375.68	\$ 47,475	\$ 272.39	\$ (18,441)	\$ (103.30)
82.7%		88.3%		5.7%	
\$ 13,834	\$ 78.85	\$ 6,273	\$ 35.99	\$ 7,562	\$ 42.86
\$ 6,661	\$ 37.97	\$ 6,079	\$ 34.88	\$ (582)	\$ (3.09)
8.4%		11.3%		3.0%	
\$ 7,173	\$ 40.88	\$ 193	\$ 1.11	\$ 6,980	\$ 39.77
\$ (586)	\$ (3.34)	\$ 317	\$ 1.82	\$ (903)	\$ (5.16)
\$ 6,587	\$ 37.54	\$ 510	\$ 2.93	\$ 6,077	\$ 34.62
8.3%		0.9%		7.3%	

	YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
Membership						
Member Months	1,536,500		1,528,242		8,258	
Revenue						
Capitation	\$ 488,248	\$ 317.77	\$ 463,806	\$ 303.49	\$ 24,442	\$ 14.28
Total Revenues	\$ 488,248	\$ 317.77	\$ 463,806	\$ 303.49	\$ 24,442	\$ 14.28
Healthcare Expenses						
Capitation	\$ 174,049	\$ 113.28	\$ 164,681	\$ 107.76	\$ (9,368)	\$ (5.52)
Inpatient Claims	\$ 87,290	\$ 56.81	\$ 75,689	\$ 49.53	\$ (11,601)	\$ (7.28)
Outpatient Claims	\$ 75,001	\$ 48.81	\$ 65,915	\$ 43.13	\$ (9,086)	\$ (5.68)
Skilled Nursing Facility	\$ 1,095	\$ 0.71	\$ 354	\$ 0.23	\$ (741)	\$ (0.48)
Pharmacy	\$ 99,543	\$ 64.79	\$ 94,095	\$ 61.57	\$ (5,448)	\$ (3.22)
Provider Incentives and Shared Risk	\$ 3,356	\$ 2.18	\$ 8,999	\$ 5.89	\$ 5,643	\$ 3.70
Medical Administrative Expenses	\$ 1,636	\$ 1.06	\$ 2,587	\$ 1.69	\$ 951	\$ 0.63
Total Healthcare Expenses	\$ 441,970	\$ 287.65	\$ 412,320	\$ 269.80	\$ (29,650)	\$ (17.85)
MCR(%)	90.5%		88.9%		-1.6%	
Operating Margin	\$ 46,278	\$ 30.12	\$ 51,486	\$ 33.69	\$ (5,208)	\$ (3.57)
Total Operating Expenses	\$ 64,527	\$ 42.00	\$ 57,740	\$ 37.78	\$ (6,787)	\$ (4.21)
Admin Ratio(%)	13.2%		12.4%		-0.8%	
Income (Loss) from Operations	\$ (18,248)	\$ (11.88)	\$ (6,253)	\$ (4.09)	\$ (11,995)	\$ (7.78)
Total Non-Operating Income (Expense)	\$ 848	\$ 0.55	\$ 2,719	\$ 1.78	\$ (1,871)	\$ (1.23)
Net Surplus (Deficit)	\$ (17,401)	\$ (11.32)	\$ (3,535)	\$ (2.31)	\$ (13,866)	\$ (9.01)
Margin(%)	-3.6%		-0.8%		-2.8%	



Incentive Programs (IPP & HHIP) Income Statement (\$ in thousands)

June 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
\$ 1,753	\$ -	\$ 1,834	\$ -	\$ (81)	\$ -	\$ 126,106	\$ -	\$ 124,886	\$ -	\$ 1,220	\$ -
<u>\$ 1,753</u>	<u>\$ -</u>	<u>\$ 1,834</u>	<u>\$ -</u>	<u>\$ (81)</u>	<u>\$ -</u>	<u>\$ 126,106</u>	<u>\$ -</u>	<u>\$ 124,886</u>	<u>\$ -</u>	<u>\$ 1,220</u>	<u>\$ -</u>
\$ -	\$ -	\$ 870	\$ -	\$ 870	\$ -	\$ -	\$ -	\$ 5,134	\$ -	\$ 5,134	\$ -
\$ -	\$ -	\$ 888	\$ -	\$ 888	\$ -	\$ -	\$ -	\$ 1,713	\$ -	\$ 1,713	\$ -
\$ 1,753	\$ -	\$ 3,910	\$ -	\$ 2,156	\$ -	\$ 16,199	\$ -	\$ 30,430	\$ -	\$ 14,231	\$ -
\$ -	\$ -	\$ 60	\$ -	\$ 60	\$ -	\$ 0	\$ -	\$ 417	\$ -	\$ 417	\$ -
<u>\$ 1,753</u>	<u>\$ -</u>	<u>\$ 5,727</u>	<u>\$ -</u>	<u>\$ 3,973</u>	<u>\$ -</u>	<u>\$ 16,199</u>	<u>\$ -</u>	<u>\$ 37,693</u>	<u>\$ -</u>	<u>\$ 21,494</u>	<u>\$ -</u>
100.0%		312.3%		212.3%		12.8%		30.2%		17.3%	
\$ -	\$ -	\$ (3,893)	\$ -	\$ 3,893	\$ -	\$ 109,907	\$ -	\$ 87,193	\$ -	\$ 22,714	\$ -
\$ 51	\$ -	\$ 455	\$ -	\$ 404	\$ -	\$ 620	\$ -	\$ 1,780	\$ -	\$ 1,161	\$ -
2.9%		24.8%		21.9%		0.5%		1.4%		0.9%	
\$ (51)	\$ -	\$ (4,348)	\$ -	\$ 4,297	\$ -	\$ 109,288	\$ -	\$ 85,412	\$ -	\$ 23,875	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ (51)</u>	<u>\$ -</u>	<u>\$ (4,348)</u>	<u>\$ -</u>	<u>\$ 4,297</u>	<u>\$ -</u>	<u>\$ 109,288</u>	<u>\$ -</u>	<u>\$ 85,412</u>	<u>\$ -</u>	<u>\$ 23,875</u>	<u>\$ -</u>
-2.9%		-237.1%		234.2%		86.7%		68.4%		18.3%	



Comparative Balance Sheet

(Dollars in thousands)	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
ASSETS												
CURRENT ASSETS												
Total Current Assets	\$4,936,270	\$4,820,099	\$5,663,469	\$5,084,708	\$5,172,416	\$5,211,120	\$5,469,816	\$5,452,064	\$7,027,117	\$5,699,958	\$5,932,683	\$5,763,647
Capitalized Assets - net	\$102,369	\$104,591	\$98,723	\$98,849	\$98,849	\$92,230	\$95,333	\$96,465	\$99,515	\$100,173	\$99,824	\$102,476
NONCURRENT ASSETS												
	\$2,363	\$2,230	\$2,129	\$2,006	\$1,946	\$1,946	\$1,531	\$1,033	\$1,556	\$1,401	\$1,288	\$1,191
TOTAL ASSETS	\$5,046,815	\$4,926,919	\$5,833,900	\$5,255,144	\$5,342,529	\$5,377,377	\$5,635,100	\$5,616,811	\$7,193,822	\$5,865,711	\$6,096,530	\$5,928,393
LIABILITIES AND FUND EQUITY												
CURRENT LIABILITIES												
Total Current Liability	\$3,964,303	\$3,857,575	\$4,746,546	\$4,148,776	\$4,249,831	\$4,253,401	\$4,493,204	\$4,388,975	\$5,909,168	\$4,500,566	\$4,680,664	\$4,493,604
Long Term Liability	\$2,429	\$2,476	\$0	(\$9)	\$38	(\$2,775)	(\$2,781)	(\$2,731)	(\$2,681)	(\$2,575)	(\$2,524)	(\$2,530)
Total Liabilities	\$3,966,733	\$3,860,051	\$4,746,546	\$4,148,767	\$4,249,869	\$4,250,626	\$4,490,424	\$4,386,245	\$5,906,488	\$4,497,992	\$4,678,140	\$4,491,073
FUND EQUITY												
Invested in Capital Assets, net of related debt	\$102,369	\$104,591	\$98,723	\$98,849	\$98,849	\$92,230	\$95,333	\$96,465	\$99,515	\$100,173	\$99,824	\$102,476
Restricted Equity	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Minimum Tangible Net Equity	\$204,167	\$204,247	\$207,029	\$206,981	\$206,981	\$208,364	\$212,637	\$214,911	\$218,383	\$219,432	\$230,007	\$234,133
Board Designated Funds	\$108,737	\$106,837	\$104,822	\$113,719	\$107,669	\$106,809	\$103,706	\$100,888	\$98,646	\$94,807	\$92,624	\$98,903
Unrestricted Net Assets	\$664,209	\$650,594	\$676,180	\$686,228	\$678,561	\$718,747	\$732,399	\$817,702	\$870,190	\$952,707	\$995,335	\$1,001,207
Total Fund Equity	\$1,080,082	\$1,066,868	\$1,087,354	\$1,106,377	\$1,092,660	\$1,126,751	\$1,144,676	\$1,230,566	\$1,287,334	\$1,367,719	\$1,418,390	\$1,437,319
TOTAL LIABILITIES AND FUND EQUITY	\$5,046,815	\$4,926,919	\$5,833,900	\$5,255,144	\$5,342,529	\$5,377,377	\$5,635,100	\$5,616,811	\$7,193,822	\$5,865,711	\$6,096,530	\$5,928,393
Solvency Ratios												
Working Capital Ratio	1.25	1.25	1.19	1.23	1.22	1.23	1.22	1.24	1.19	1.27	1.27	1.28
Cash to Claims Ratio	0.52	0.49	0.63	0.46	0.48	0.48	0.54	0.51	0.88	0.64	0.67	0.68
Tangible Net Equity Ratio	5.29	5.22	5.25	5.35	5.28	5.41	5.38	5.73	5.89	6.23	6.17	6.14



Cash Flows Statement (\$ in thousands)

June 2023

	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	YTD
Cash Flows from Operating Activities:										
Capitation Revenue	\$ 763,710	\$ 817,194	\$ 840,632	\$ 1,017,855	\$ 803,604	\$ 1,185,273	\$ 969,307	\$ 1,069,372	\$ 1,074,209	\$ 8,541,156
Other Income (Expense), net	\$ 6,284	\$ (1,516)	\$ 6,286	\$ 788	\$ 3,433	\$ 2,910	\$ 10,472	\$ 5,794	\$ 3,259	\$ 37,710
Healthcare Expenses	\$ (737,336)	\$ (716,891)	\$ (781,483)	\$ (839,834)	\$ (651,002)	\$ (878,499)	\$ (672,951)	\$ (908,413)	\$ (1,180,804)	\$ (7,367,213)
Operating Expenses	\$ (29,792)	\$ (36,802)	\$ (54,221)	\$ (29,955)	\$ (37,060)	\$ (48,926)	\$ (31,299)	\$ (51,083)	\$ (41,596)	\$ (360,734)
Net Cash Provided By Operating Activities	\$ 2,866	\$ 61,985	\$ 11,214	\$ 148,854	\$ 118,975	\$ 260,758	\$ 275,529	\$ 115,670	\$ (144,932)	\$ 850,919
Cash Flows from Investing Activities										
Purchase of investments - Net	\$ (65,406)	\$ (114,037)	\$ (94,704)	\$ (57,274)	\$ (57,555)	\$ 152,854	\$ (9,712)	\$ (127,718)	\$ (17,103)	\$ (390,655)
Purchase of Capital Assets	\$ (2,036)	\$ (1,650)	\$ (1,538)	\$ (2,652)	\$ (3,361)	\$ (4,585)	\$ (2,356)	\$ (1,632)	\$ (4,317)	\$ (24,127)
Net Cash Provided By Investing Activities	\$ (67,442)	\$ (115,687)	\$ (96,242)	\$ (59,926)	\$ (60,916)	\$ 148,269	\$ (12,068)	\$ (129,350)	\$ (21,420)	\$ (414,782)
Cash Flows from Financing Activities:										
Lease Payment - Capital & ROU	\$ -	\$ -	\$ -	\$ (2,833)	\$ (1,171)	\$ (1,713)	\$ (1,454)	\$ (1,444)	\$ (1,517)	\$ (10,132)
Gross Premium Tax (MCO Sales Tax) - Net	\$ (39,300)	\$ 25,277	\$ 16,069	\$ (34,639)	\$ 21,457	\$ (109)	\$ 15,639	\$ 33	\$ 17,670	\$ 22,097
Pass through transactions (AB 85, IGT, etc.)	\$ (575,356)	\$ 12	\$ (15,957)	\$ 135,967	\$ (131,768)	\$ 1,194,616	\$ (1,187,876)	\$ (4,944)	\$ (721)	\$ (586,027)
Net Cash Provided By Financing Activities	\$ (614,656)	\$ 25,289	\$ 112	\$ 98,495	\$ (111,482)	\$ 1,192,794	\$ (1,173,691)	\$ (6,355)	\$ 15,432	\$ (574,062)
Net Increase in Cash and Cash Equivalents	\$ (679,232)	\$ (28,413)	\$ (84,916)	\$ 187,423	\$ (53,423)	\$ 1,601,821	\$ (910,230)	\$ (20,035)	\$ (150,920)	\$ (137,925)
Cash and Cash Equivalents, Beginning	\$ 1,239,407	\$ 560,175	\$ 531,762	\$ 446,846	\$ 634,269	\$ 580,846	\$ 2,182,667	\$ 1,272,437	\$ 1,252,402	\$ 1,239,407
Cash and Cash Equivalents, Ending	\$ 560,175	\$ 531,762	\$ 446,846	\$ 634,269	\$ 580,846	\$ 2,182,667	\$ 1,272,437	\$ 1,252,402	\$ 1,101,482	\$ 1,101,482
Reconciliation of Income from Operations to Net Cash Provided By (Used In) Operating Activities:										
Excess of Revenues over Expenses	\$ 19,023	\$ (13,716)	\$ 34,090	\$ 17,925	\$ 85,890	\$ 56,768	\$ 80,385	\$ 50,671	\$ 18,929	\$ 349,965
Adjustments to Excess of Revenues Over Expenses:										
Depreciation	\$ 1,910	\$ 1,912	\$ 5,393	\$ 3,211	\$ 3,400	\$ 3,151	\$ 3,153	\$ 3,424	\$ 3,321	\$ 28,875
Realized and Unrealized (Gain)/Loss on Investments	\$ 2,065	\$ (5,545)	\$ (728)	\$ (4,096)	\$ 4,937	\$ (6,469)	\$ (1,493)	\$ 3,967	\$ 2,248	\$ (5,114)
Deferred Rent	\$ (9)	\$ 47	\$ (2,813)	\$ (6)	\$ 50	\$ 50	\$ 107	\$ 50	\$ (6)	\$ (2,530)
Gross Premium Tax provision	\$ (708)	\$ (778)	\$ (862)	\$ (2,376)	\$ 580	\$ 148	\$ (465)	\$ 5	\$ 13,340	\$ 8,884
Loss on Disposal of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3)	\$ 3	\$ -	\$ -	\$ -
Total Adjustments to Excess of Revenues over Expenses	\$ 3,258	\$ (4,364)	\$ 990	\$ (3,267)	\$ 8,967	\$ (3,123)	\$ 1,305	\$ 7,446	\$ 18,903	\$ 30,115
Changes in Operating Assets and Liabilities:										
Capitation Receivable	\$ (32,935)	\$ (3,386)	\$ (19,040)	\$ 32,496	\$ (95,242)	\$ (132,584)	\$ 329,870	\$ (107,655)	\$ 21,149	\$ (7,327)
Interest and Non-Operating Receivables	\$ 277	\$ (941)	\$ 3,653	\$ (1,790)	\$ (652)	\$ (3,553)	\$ 3,543	\$ (1,263)	\$ (4,579)	\$ (5,305)
Prepaid and Other Current Assets	\$ 5,448	\$ (1,775)	\$ (11,846)	\$ 7,691	\$ 2,710	\$ (2,922)	\$ 79,700	\$ (747)	\$ (14,514)	\$ 63,745
Accounts Payable and Accrued Liabilities	\$ 2,713	\$ 2,806	\$ (6,256)	\$ 4,546	\$ (2,255)	\$ (3,903)	\$ 4,517	\$ (4,260)	\$ 2,452	\$ 360
Subcapitation Payable	\$ 28,522	\$ 57,608	\$ 11,307	\$ 43,530	\$ 151,132	\$ (2,762)	\$ 62,977	\$ (20,456)	\$ (285,899)	\$ 45,959
MediCal Adult Expansion Payable	\$ 3	\$ (649)	\$ 1	\$ -	\$ 1	\$ -	\$ (31,083)	\$ -	\$ -	\$ (31,727)
Deferred Capitation Revenue	\$ (25,814)	\$ (1,348)	\$ 492	\$ 55,505	\$ (75,730)	\$ 340,273	\$ (322,939)	\$ 101,408	\$ 53,684	\$ 125,531
Accrued Medical Expenses	\$ (6,449)	\$ 4,176	\$ (2,080)	\$ 4,932	\$ 3,129	\$ 10,758	\$ 19,986	\$ 107,025	\$ 14,977	\$ 156,454
Reserve for Claims	\$ 7,512	\$ 16,195	\$ 22,490	\$ 12,240	\$ 40,128	\$ 5,392	\$ 31,621	\$ (20,321)	\$ 12,569	\$ 127,826
Reserve for Provider Incentives	\$ 421	\$ 5,561	\$ (22,425)	\$ (25,270)	\$ (403)	\$ (1,808)	\$ 13,478	\$ 4,384	\$ 17,825	\$ (8,237)
Grants Payable	\$ 887	\$ 1,818	\$ (162)	\$ 316	\$ 1,300	\$ (1,778)	\$ 2,169	\$ (562)	\$ (428)	\$ 3,560
Net Changes in Operating Assets and Liabilities	\$ (19,415)	\$ 80,065	\$ (23,866)	\$ 134,196	\$ 24,118	\$ 207,113	\$ 193,839	\$ 57,553	\$ (182,764)	\$ 470,839
Net Cash Provided By Operating Activities	\$ 2,866	\$ 61,985	\$ 11,214	\$ 148,854	\$ 118,975	\$ 260,758	\$ 275,529	\$ 115,670	\$ (144,932)	\$ 850,919



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: August 23, 2023

Motion No. FIN 105.0923

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

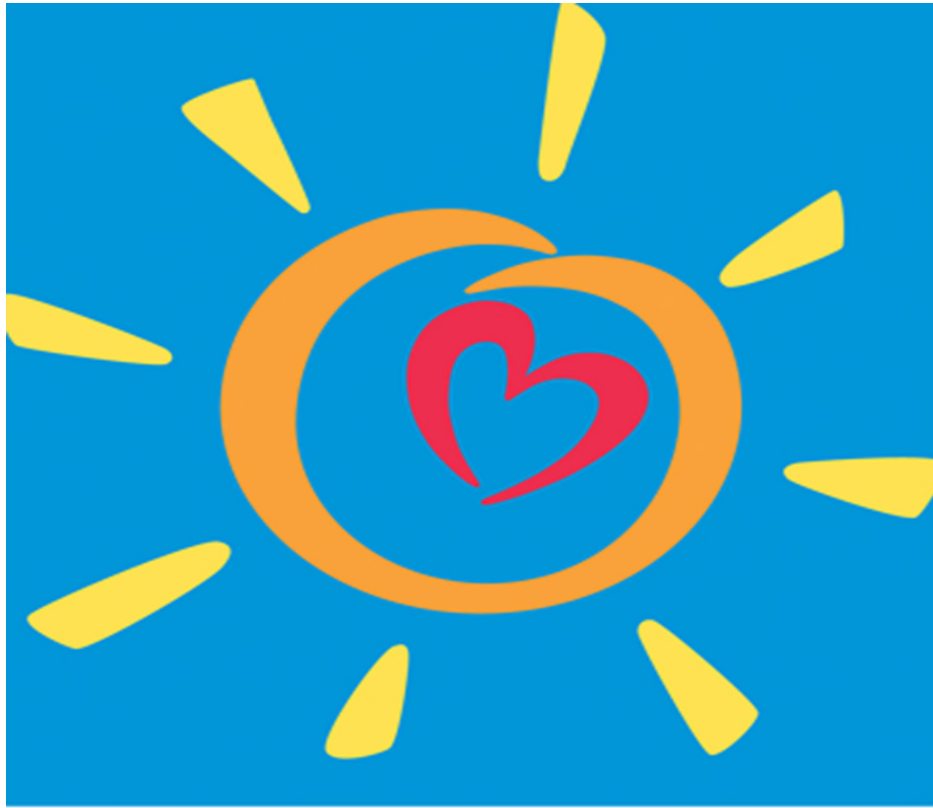
Issue: Recommend the draft FY 2023-24 Operating and Capital Budget for Board consideration.

Background: Please see the Budget documents for detailed information.

Member Impact: The annual Capital and Operating Budget outlines the appropriate use of revenue to provide access to quality health care for Los Angeles County's vulnerable and low-income communities and residents and to support the safety net required to achieve that purpose.

Budget Impact: Not applicable.

Motion: To approve the Fiscal Year 2023-24 Operating and Capital Budget, as submitted.



L.A. Care
HEALTH PLAN®

**OPERATING AND CAPITAL BUDGET
FISCAL YEAR 2023-24**

Board of Governors
September 1, 2023

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EXECUTIVE SUMMARY

Environmental Overview

The most significant environmental impacts on our budget for the upcoming year stem from the end of the Public Health Emergency (PHE), along with the ongoing implementation of California Advancing and Innovating Medi-Cal (CalAIM) and related initiatives.

Medi-Cal

During the COVID-related PHE, Medi-Cal redeterminations had been suspended, meaning that people who might have lost coverage during their renewal period were kept on Medi-Cal. With the end of the PHE, redeterminations are resuming. The Continuous Coverage unwinding period began on April 1, 2023 and continues through May 31, 2024 with disenrollments beginning July 1, 2023. We projected an annualized disenrollment rate of 13% for L.A. Care, a loss of about 350,000 members. L.A. County is automatically renewing members for whom they have relevant information (e.g. they are enrolled in another income-eligible program) which will help mitigate membership loss. However, based on early experience, 55% of members still need to complete the renewal packet. L.A. Care is conducting extensive outreach in multiple ways to assist members with the renewal process.

Despite redetermination-related membership losses, new Medi-Cal membership will result from other policy changes. Most fee-for-service members have been converted to Medi-Cal managed care as specified by the CalAIM initiative. In addition, the state has expanded Medi-Cal to income-eligible undocumented adults aged 26-49 beginning in 2024, meaning that undocumented individuals of all ages who meet income requirements can now enroll in Medi-Cal.

During the past fiscal year (FY), the state conducted its reprocurement process to select the commercial plans in Two-Plan model counties. Ultimately, Health Net was selected as the commercial plan for Los Angeles County, with Molina as a subcontracted plan. Although this represents status quo, the state has specified a 50-50 membership split between Health Net and Molina, dramatically changing the membership balance between the two plans. Though, details have not yet been solidified about how that membership assignment will occur. It is not clear how or whether this might affect L.A. Care's membership, but the new arrangement might lead to more robust competition for members. In addition, all Medi-Cal plans, including L.A. Care, will be subject to a new Medi-Cal contract with additional requirements.

The state's direct contract with Kaiser, beginning in 2024, will also affect L.A. Care's membership. Kaiser will no longer be L.A. Care's Plan Partner and will lose Kaiser's projected 270,000 members, along with the associated revenue and health care costs. Removing Kaiser from L.A. Care's quality score calculation may affect our overall quality rating which in turn affects auto-assignment. Although Kaiser's members comprise a small fraction of L.A. Care's total membership, its quality ratings are very high.

L.A. Care continues to implement provisions of CalAIM, the state's Medi-Cal transformation which began in FY 2021-22. CalAIM's goals are to manage member risk while addressing social determinants of health, reduce complexity and increase flexibility of Medi-Cal, and improve quality outcomes and the delivery system. As described above, the transition of members from fee-for-service to managed care has been implemented, along with other major components such as Enhanced Care Management (ECM) and Community Supports (CS). The state is providing managed care plans with the opportunity to earn Incentive Payment Program (IPP) funding, which provides plans with incentive funding to support the development of strong ECM and CS networks. The state is also providing plans with the opportunity to earn Housing and Homeless Incentive Program (HHIP) funding to support treatment and services to homeless members.

Providers are also expected to benefit from a proposed increase to Medi-Cal base rates in the Governor's budget for FY 2023-24. The budget calls for the reinstatement of the Managed Care Organization (MCO) tax, which can be used to ensure that Medi-Cal rates for primary care, maternity care and non-specialty mental health services are at 87.5% of Medicare. Although this is a welcome change, the California Safety Net Coalition is pursuing a ballot initiative for the November 2024 election that would make this formula permanent, as budget proposals change with administrations and budget conditions.

L.A. Care Covered

The COVID-19 emergency has also affected Covered California and our L.A. Care Covered product. Most significantly, the Inflation Reduction Act continued the increased premium assistance provided by the American Rescue Plan through the end of 2025. In many cases, members pay little to no premiums. As price is key a driver for members' plan selection, continuation of this assistance is important to L.A. Care and our current and prospective members.

Legislation from 2019, SB 260, created a process where people who lose Med-Cal coverage are automatically enrolled into Covered California qualified health plans. In most cases, people will be enrolled in the lowest cost silver plan in the member's rating region. L.A. Care has historically occupied that position so Medi-Cal membership loss may be partially offset by an L.A. Care Covered membership gain. It will be important for L.A. Care to maintain its lowest cost position for 2024 to benefit from this process.

Medicare

Fiscal year 2022-23 completed the sunset of Cal MediConnect, L.A. Care's previous product for dual-eligible members, replaced by our Dual Eligible Special Needs Plan (D-SNP), called L.A. Care Medicare Plus. Cal MediConnect members have been successfully transitioned to L.A. Care Medicare Plus and we are actively marketing to new members.

The Medicare Advantage (MA) Value-Based Insurance Design (VBID) Model was extended for calendar years 2025 through 2030. The MA VBID model is a CMS demonstration program designed to reduce Medicare program expenditures, enhance the quality of care for Medicare beneficiaries, including those with low incomes such as dual-eligibles, and improve the coordination and efficiency of health care service delivery. L.A. Care received a provisional approval to include the proposed VBID benefit in the 2024 benefit package.

Membership

L.A. Care has approximately 2.49 million members budgeted for FY 2023-24, 2.29 million of which are Medi-Cal. With the resumption of redeterminations, our product team has a heightened focus to work on strategies to promote member retention, outreach, and engagement including enhancing member informing materials and collaborating with County partners to explore opportunities to retain the maximum number of eligible members as possible.

Overall, the projected membership reduction between FY 2022-23 Forecast and FY 2023-24 Budget is expected to be 355,000 members or -12.5 percent, with member months decreasing by 2,979,000 or -8.7 percent. Combined segment membership is projected to be 2,487,543 at September 30, 2024.

Membership by Fiscal Year								
(\$ in thousands)	Membership		Change		Member Months		Change	
	FY 2022-23	FY 2023-24	Membership ⁽¹⁾	Percent	FY 2022-23	FY 2023-24	Member Months	Percent
	9+3 Forecast	Budget			9+3 Forecast	Budget		
Total Medi-Cal ⁽²⁾	2,665	2,290	(375)	(14.1%)	32,042	28,862	(3,181)	(9.9%)
D-SNP	18	19	1	5.9%	162	227	65	40.1%
Commercial	178	198	20	11.0%	2,072	2,324	253	12.2%
Elimination ⁽³⁾	(18)	(19)	(1)	5.9%	(162)	(227)	(65)	40.1%
Total	2,843	2,488	(355)	(12.5%)	34,114	31,186	(2,928)	(8.6%)

Note:

1. Membership is at year end

2. Plan Partners - Kaiser ends on December 31, 2023

3. Beginning January 2023, D-SNP members are included in both D-SNP & CCI under Total Medi-Cal since the funding comes from CMS & DHCS

Membership by Segment Fiscal Year 2023-24 Budget					
(\$ in thousands)	Total Medi-Cal	Commercial	D-SNP	Elimination*	Total
Oct-23	2,635,747	179,958	18,300	(18,300)	2,815,705
Nov-23	2,607,279	181,924	18,201	(18,201)	2,789,203
Dec-23	2,579,122	183,519	18,102	(18,102)	2,762,641
Jan-24	2,360,469	186,449	18,926	(18,926)	2,546,918
Feb-24	2,409,976	196,538	18,961	(18,961)	2,606,514
Mar-24	2,383,949	196,786	19,037	(19,037)	2,580,735
Apr-24	2,358,203	198,165	19,112	(19,112)	2,556,368
May-24	2,332,733	199,744	19,185	(19,185)	2,532,477
Jun-24	2,307,540	201,110	19,255	(19,255)	2,508,650
Jul-24	2,301,494	201,282	19,324	(19,324)	2,502,776
Aug-24	2,295,483	200,959	19,392	(19,392)	2,496,442
Sep-24	2,289,506	198,038	19,457	(19,457)	2,487,544
Total	28,861,501	2,324,472	227,252	(227,252)	31,185,973

*Beginning January 2023, D-SNP members are included in both D-SNP & CCI under Total Medi-Cal since the funding comes from CMS & DHCS

Combined Operations & Financials

Combined operations are budgeted to produce a net surplus of \$301.9 million, which includes the \$36.4 million in support of community investments and \$95.3 million in Incentive Programs. Adjusted net surplus excluding the Incentive Payment Program (IPP) and Homeless and Housing Incentive Program (HHIP) is expected to be \$206.6 million, or a 1.9% margin ratio.

Consolidated Statement of Operations						
Fiscal Year 2023-24 Budget						
(\$ in millions)	Total Medi-Cal	Commercial	D-SNP	Community Programs ⁽¹⁾	Incentive Programs ⁽²⁾	Total
Revenue	\$9,670.9	\$837.2	\$328.8	\$0.0	\$198.7	\$11,035.6
Healthcare Expenses	9,063.4	739.7	293.4	-	102.3	10,198.8
<i>MCR %</i>	<i>93.7%</i>	<i>88.4%</i>	<i>89.2%</i>	<i>n/a</i>	<i>n/a</i>	<i>92.4%</i>
Operating Margin	607.6	97.5	35.4	-	96.3	836.8
Operating Expenses	468.8	66.7	21.7	-	1.0	558.2
<i>Administrative Ratio %</i>	<i>4.8%</i>	<i>8.0%</i>	<i>6.6%</i>	<i>n/a</i>	<i>n/a</i>	<i>5.1%</i>
Gain/(Loss) from Operations	138.8	30.9	13.6	-	95.3	278.6
Community Investments	-	-	-	(36.4)	-	(36.4)
Managed Care Tax, net	-	-	-	-	-	-
Investment Income, net	53.1	4.7	1.8	-	-	59.7
Net Surplus/(Deficit)	\$191.9	\$35.6	\$15.5	(\$36.4)	\$95.3	\$301.9
Margin Ratio %	2.0%	4.3%	4.7%	<i>n/a</i>	<i>n/a</i>	2.7%

Note:

1. Includes Community Resource Centers, Blue Shield Promise Grant & First 4 LA Grant
2. Includes Incentive Payment Program (IPP) & Housing and Homelessness Incentive Program (HHIP)

Revenue

Medi-Cal Capitation Rates (Classic Rating & Duals Categories)

The revenue rates are based on calendar year (CY) 2023 rates from the California Department of Health Care Services (DHCS). The CY 2024 rates assumes a rate decrease across all categories of aid.

D-SNP

D-SNP revenue for October '23 – December '23 is based on CY 2023 rates and CY 2024 revenue is based on the bid submitted to CMS.

L.A. Care Covered

L.A. Care Covered revenue for October '23 – December '23 is based on the CY 2023 rates and the CY 2024 revenue is supported by the rates submitted to Covered California for the respective time period.

Healthcare Expenses

Consistent with a maturing health care delivery network, the utilization growth and the health care services delivery have become more complex. L.A. Care's management team remains focused on utilization management processes, provider contracting, and claims payment management. The fundamental goal is guided by the Institute for Healthcare Improvement's (IHI) Triple Aim Framework, (1) improve patient experience, (2) improve health outcomes, and (3) reduce unnecessary health care expenses.

L.A. Care has been building a direct network of contracted doctors. This allows a more direct dialogue with the physicians who are critical to our mission. Our goal is to support the physicians with actionable data to help them improve the quality outcomes for our members. Key leaders from multiple departments remain involved in supporting the infrastructure in order to create more capacity for additional members through the direct network.

Capitation

L.A. Care contracts with, and in many cases delegate specific services to, various Risk Bearing Organizations (RBOs) like Independent Practice Associations (IPAs) and Medical Groups, safety-net providers, Federally Qualified Health Centers, and Community Clinics to provide health care services to enrolled members. The risk arrangements with the RBOs vary between shared, dual, and full risk, which define different level of capitation arrangements based on the division of financial responsibility between the RBO and L.A. Care. As mentioned above, L.A. Care continues to develop our Direct Network, contracting directly with primary care physicians, specialty care physicians and provider groups either on a capitated or fee-for-service basis. The variety of network arrangements allows us to create alternatives to fit the unique needs of our members.

L.A. Care also contracts with three other Knox-Keene licensed health plans, referred to as Plan Partners (Anthem, Blue Shield Promise, and Kaiser), to which all managed care services are delegated. The Plan Partners are reimbursed on a capitated PMPM fee basis for each enrolled Medi-Cal member. Furthermore, both Anthem and Blue Shield Promise participate in the plan partner incentive program which rewards plan partners for performance based on targeted metrics. Kaiser will no longer be a Plan Partner in 2024 as they will have a direct contract with the state.

Shared Risk | Provider Incentives

Shared Risk

This healthcare expense category consists of the risk pool tied to the shared risk arrangements mentioned in the capitation section above. The shared risk pools are established to encourage appropriate levels of hospital service utilization. L.A. Care enters into a capitation agreement to delegate professional services, but retains the hospital services. Per member per month (PMPM) targets are established with each contracted provider group and the risk pool is calculated based on membership. At the end of each calendar year, L.A. Care compares the actual claims experience to the target pools and surplus amounts are split between the contracted provider groups and L.A. Care.

**Provider Incentive
Fiscal Year 2023-24 Budget**

Incentive Level Programs (\$ in thousands)	Segments				
	Plan Partners ⁽¹⁾	Total MCLA ⁽²⁾	Commercial	D-SNP	Total ⁽³⁾
Plan Partners	\$11,636	\$0	\$0	\$0	\$11,636
PPG	9,458	40,620	5,410	280	55,768
Physician	11,054	23,734	35	3,956	38,779
Member	-	3,227	797	430	4,454
Total	\$32,148	\$67,581	\$6,242	\$4,666	\$110,636

Note:

1. Excludes Kaiser
2. CCI members not eligible for Incentive Level Programs
3. Provider Incentive excludes Incentive Payment Program (IPP) & Housing and Homelessness Incentive Program (HHIP)

L.A. Care Quality Score Investments (Incentives)

Provider incentives are an essential part of L.A. Care’s interventions strategy to advance provider performance, enhance the quality of clinical care and increase member satisfaction. They are designed to augment L.A. Care’s collaboration with key industry partners, and to align the quality improvement goals of plan partners, IPAs, clinics, physicians, and hospitals. These programs use standard metrics such as Healthcare Effectiveness Data and Information Set (HEDIS) to reward excellent performance and year-over-year improvement. The programs aim to create a business case for provider investment in quality improvement and promote accountability and value.

Plan Partner Quality Score Investments (Incentives)

The Plan Partner Incentive Program aligns the efforts of L.A. Care with those of its strategic partners as a critical point for improving the outcomes and satisfaction of members. The program rewards plan partners with a broad set of metrics, including HEDIS clinical quality, utilization management, encounter data and member experience. The Plan Partner Incentive Program is fully aligned with the IPA-level program, which provides a strong platform for performance measurement and promotes shared quality improvement strategies between health plans and IPAs.

IPA Quality Score Investments (Incentives)

The Value Initiative for IPA Performance + Pay-for-Performance (VIIP+P4P) Program aims to improve the quality of care for L.A. Care members by measuring, reporting and rewarding IPAs for performance in multiple domains that affect quality of care, including HEDIS, utilization management, encounter data, and member experience. The VIIP+P4P program also encourages and supports lower performing IPAs to develop action plans, which are performance improvement projects with measurable goals. These IPA action plans are reviewed by L.A. Care and plan partner subject matter experts, with updates provided throughout the year to track project progress and goal attainment.

Physician Quality Score Investments (Incentives)

The Physician Pay-for-Performance (P4P) Program provides financial rewards to eligible physicians and community clinics for outstanding performance and year-over-year improvement on multiple HEDIS measures. The program is closely aligned with incentives available to IPAs and plan partners and is designed to improve provider encounter data submission. Domains and measures related to physician- and clinic-level utilization management and member experience will be included in the next program year.

L.A. Care also operates a provider incentive in support of completing Medicare Annual Wellness Exams, with the goal of getting pertinent patient medical history to assess wellness and develop preventive care plans. A new Hospital P4P Program is under development along with a provider incentive for Health Information Exchange (HIE) adoption and use within the coming year. Additionally, L.A. Care operates member incentives to support the priorities related to obtaining vital medical services, to promote health education, and to increase positive member experiences.

Fee-for-Service Claims

L.A. Care's second largest healthcare expense type, behind capitation, is fee-for-service (FFS) expenses. The category includes inpatient, outpatient, skilled nursing facility, and community-based adult services related to TANF-MCE, SPD-CCI, D-SNP, LACC, and PASC-SEIU segments. The FY 2023-24 budget is based on CY 2022 (Jan-22 to Dec-22) cost levels. These costs were trended forward to the budget period with trends observed in the past year varying from zero to low positives (e.g. 0 percent to 10 percent). Various adjustments were made to account for differences from the base period to budget period, including new programs. FFS costs continue to be difficult to predict due to the constantly changing healthcare landscape affected by COVID-19, and any significant COVID developments could have an impact on FFS trends across all categories of service. There is additional uncertainty this year from the impact of the resumption of Medi-Cal redeterminations.

Pharmacy

The American Society of Health-System Pharmacist (ASHP) found that annual U.S. prescription drug spend trended higher than expected in 2022, increasing by 9.4 percent to a total of \$633.5 billion. The primary driver of this increase was due to a combination of a 5.9 percent increase in utilization and price hikes for a number of new drugs. L.A. Care Health Plan's pharmaceutical drug spend followed a similar overall trend.

According to the American Journal Health System Pharmacy, prescription drug spend is expected to rise by 6 – 8 percent in 2023. The latest annual Segal Health Plan Cost Trend Survey estimates annual outpatient prescription drug cost is expected to increase past 10 percent in 2023. This is mostly driven by price inflation and new-to-market specialty drug.

Specialty drugs account for nearly a third of LA Care's total drug spend. LA Care Health Plan's specialty drug spend remains lower than the national average. According to the Global Use of Medicines 2023 report from IQVIA, specialty drugs will represent about 43 percent of global drug spending by 2027, due to the high cost of new specialty drugs that are replacing lower-cost therapies. Most pharmaceutical pipeline drugs are specialty and orphan drugs, with more than 100 new oncology drugs. Oncology will be one of the biggest contributors to drug spending growth in the next five years, according to IQVIA. Oncology drug spend alone is expected to grow at a rate of 13 percent – 16 percent through 2027, driven by the continued introduction of more effective and expensive new drug therapies.

Non-specialty drug utilization has remained relatively stable, and is also expected to remain steady in 2023. However, the cost of non-specialty drugs is expected to increase due to price inflation. For non-specialty drugs, LA Care's largest drug spend category is antidiabetics, which has high brand-name utilization rates. Antidiabetic drug spend has soared over the past several years, increasing by 22.4 percent in 2022 and 21.9 percent in 2021, which are in line with national trends according to AJHP. The Inflation Reduction Act introduced by CMS in the second half of 2023 will attempt to lower the cost of insulins, but it will not offset the bulk of our rising cost of the Antidiabetic category. Insulin only accounts for 15 percent of total Antidiabetics cost each year. The majority of the Antidiabetics cost increase is due to newer drugs in the Incretin Mimetic Agents (GLP-1 Receptor Agonists) and Sodium-Glucose Co-Transporter 2 (SGLT2) classes. The rise in Antidiabetics utilization is also expected to correlate with increased efforts to improve medication adherence and quality metrics, such as STARS ratings.

Administrative Expenses

L.A. Care Health Plan General Administrative Cross-Walk Fiscal Year 2023-24 Budget			
(\$ in thousands)	FY 2022-23 9+3 Forecast	Additions/ (Reductions)	FY 2022-23 Budget
Base Line Operations	\$522,720		
Salaries and Benefits			
Increase due to higher budgeted FTEs before Vacancy Factor		45,655	
Increase in Vacancy Factor from 13.2% to 15.7%		(7,140)	
Temporary Labor and Recruitment			
Lower projected spending		(320)	
Professional Fees & Purchased Services			
Increase in printing & other contracted services		3,435	
Increase in IT Strategic Projects & staff augmentation		1,090	
Decrease in broker commissions		(1,369)	
Advertising and Promotions			
Increase in advertising expenses		3,046	
Business Fees & Occupancy and Leases			
Increase in DMHC Assessment & LACC participation fees		6,696	
Decrease in software licenses & maintenance expenses		(3,316)	
Supplies and Other			
Increase in external postage and fulfillment		1,467	
Depreciation and Amortization			
Increase in assets are not fully depreciated		5,644	
Medical Administrative Expenses			
Increase in Health Services programs		(19,385)	
Total Administrative Expenses	\$522,720	\$35,504	\$558,224

Note:

1. Admin includes Incentive Payment Program (IPP) & Housing and Homelessness Incentive Program (HHIP)

Comparative Administrative Cost – FY 2022-23 vs. FY 2023-24

L.A. Care continues to focus on administrative costs needed to support the evolving CalAIM Initiatives and to transform and upgrade our infrastructure. L.A. Care strives to efficiently manage the delivery of health care services and to comply with regulatory changes for the products we offer.

The following is a summary of the administrative forecast and budget between the fiscal years:

Administrative Expenses Comparative Statement				
(\$ in thousands)	FY 2022-23		FY 2023-24	
	9+3 Forecast	PMPM	Budget	PMPM
FTEs (at year end)	2,269		2,407	
Salaries and Benefits	\$278,003	\$8.14	\$316,519	\$10.15
Temporary Labor and Recruitment	3,222	0.09	2,902	0.09
Professional Fees	23,834	0.70	25,719	0.82
Purchased Services	155,283	4.55	156,554	5.02
Advertising and Promotions	9,623	0.28	12,670	0.41
Business Fees and Insurance	54,916	1.61	58,738	1.88
Occupancy and Leases	8,250	0.24	7,807	0.25
Supplies and Other	47,995	1.40	49,462	1.59
Depreciation and Amortization	34,756	1.02	40,400	1.30
Medical Administrative Expenses	(93,163)	(2.73)	(112,548)	(3.61)
Total*	\$522,720	\$15.30	\$558,224	\$17.90
Admin Ratio %	4.6%		5.1%	

**Total includes Incentive Payment Program (IPP) & Housing and Homelessness Incentive Program (HHIP)*

Last year, we established a budget target of a \$15.44 PMPM for administrative expenditures. The budget was increased to \$15.55 PMPM as part of the 3+9 Forecast to account for a lower than anticipated vacancy factor as well as additional costs associated with strategic projects. Our 9+3 forecast expects that we end the fiscal year at \$15.30 PMPM, or \$0.14 favorable to the original budget target. The favorability in PMPM is primarily driven by the favorable membership development as the delay in redeterminations lasted longer than anticipated.

FY 2023-24 administrative PMPM target is set at \$17.90 PMPM, which is \$2.60 higher than the FY 2022-23 9+3 Forecast and \$2.46 higher compared to the FY 2022-23 Budget. The increase in PMPM is attributable to an increase in administrative expenses as well as the decrease in enrollments tied to redeterminations. Total administrative expenses are expected to increase by \$35.5 million primarily due to an increase in Salaries & Benefits in addition to increased print and mailing efforts related to redetermination outreach efforts, increased fees related to DMHC and LACC and depreciation as capital projects are completed and placed in service. We will continue to seek opportunities to limit the administrative spending and implement cost-reduction activities, including re-negotiating vendor contracts and re-deploying FTEs. We will also continue to focus on areas to improve efficiencies to manage administrative expenses below the target. However, it is important to continue investing in technology in order to improve operational efficiencies. We aspire to continue to be a good partner to L.A. County and the

State in driving efficiency now that cost pressures have intensified. Our preparation and continued investments in our infrastructure position us for that goal.

Staffing and Total Cost of Labor

For FY 2023-24, the budgeted FTE totaled to 2,499 which includes actual vacancy factor at the department level but caps at a maximum of 15.7 percent. For FY 2022-23, the budgeted FTE totaled 2,280 which included a 13.2 percent vacancy factor, an increase in FTE of 219 year-over-year. For FY 2023-24, budgeted Salaries & Benefits totaled to \$316.5 million as compared to FY 2022-23 budget of \$271.7 million, an increase of \$44.5 million due to higher budgeted headcount. The budgets for FY 2023-24 and FY 2022-23 include a 4.5 percent merit increase for eligible staff.

In an effort to focus employees on organizational goals and objectives, L.A. Care will reward bonus incentives based on criteria established in its Organizational Incentive Program. The incentive program is not a guaranteed bonus for employees, but rather a reward for excellent performance, at the organizational level as well as at the individual level. Incentive compensation earned by an employee is paid as a lump sum and does not become a part of the employee's base pay rate.

The chart below shows the details of our budgeted staffing:

Full Time Employees			
	Budgeted Fiscal Year		
	2021-22	2022-23	2023-24
Beginning Total	2,033	1,911	2,280
Unfilled positions	-	669	566
Vacancy factor	(173)	(300)	(347)
Infrastructure support (other)	51	-	-
Total additions	(122)	369	219
Ending Total*	1,911	2,280	2,499

**Total includes CRCs, Community Benefits & Incentive Payment Program (IPP) & Housing Homelessness Incentive Program (HHIP)*

Full Time Employees		
Fiscal Year Trend		
	<u>at year end</u>	
	<u>Total</u> FTEs ⁽¹⁾	<u>FTEs per</u> <u>Membership in</u> <u>thousands</u>
FY 2019-20 (Actual)	2,059	0.89
FY 2020-21 (Actual)	1,902	0.77
FY 2021-22 (Actual)	2,046	0.75
FY 2022-23 (Forecast) ⁽²⁾	2,361	0.83
FY 2023-24 (Budget)	2,499	1.00

Note:

1. FTEs include CRCs, Community Benefits & Incentive Payment Program
2. FY 2022-23 9+3 Forecast

L.A. Care Segments

Plan Partners

The Plan Partners' budget consists of the operating revenue and costs required to support all aid categories under Medi-Cal, delivered through subcontracted Plan Partners' (Anthem Blue Cross, Blue Shield of California Promise Health Plan, and Kaiser Permanente) health care networks.

The fully delegated contracts with the three Plan Partners reflect both capitation rates for the Medi-Cal benefit and a performance incentive program. The agreements with Anthem and Blue Shield Promise were extended to September 2035. However, due to AB 2724, DHCS will contract directly with Kaiser for Medi-Cal managed care across the state. L.A. Care's contract with Kaiser will end effective January 1, 2024.

Plan Partners (with the exception of Kaiser) will be eligible for an incentive program based on measurement year 2023 (payable in 2024). The incentive is designed to align quality goals among L.A. Care and its subcontracted health plans and target specific performance measures that impact the managed care accountability set (MCAS), health care outcomes and patient satisfaction. Plan Partners are eligible for an annual per member per month financial incentive for meeting eligibility and performance criteria.

TANF-MCE

Medi-Cal is California's Medicaid program. It is a public health program which provides comprehensive, no cost/low cost health care services for qualifying low-income children, adults, families, seniors, persons with disabilities, children in foster care, pregnant women, and certain unsatisfactory immigration status populations, as well as other aid and risk categories. Beginning on January 1, 2024, all residents regardless of immigration status will be eligible for Medi-Cal.

Temporary Assistance for Needy Families (TANF) – TANF is a State-based federal cash assistance program for low-income families. TANF replaces the former program known as Aid to Families with Dependent Children (AFDC). CalWORKs is the name of California’s TANF program. TANF programs are designed to help low income families with children achieve economic self-sufficiency. This segment consists primarily of members in family-adult, family-child, and Breast and Cervical Cancer Treatment Program aid categories.

Medicaid or Medi-Cal Expansion (MCE) – Starting January 2014, the Affordable Care Act expanded Medi-Cal coverage to adults (age 19-64 years) without children. MCE eligibility is based on modified adjusted gross income (MAGI) and is available to those with an annual income lower than 138 percent of the federal poverty level. MCE also allows coverage for parents who would have lost coverage under current rules if their income slightly exceeds the federal poverty level.

SPD

Seniors and Persons with Disabilities (SPD) – As of June 1, 2011, Seniors and Persons with Disabilities (SPD) were transitioned from Medi-Cal fee-for-service into managed care. Individuals 65 years and older, and/or a person of any age with a disability may qualify for Medi-Cal under this category. SPD eligible members must meet one of the following requirements:

- Aged: Persons 65 years and older
- Blind: Persons who have been declared legally blind by the Social Security Administration or the State Programs – Disability and Adult Programs Division (SP-DAPD)
- Disabled: Persons who have been declared disabled by SP-DAPD

Individuals determined to be disabled under SP-DAPD are considered disabled under Medi-Cal. SPDs may be full scope or partial dual members. Partial dual eligibility means a person qualifies for a Medicare Savings Program (MSP), and a person who qualifies for partial dual eligibility may also qualify for a Dual Special Needs Plan (D-SNP).

L.A Care Health Plan						
*Total Medi-Cal Income Statement						
(\$ in thousands)	FY 2022-23		% of Revenue	FY 2023-24		% of Revenue
	9+3 Forecast	PMPM		Budget	PMPM	
Member Months	32,042,206			28,861,502		
Revenue						
Capitation	\$10,202,155	\$318.40	100.0%	\$9,670,928	\$335.08	100.0%
Total Revenues	\$10,202,155	\$318.40	100.0%	\$9,670,928	\$335.08	100.0%
Healthcare Expenses						
Capitation	\$5,594,884	\$174.61	54.8%	\$5,215,072	\$180.69	53.9%
Inpatient Claims	\$1,305,975	\$40.76	12.8%	\$1,262,001	\$43.73	13.0%
Outpatient Claims	\$1,311,232	\$40.92	12.9%	\$1,237,400	\$42.87	12.8%
Skilled Nurse Facility	\$1,119,292	\$34.93	11.0%	\$1,125,698	\$39.00	11.6%
Pharmacy	\$401	\$0.01	0.0%	\$0	\$0.00	0.0%
Provider Incentives & Shared Risk	\$85,226	\$2.66	0.8%	\$106,632	\$3.69	1.1%
Medical Administrative Expenses	\$93,615	\$2.92	0.9%	\$116,553	\$4.04	1.2%
Total Healthcare Expenses	\$9,510,626	\$296.82	93.2%	\$9,063,357	\$314.03	93.7%
Operating Margin	\$691,530	\$21.58	6.8%	\$607,570	\$21.05	6.3%

*Total Medi-Cal consists of Plan Partners and Total MCLA

Dual Eligible Special Needs Plan (D-SNP)

The state of California implemented California Advancing and Innovating Medi-Cal (CalAIM), requiring Medi-Cal Managed Care Organizations to establish Dual Eligible Special Needs Plans (D-SNP) effective January 1, 2023. D-SNPs are a type of Medicare Advantage Plan with Part D (MAPD) and are available to those who are eligible for both Medicare and Medi-Cal services. These D-SNP Plans will be implemented with Exclusively Aligned Enrollment (EAE), where beneficiaries enrolled in the D-SNP for Medicare services will be aligned with the same parent organization to also receive their Medi-Cal services.

The Plan is designed to offer dual eligible beneficiaries (Medicare and Medicaid eligible) comprehensive, preventive, quality care through access to contracted health care providers and clinical care teams who are trained and experienced in caring for healthy individuals and individuals with chronic conditions or disabilities.

The plan covers all Medicare-covered Part A and B services, includes Part D benefits, as well as supplemental benefits including: fitness, home-delivered meals, an allowance for over-the-counter medication, supplies and nutritional, a companionship program, a personal emergency response system, vision, acupuncture, chiropractic services and worldwide emergency coverage, which are not available through traditional Fee-For-Service Medicare. Part D cost share will vary based on low income status; however, preferred generic drugs will have no copay.

L.A Care Health Plan D-SNP Income Statement						
(\$ in thousands)	FY 2022-23			FY 2023-24		
	9+3 Forecast	PMPM	% of Revenue	Budget	PMPM	% of Revenue
Member Months	162,213			227,253		
Revenue						
Capitation	\$234,431	\$1,445.21	100.0%	\$328,770	\$1,446.71	100.0%
Total Revenues	\$234,431	\$1,445.21	100.0%	\$328,770	\$1,446.71	100.0%
Healthcare Expenses						
Capitation	\$92,719	\$571.59	39.6%	\$125,883	\$553.93	38.3%
Inpatient Claims	\$57,934	\$357.15	24.7%	\$83,913	\$369.25	25.5%
Outpatient Claims	\$24,382	\$150.31	10.4%	\$51,073	\$224.74	15.5%
Skilled Nurse Facility	\$2,914	\$17.96	1.2%	\$0	\$0.00	0.0%
Pharmacy	\$10,141	\$62.52	4.3%	\$14,362	\$63.20	4.4%
Provider Incentives & Shared Risk	\$6,907	\$42.58	2.9%	\$17,005	\$74.83	5.2%
Medical Administrative Expenses	\$2,464	\$15.19	1.1%	\$1,169	\$5.14	0.4%
Total Healthcare Expenses	\$197,461	\$1,217.30	84.2%	\$293,405	\$1,291.09	89.2%
Operating Margin	\$36,970	\$227.91	15.8%	\$35,365	\$155.62	10.8%

California Advancing and Innovating Medi-Cal (Cal AIM) Initiative - Duals

Under CalAIM, the Department of Health Care Services (DHCS) transitioned the Cal MediConnect (CMC) and Coordinated Care Initiative (CCI) to a statewide Managed Long-Term Services (MLTSS) and D-SNP structure. In conjunction with mandatory Medi-Cal managed care enrollment, DHCS required statewide integration of long-term

care (LTC) into managed care plans for Medi-Cal populations beginning 2023. Full and partial-benefit duals in LTC facilities in counties or plans that do not already include LTC were enrolled in Medi-Cal managed care.

Commercial Products

PASC-SEIU program provides health care for the in-home supportive services (IHSS) workers in Los Angeles County. Among the administrative services provided are: claims processing, member services, and COBRA/Cal-COBRA billing and information technology services. The PASC-SEIU Homecare Workers Health Care Plan (PASC-SEIU Plan) transitioned from CHP to L.A. Care in February 2012.

L.A. Care Covered (LACC) program started in January 2014, L.A. Care Health Plan is one of many health plans designated to offer health insurance on the California State Exchange known as Covered California. L.A. Care Covered offers all metal coverage levels (Platinum, Gold, Silver, and Bronze) and a Catastrophic Plan for enrollees within Los Angeles County in Regions 15 and 16 on the Exchange. Consistent with its mission, L.A. Care focuses on outreach and enrollment activities to communities that are at or below 250 percent of the Federal Poverty Level (FPL).

Because of our number-one, price position on the Covered CA exchange for the third year in a row and coupled with our proactive management of our member experience throughout the year we have had several accomplishments in 2023:

- Enrolled over 24,000 new L.A. Care Covered members
- Renewed over 96% of our existing membership
- LACC membership for FY 2022-23 totaled over 130,000 members, the largest L.A. Care Covered membership enrollment since the inception of the product
- L.A. Care is the now largest managed care health plan in region 15 & 16, with 25.9% of the total enrollment among all seven plans offered in Los Angeles County

On August 16, 2022, President Biden signed an extension to the enhanced subsidies, which were first introduced under the American Rescue Plan (ARP) of 2021 and will remain in effect through December 31, 2025. The enhanced subsidies allow 42% of the existing LACC membership to have a zero monthly premium.

Senate Bill 260 (SB260) mandates that anyone who is redetermined as no longer eligible for Medi-Cal will be automatically enrolled onto the Covered CA Exchange. Enrollment will default to the lowest priced Silver plan in the region. If L.A. Care successfully retains the lowest priced Silver position for 2024, significant membership growth is anticipated.

L.A Care Health Plan
Commercial Income Statement

(\$ in thousands)	FY 2022-23		% of	FY 2023-24		% of
	9+3 Forecast	PMPM	Revenue	Budget	PMPM	Revenue
Member Months	2,071,569			2,324,471		
Revenue						
Capitation	\$653,087	\$315.26	100.0%	\$837,217	\$360.18	100.0%
Total Revenues	\$653,087	\$315.26	100.0%	\$837,217	\$360.18	100.0%
Healthcare Expenses						
Capitation	\$233,516	\$112.72	35.8%	\$327,297	\$140.80	39.1%
Inpatient Claims	\$114,679	\$55.36	17.6%	\$135,558	\$58.32	16.2%
Outpatient Claims	\$97,696	\$47.16	15.0%	\$118,816	\$51.12	14.2%
Skilled Nurse Facility	\$1,095	\$0.53	0.2%	\$0	\$0.00	0.0%
Pharmacy	\$132,149	\$63.79	20.2%	\$147,785	\$63.58	17.7%
Provider Incentives & Shared Risk	\$7,030	\$3.39	1.1%	\$8,349	\$3.59	1.0%
Medical Administrative Expenses	\$3,037	\$1.47	0.5%	\$1,882	\$0.81	0.2%
Total Healthcare Expenses	\$589,201	\$284.42	90.2%	\$739,687	\$318.22	88.4%
Operating Margin	\$63,885	\$30.84	9.8%	\$97,529	\$41.96	11.6%

Non-Travel Meeting, Food, and Other Expenses

L.A. Care Health Plan Non Travel Meals and Catering, and Other Expenses for the Fiscal Year 2023-2024							
Proposed Program		Non-Travel Food Expenses		Other	Total		
1	Behavioral Health Quality Committee (BHQC)	\$	716	\$	-	\$	716
2	Board of Governors Offsite Meetings - June and September 2024	\$	20,000	\$	-	\$	20,000
3	Catering for Board & Committee Meetings	\$	20,000	\$	-	\$	20,000
4	Catering for Health Promoters Program	\$	31,000	\$	-	\$	31,000
5	Catering for LAC Medicare Plus and Enrollee Advisory Committee(EAC) member meeting	\$	1,080	\$	4,800	\$	5,880
6	Catering for LA Care Consumer Advisory Council(CAC) Member Engagement Sessions	\$	4,320	\$	8,000	\$	12,320
7	Catering for LA Care Consumer Members (RCAC/ECAC/BOG)*	\$	68,300	\$	223,550	\$	291,850
8	CEO Business Development	\$	3,000	\$	3,000	\$	6,000
9	Community Benefit Grant Review Committee Meetings	\$	2,874	\$	22,000	\$	24,874
10	Customer Service and QI Performance Improvement Project (PIP) Trainings	\$	15,300	\$	-	\$	15,300
11	Equality and Quality at Independent Practices - EQUiP-LA	\$	1,800	\$	-	\$	1,800
12	Physician Advisory Collaborative Meetings - QI PE&O Workgroup	\$	2,040	\$	6,020	\$	8,060
13	Provider Continuing Education (PCE) Program	\$	43,700	\$	116,300	\$	160,000
14	Transform LA Program - Direct Network (DN) Practice Engagement	\$	9,360	\$	-	\$	9,360
15	Community Health Bi-Annual Community Engagement Meetings	\$	1,200	\$	600	\$	1,800
16	New Employee Orientation	\$	8,688	\$	-	\$	8,688
17	Dedicated Service Awards 2024	\$	8,878	\$	-	\$	8,878
18	Social Work Month	\$	2,645	\$	3,105	\$	5,750
19	Admin Day 2023	\$	2,530	\$	2,750	\$	5,280
20	Quarterly HR Job Fairs	\$	2,311	\$		\$	2,311
21	Help Me Grow LA Program	\$	2,800	\$		\$	2,800
22	Legislative Office Educational Briefing	\$	1,000	\$	1,200	\$	2,200
23	Community Health Bi-Annual Team Meetings	\$	1,200	\$	600	\$	1,800
Proposed Program Total		\$	254,741	\$	391,925	\$	646,666

Proposed Programs:

Provider Continuing Education (PCE) Program

L.A. Care Provider Continuing Education (PCE) Program is an accredited educational program with Continuing Medical Education (CME) for L.A. Care providers and other physicians, and Continuing Education (CE) for nursing staff and other healthcare professionals.

L.A. Care is an accredited CME Provider with commendation by the California Medical Association (CMA) for MDs, DOs, PAs, and also an accredited CE Provider by the California Board of Registered Nursing for NPs and RNs, and an accredited CE Provider by the California Association of Marriage and Family Therapists (CAMFT) for LCSWs, LMFTs, LPCCs, and LEPs. The PCE Program CME / CE activities and events specifically target the low performing primary care physicians related to their HEDIS scores and Star Performance to improve quality of patient care and physician-patient relationships. Other target audiences are high performing providers, new L.A. Care providers, L.A. Care staff, and other healthcare professionals.

The PCE Program will hold CME/CE activities throughout the year, with emphasis on the identified needs of L.A. Care providers and other healthcare professionals through conducted surveys and ongoing feedback. The PCE Program will coordinate four full-day CME/CE Conferences for in-depth content related to quality improvement of patient care, partnerships and best practices. It will also provide three evening CME/CE events to target Quality Improvement, HEDIS and other clinical improvement topics. There will also be eight online courses/webinars to reach hard-to-target L.A. Care network providers in L.A. County.

In addition, the program will offer online activities/online courses on content areas that are important for improving providers' competency, performance and patient outcomes. CME/CE Event expenses will include venue and food costs, and stipends for guest speakers to cover preparatory costs.

Meetings with Providers and Other External Stakeholders

Various mandatory, regulatory, and advisory meetings are held at L.A. Care's facilities, including committee meetings, trainings, and educational conferences. The goals of which are to support and strengthen L.A. Care's ability to provide a safety net for the communities we serve. The budget for FY 2023-24 is similar to FY 2022-23. Actual spending may be impacted as more meetings continue to be held in person.

Such meetings include:

- Board of Governors and other Governing Committees
- Behavioral Health Quality Committee (BHQC)
- Community Benefit Grant Review
- Quality Initiative trainings for PPGs and other clients to improve performance
- Equality and Quality at Independent Practices (EQuIP-LA)
- Physician Advisory Collaborative Meetings – QI Dept. Provider Engagement & Outreach Workgroup
- Transform LA Program – Direct Network Engagement
- Community Health Bi-Annual Community Engagement Meetings
- Help Me Grow LA Program

Business Development

Many community events are held annually to strengthen L.A. Care's relationship with its members. L.A. Care representatives are engaged in business development activities related to the sales and promotion of the various products offered. Collaborative meetings with sister health plans, the L.A. County Department of Health Services, providers, and members all contribute to the expansion of L.A. Care's Safety Net Initiatives. Continuation of these development activities are an integral part of the messaging and branding strategy in relationship building with providers, members, and external stakeholders. Planning anticipates that some of these events may be held in person, but most will be held virtually or will be suspended as the COVID-19 pandemic guidance updates.

Events and programs include:

- CEO Business Development
- Annual Strategic Planning Meeting
- L.A. Care Medicare Plus and Enrollee Advisory Committee (EAC) member meetings
- L.A. Care Consumer Advisory Council (CAC) member engagement sessions
- Health Promoters Program
- Community Outreach & Engagement Events including RCAC & ECAC meetings and RCAC Conferences

Staff Training, Recognition and Retention, and Extenuating Circumstances

Programs designed to support L.A. Care's staff have resumed after being suspended during the COVID-19 pandemic.

Such programs include:

- New Employee Orientations
- Quarterly Job Fairs
- Dedicated Service Awards
- Social Work Month

- Admin Day 2024
- Departmental Team-Building and Training events

Meals may be provided to employees working mandatory overtime in extenuating circumstances such as the Yearly Disaster Recovery Test, department moves/relocation, or in-person usability testing where employees work over the weekend.

Sales, Marketing, and Advertising Strategy

Advertising and Promotions

(\$ in thousands)	<u>Total*</u>
FY 2022-23 9+3 Forecast	\$8,706
FY 2023-24 Budget	\$12,639

**Total excludes sponsorships*

FY 2023-24 will see the Marketing team continue to grow our Brand Marketing and expand strategy to interconnect all other campaigns in market, with enhance targeting. We will also continue our products, CRCs, and Plan Partner campaigns. We will maximize tactical media elements with a goal of growing our consumer voice in the market and impact choice enrollment. We will modify D-SNP tactical campaign to be more tailored for direct engagement for AEP. We look to conduct more research and focus groups to obtain further insights for our corporate brand. Research and focus group will also be conducted for our co-marketing Plan Partner, Medi-Cal program. For our CRCs, due to the significant expansion/growth, Marketing will now approach the campaign efforts to be more targeted by region. In addition to traditional and digital media campaigns tasked with creating growth opportunities, marketing will also be introducing market data for more efficient advertising to support growth and retention. Marketing will continue to factor in miscellaneous advertising campaigns required for FY 2023-24.

The Marketing team will roll out three campaigns in the Fall which will aim at driving enrollment for the Medi-Cal, D-SNP, and L.A. Care Covered products. Our Plan Partner digital co-marketing program is set to begin in August 2023, carrying through to the end of the year, as an effort to continue growth in 2024. For our Medi-Cal line of business (including Plan Partners), we will factor in the change in the market dynamics with introduction of the Kaiser’s direct contract set to begin in 2024. In addition, for Medi-Cal, Marketing will continue to support Redetermination efforts. Our Covered California Open Enrollment Campaign for L.A. Care Covered will begin in October 2023 and ramp up through January 2024. Our campaign efforts will employ traditional elements like Outdoor, Radio and TV, but will be paralleled by tactical digital programs. Marketing will then look to roll out a Spring and Summer campaign post the Fall/Winter period to refocus our advertising on our corporate Brand campaign, D-SNP, Medi-Cal, and the Community Resource Centers. Marketing will continue to leverage its Channel Performance reporting process that has helped us monitor and manage our Marketing Channels for optimization and performance improvement through a newly launched response dashboard.

Printing and Mailing

(\$ in thousands)	<u>Total</u>
FY 2022-23 9+3 Forecast	\$20,375
FY 2023-24 Budget	\$31,616

Marketing will serve as the center of material development, printing, and distribution through our relationships with local print and fulfillment vendors. The critical focuses in FY 2023-24 we will continue to enhance the tracking of all charges by cost center and to reflect those charges against each cost center's budget. This Marketing budget management will continue to include a level of transparency for all budget owners, allowing them to have a clear line of sight to their spending in real-time. The objective is to provide a clear understanding of all the projects produced annually and to understand their financial impact, and assess any gaps, inefficiencies, and redundancies in member communications.

Marketing will continue the effort of reducing costs through competitive bidding and leverage digital tools to enhance our current member communication. The project management system, Podio, continues to archive print estimates and invoices, which allows us to reference historical jobs to better bid and price projects for business units. In addition, the Marketing and Sales teams will leverage vendor portals for efficient print production workflows. We will continue to partner with the Member Services team to help grow our digital communications tools (Portal, Email, text messaging) so we can switch to these communication touchpoints upon regulatory approvals being granted. Marketing will also work with vendors to find a way to bring our member journey experience to an actionable and potentially automated outcome.

Additionally, Marketing will begin a vendor diversity exploration effort, in preparation for next year's planned RFP.

Broker Fees

(\$ in thousands)	<u>D-SNP</u>	<u>LACC</u>	<u>Total</u>
FY 2022-23 9+3 Forecast	\$2,187	\$30,835	\$33,021
FY 2023-24 Budget	\$4,297	\$27,356	\$31,652

Our broker partners continue to be instrumental in establishing net membership growth for our LACC and D-SNP products. We have steadily grown our D-SNP Certified Broker Agents to include over 600 agents, to serve as an extension of our Sales team, whom have contributed to 65% of our production, supporting our net membership growth over 18,000. As part of the CMS Commission Rate requirements, L.A. Care will pay residuals for Broker book of business beginning January 1, 2024.

The L.A. Care Covered broker network has also proved to be very valuable, helping us grow our product to nearly 130,000 members, whom are trending to contribute 65% of our entire membership. Due to our position in the market and necessary budgeting requirements, Admin Fees have been lowered from \$10 to \$8 PMPM, and Renewal Commissions have been lowered from \$20 to \$15 PMPM. Our focus will continue to be on partnerships, training, education and business development for the Broker Community, insuring we can give our agents the tools they need to benefit our providers, community-based organizations, members and prospective members. Being able to demonstrate the value of these partnerships is critical to the success of our sales strategy and tactics.

Community Health Improvement Programs

The proposed Community Health Improvement Program budget for FY 2023-24 allocates \$36.7 million of L.A. Care's financial reserves for selected projects to be funded throughout the fiscal year. Community Health Improvement Programs include the Community Health Investment Fund (CHIF), Elevating the Safety Net, Blue Shield Promise Grant, Community Resource Centers, First 5 L.A. Grant and Community Programs (which includes Community Clinic Program, Community Benefits Program, Promotoras and Sponsorships).

Community Health Improvement Programs							
Fiscal Year 2023-24 Budget							
(\$ in millions)	CHIF	Elevating the Safety Net	Blue Shield Promise Grant	Community Resource Centers	First 5 L.A. Grant	Community Programs*	Total
Revenue							
Community Investments - Revenue	\$0.0	\$0.0	\$17.4	\$0.0	\$0.3	\$0.0	\$17.7
Expense							
Community Investments - Expense	(\$10.0)	(\$11.4)	(\$9.1)	(\$21.9)	(\$0.3)	\$0.0	(\$52.7)
Administrative Expenses	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$1.6)	(\$1.6)
Net Surplus/(Deficit)	(\$10.0)	(\$11.4)	\$8.3	(\$21.9)	\$0.0	(\$1.6)	(\$36.7)

*Community Programs include Community Clinic Program, Community Benefits Program, Promotoras & Sponsorships

Community Health Improvement Programs		
Comparative Statement - Expenses Only		
(\$ in thousands)	FY 2022-23 9+3 Forecast	FY 2023-24 Budget
Community Health Investment Fund	\$13,337	\$10,000
Elevating the Safety Net	8,062	11,422
Blue Shield Promise Grant	4,537	9,077
Community Resource Centers	15,442	21,912
First 5 L.A. Grant	425	321
Community Programs	2,089	1,648
Community Clinic Program/SCOPE Plan	100	250
Community Benefits Program	874	887
Promotoras/Health Promoters Program	218	374
Sponsorships/In-Kind	897	138
Total	\$43,891	\$54,379

Community Health Investment Fund (CHIF)

\$10.0 Million

The Board of Governors established the Community Health Investment Fund (CHIF) program to improve access and quality of care by filling gaps and supporting infrastructure to benefit the underserved and the safety net that serves them. CHIF is managed by the Community Benefits Department. Its proposed overarching funding goals for FY 2023-24 include:

1. Support the health care safety net to improve infrastructure and address racial inequities,
2. Address social determinants of health that result in inequities,
3. Explore and resolve health disparities gap, and
4. Empower and invest in health/social determinants of health related organizations that address systemic racism.

Each year, staff presents to the Board a recommended budget allocation for CHIF grant making, which is divided between funds for predetermined initiatives and for those in response to external requests known as ad hocs. The CHIF budget for FY 2022-23 was \$10.0 million, and at least \$10.0 million is recommended for FY 2023-24.

A total of \$10.0 million is recommended to be invested in initiatives that improve community and public health, expand equitable access to healthcare, and strengthen whole person care, with a focus on rectifying health conditions frequently experienced at a disproportionately higher rate among under-resourced communities. This may include projects that improve clinical delivery systems, such as care coordination and integration of medical, behavioral health, and oral healthcare, in addition to projects that address social determinants of health, and attempt to stem their root causes, namely systemic racism. All CHIF strategies will be designed to improve health and health related issues that are evidenced to critically impact physical, social, and/or behavioral health to enable individuals and communities to experience optimal health.

Workforce Development Initiative/Elevating the Safety Net (ESN)

\$11.4 Million

L.A. Care's Elevating the Safety Net (ESN) initiative is a long-term initiative to recruit highly qualified primary care physicians into the Los Angeles County safety net. Since FY 2017-18, and in alignment with our mission to care for the most vulnerable people in Los Angeles County, the ESN initiative has invested over \$90 million of the \$155 million across ten programs to recruit, train and retain highly qualified primary care physicians who commit to practicing in our safety net. On May 5, 2022, L.A. Care's Board of Governors approved that we prioritize investing the remaining \$65 million in ESN initiative funds through FY 2026-27 across the key programs listed below.

Medical School Scholarship Program

\$3.4 Million

We will continue to offer full-tuition scholarships for eight students admitted to the Charles R. Drew University of Medicine and Science (four students) and the David Geffen School of Medicine at UCLA (four students). 'L.A. Care Scholars' are identified by each school based on their diversity and ethnic background, desire to work with vulnerable populations and demonstration of financial need.

Provider Loan Repayment Program

\$4.0 Million

We will continue to support physicians who commit to serving our Medi-Cal members and vulnerable communities by awarding them up to \$5,000.00 per month to assist with student loan debt repayment. This program will be administered by a nonprofit organization, Uncommon Good, and applicants will be selected based on a competitive application process.

Provider Recruitment Program

\$4.0 Million

Awards for up to \$125,000.00 will be granted to eligible clinics and practices to provide salary subsidies, sign-on bonuses, and/or relocation costs for new physicians or primary care psychiatrists recruited into the safety

net. Clinics and practices will apply to the program through a competitive application process based on their need and history with L.A. Care.

Blue Shield Promise Grant

\$9.1 Million

L.A. Care Health Plan and Blue Shield of California Promise Health Plan have committed a combined \$146 million over five years, to expand Resource Centers across Los Angeles County, both in terms of geographic footprint and services. Over five years, L.A. Care and Blue Shield Promise will jointly open seven new Resource Centers, remodel four existing centers and relocate three centers to larger locations, for a total of 14 centers. The co-branded facilities are called Community Resource Centers.

The Resource Centers will enhance community connections, address social needs and improve overall health outcomes for members and the entire community through free health screenings and on-site enrollment support for social service programs. Each jointly operated Resource Center will serve as a one-stop community destination, providing classes and services that will help keep center visitors active, healthy and informed.

While the Resource Centers are open to the public, L.A. Care and Blue Shield members will be able to access personalized health and wellness programs and services. The Resource Centers will serve as platforms to introduce health care technology such as telemedicine and health care mobile application support to help build L.A. Care and Blue Shield Promise members' capacity to manage their own health.

Community Resource Centers

\$21.9 Million

The Community Resource Centers are aimed at addressing health disparities by creating a single point of service where the community can turn to for help with health education, assistance with navigating the health care delivery system and available programs and resources. Dedicated L.A. Care staff and contracted health education vendors provide a number of activities for health plan members and other community residents including health education, disease prevention, promotion of self-management tools and education on establishing or maintaining health coverage. Twelve Community Resource Centers have successfully been launched in Boyle Heights, East L.A., Inglewood, Lynwood, Pacoima, Palmdale, Pomona, Metro L.A., Wilmington, El Monte, Norwalk and Long Beach and are operated jointly with Blue Shield of California Promise Health Plan. During FY 2021-22, full Community Resource Center operations were restored with the resumption of in-person programming and child supervision services at all locations.

Since the opening of the first Community Resource Center in November 2007, the initiative has been successful in delivering well-integrated health education resources and services that address important health topics such as asthma, diabetes, and obesity. Larger locations in Lincoln Heights and in Panorama City to replace centers in Boyle Heights and Pacoima respectively, and a new location in South L.A. are expected to be completed in FY 2023-24.

Help Me Grow: LA/First 5 LA

\$0.3 Million

First 5 LA awarded LAC a grant of more than \$1.2M as part of Help Me Grow: LA, for a four-year partnership that will help safety net practices and clinics across the county integrate developmental screenings and monitoring protocols into their workflows to support LAC members ages 0-5 years old. LAC will contribute \$600K in "in-kind" services for a total program budget of over \$1.8M.

The program offers an education campaign for both providers and families/caregivers of young children about the importance of developmental screenings and when needed, intervention services available in the community. Early childhood development classes are offered to the community and members at the CRCs which also have educational materials on the program available in eight languages. Several of these materials are available on the




member health education page on the company website. Three annual CME events for providers and care teams are scheduled for the program. In addition, the program includes a three year, ten practice pilot which provides on-site practice coach/facilitator support and a mini grant for up to \$5K per practice for achievement of the pilot program goals, namely increase the volume of developmental screenings and patient referrals by 15 percent for each metric.

Community Clinic Program/(SCOPE) Plan

\$ 0.3 Million

The Strengthening Clinic Operations and Patient Experience (SCOPE) initiative offers contracted Federally Qualified Health Centers and licensed community clinics opportunities to participate in and benefit from innovative programs and tailored services aimed at strengthening the delivery of high quality health care for our members.

Guided by IHI's Triple Aim Framework, the SCOPE Plan's three main objectives are to (1) improve patient experience, (2) improve health outcomes and (3) reduce unnecessary health care costs. Toward this end, current initiatives under the umbrella of our SCOPE plan focus on addressing several strategic areas:

-  Clinic Workforce Development and Leadership Training
-  Improved Patient Experience
-  Enhanced Operations and Sustainability

Examples of initiatives include:

- Provider Leadership Program
- Customer Service Training
- Readiness Support and Technical Assistance for FQHC Alternative Payment Methodology
- Capacity Building to support Medi-Cal Redetermination and Expansion
- Technical Assistance to support Clinical Operations and Managed Care activities

Community Benefits Program Administration

\$0.9 Million

The Community Benefits Department staff is responsible for managing all aspects of L.A. Care's CHIF grant making activities. Program initiatives are developed and announced to the community through request for applications (RFA), and proposals are reviewed by staff and external subject matter experts. Recommended proposals that meet RFA criteria are presented to the appropriate authority according to Policy 603, for award approval. Staff also oversee grant management through the term of the award, which includes reviewing semi-annual progress reports and providing technical support to ensure grantees meet programmatic and fiscal obligations. In some cases, funded programs or technical and operational functions require support from external entities and systems. It is expected that the department will continue to require support to manage grants through the Blackbaud Grantmaking subscription, at least two consulting firms in support of grantee projects, as well as an evaluator. Lastly, the department will require technical operational consultation and support for its grantmaking procedures. Every year L.A. Care commits a portion of its reserves to community benefit investments. Staff research gaps in healthcare and best practices for impacting the health of marginalized, under resourced, and uninsured individuals.

Capital Expenditures and Other Projects

The list reflects projects proposed and may include amounts to be spent over multiple fiscal years. Projects primarily support infrastructure and systems improvements while allowing L.A. Care the flexibility to achieve Strategic Goals.

L.A. Care Health Plan				
Capital Projects				
Fiscal Year 2023-24				
(\$ in thousands)				
Project Description	Business Owner	Capital Expense	Operating Expense	Total
Artificial Intelligence	I.T.	\$ 400	\$ 100	\$ 500
Care Catalyst - New HS Clinical System	Health Services	6,000	1,500	7,500
Clinic Based Assignment and FQHC APM	Provider	1,252	58	1,311
CMS Interoperability Mandate	I.T.	1,025	496	1,521
Data Exchange Program	Health Services	1,347	337	1,684
DSNP Product Launch & Annual Regulatory Enhancements	Product	575	144	718
Edifecs Program	Operations	1,060	265	1,325
I.T. Member Experience Program	I.T.	3,643	911	4,554
Performance Optimization Program (Enterprise & Network)	Compliance	3,363	637	4,000
Provider Roadmap	Provider	3,410	1,262	4,672
QNXT Upgrade & Transformation	I.T.	3,753	941	4,693
SAP/ERP	Finance	3,200	800	4,000
VOICE - CRM & Telecom	I.T. & Operations	11,771	3,416	15,188
Leasehold Improvements	Facilities	77,284	-	77,284
Total Capital Projects		\$ 118,083	\$ 10,867	\$ 128,950

Artificial Intelligence

This initiative is to support discovery, assessment, and initial implementation of AI solutions to improve enterprise efficiency and performance.

Care Catalyst – New Health Services Clinical System

A multi-year program created to optimize the use of systems and tools to support Health Services' operational and foundational needs. Care Catalyst aims to improve how L.A. Care manages the health of member by providing member-centric services and care tailored to meet the needs of varied populations. This program is focused on addressing foundational gaps in governance structure, training, decision support and workflow re-engineering. Current work focuses on platform optimizations for added efficiency and scalability. Population health management (PHM) and enhancements to improve L.A. Care's ability to support the Direct Network are areas of upcoming focus.

Clinic Based Assignment and FQHC APM

This initiative is to better manage the association between health plan members and their community clinic providers in L.A. Care's systems. This improved member assignment functionality is foundational to implementation of the Alternative Payment Methodology (APM), which is a State mandate effective in 2024. Under APM, L.A. Care will change how it pays participating FQHC community clinics to include the Prospective Payment System (PPS) rate for Medi-Cal services that has previously been paid to clinics by the State.

CMS Interoperability Mandate

L.A. Care continues its multi-phase investment in electronic provider and member data portability in accordance with CMS requirements. Investments focus on payer-to-payer interfaces to ensure timely and efficient benefits coordination and transitions, as well as functionality for electronic prior authorizations.

Data Exchange Framework (DXF)

The California Health and Human Services Data Exchange Network (DXF) reflects a statewide agreement to facilitate sharing of health information among healthcare entities, government agencies, and social service programs. This initiative is to implement the data sharing capabilities of the agreement, and targets improved coordination of care.

D-SNP Product Launch & Annual Regulatory Enhancements

With the successful development and deployment of a fully-integrated D-SNP product and the concurrent effort to sunset L.A. Care's existing CMC product, there are continued enhancements targeted in the upcoming fiscal year. Efforts will focus on implementing new Federal and State regulatory requirements for plan years 2024 and 2025.

EDIFECS Program

This multi-year program is enhancing L.A. Care's encounter data management system. Upcoming improvements focus on improved extraction of encounter data for risk adjustment, regulatory audiences, and internal end-users, as well as the availability of end-to-end encounter reconciliation reporting, and enterprise-level access to a source-of-truth for encounter data. The program includes an upgrade of the current EDIFECS platform to ensure optimal performance and functionality.

I.T. Member Experience Program

This initiative is composed of three multi-year, cross-functional programs to modernize data systems and I.T. tools to support an optimized member experience. These foundational technology efforts will enable L.A. Care to more proactively manage the member life cycle (from enrollment through care delivery). Work streams in this initiative include Data Architecture Modernization, which improves how enterprise data is organized, managed, and stored; and a Clinical Data Repository (CDR) to better organize clinical experience data in support of care coordination, operational planning, and regulatory reporting. A Member Data Master work stream will additionally improve the consistency of member demographic, clinical, and other data for the organization through a structured data governance process. These investments will enable L.A. Care to deliver future technology initiatives more effectively, and significantly improve the ability of business areas inside L.A. Care to serve member needs.

Performance Optimization Program (Enterprise & Network)

This multi-year initiative is building data management and dashboard reporting tailored to L.A. Care's Enterprise Performance Optimization Program (EPOP) and Network Performance Optimization Program (NPOP). EPOP improves monitoring and oversight of the performance of non-delegated enterprise functions, while NPOP oversees the performance of all entities in L.A. Care's service delivery model across lines of business. This initiative is improving data sources and reporting for numerous Key Performance Indicators (KPIs) for L.A. Care.

Provider Roadmap

This multi-year initiative centers on the implementation of a holistic provider network management system for L.A. Care's provider business functions. The scope includes improved provider data ingestion, validation, and management, as well as workflow tools and refined business processes. The initiative will enable improved provider data quality, and more efficient operations in contracting, credentialing, network management, provider relations, member assignment, and regulatory reporting.

QNXT Upgrade & Transformation

L.A. Care is making progressive investments in its core claims platform (QNXT), with current work focused on the scalability and flexibility of internal development and test environments, as well as data de-identification to improve data security. This initiative also includes a generational upgrade to the latest QNXT claims platform. These improvements will enable efficiencies in L.A. Care's claims processing, and will provide health plan members new visibility into cost sharing and out-of-pocket expenditures.

SAP/ERP

L.A. Care is continuing its implementation of SAP for financial management functions. Upcoming efforts focus on the implementation of Arriba, a tool designed to integrate with current SAP procurement solutions. This spend management solution will enable improvements in areas such as electronic order and invoice routing, user and role management functionalities, as well as contract and vendor management. Other work includes the implementation of Callidus, a commission software solution for managing incentives and compensation programs for brokers.

VOICE - CRM & Telecom

This multi-year program is implementing several solutions for improved customer service for L.A. Care members and providers. One significant area of investment is a Customer Relationship Management (CRM) platform, which provides tools and workflows for sustaining member, provider, broker, and community relationships. A second area of investment is in call center technology. This includes the modernization of the enterprise phone system used by the Call Center, as well as improvements to routing of customer calls and caller authentication. The initiative is also making investments in capturing and managing member data as required by State and Federal regulators.

Leasehold Improvements

The budget includes funds to support construction associated with two new Community Resource Centers (CRC), South L.A. and Lincoln Heights, miscellaneous upgrades to existing CRCs and an initial budget estimate for the build-out of the 1200 E. 7th Street lease space to support the return to work effort slated for September 2024.

FINANCIAL STATEMENTS

L.A Care Health Plan			
Comparative Income Statement			
(\$ in thousands)	FY 2022-23 Actual	FY 2022-23 Forecast ⁽¹⁾	FY 2023-24 Budget
Member Months	25,548,868	34,165,096	31,185,973
Revenue			
Capitation	\$8,422,951	\$11,297,646	\$11,035,592
Total Revenues	8,422,951	11,297,646	11,035,592
Healthcare Expenses			
Capitation	4,397,344	5,955,040	5,668,251
Inpatient Claims	1,129,467	1,503,972	1,481,472
Outpatient Claims	1,082,554	1,446,634	1,417,289
Skilled Nursing Facility	839,956	1,130,509	1,125,698
Pharmacy	102,452	138,920	162,148
Provider Incentives & Shared Risk	93,839	128,091	224,320
Medical Administrative Expenses	74,134	101,126	119,604
Total Healthcare Expenses	7,719,745	10,404,292	10,198,783
MCR %	91.7%	92.1%	92.4%
Operating Margin	703,206	893,354	836,809
Total Operating Expenses	389,932	522,720	558,224
Administrative Ratio %	4.6%	4.6%	5.1%
Income (Loss) from Operations	313,274	370,635	278,585
Margin before Non-Operating Inc (Exp) %	3.7%	3.3%	2.5%
Non-Operating Income (Expenses)			
Provision for Community Investments	(25,990)	(36,953)	(36,378)
Managed Care Tax, net	(8,883)	(30,396)	-
Investment Income, net	71,564	86,892	59,707
Net Surplus/(Deficit) ⁽²⁾	\$ 349,965	\$ 390,177	\$ 301,914
Margin %	4.2%	3.5%	2.7%

Note:

1. Fiscal Year 2022-23 Forecast is based on 9 months of actual financial results through June 2023 & 3 months of forecast through September 2023

2. Net Surplus/(Deficit) includes Incentive Payment Program (IPP) & Housing and Homelessness Incentive Program (HHIP)

L.A. Care Health Plan
Balance Sheet
Fiscal Year 2023-24
(dollars in thousands)

	Actual as of September 30, 2022	Forecast as of September 30, 2023	Budget as of September 30, 2024
<i>Combined Balance Sheet</i>			
Current Assets			
Cash & cash equivalents	\$1,239,407	\$1,709,481	\$1,659,481
Investments, at fair value	1,085,262	1,434,117	1,444,809
Other current assets	3,338,799	3,249,934	3,076,956
Total current assets	5,663,468	6,393,532	6,181,246
Capital Assets, net	168,303	160,855	170,455
Other Assets			
Non-current Assets	2,129	1,041	1,041
Total Assets	\$5,833,900	\$6,555,428	\$6,352,742
Current Liabilities			
A/P and accrued liabilities	\$178,017	\$125,528	\$129,128
Subcapitation payable	3,464,015	3,371,381	2,897,710
Reserves for Provider Incentives	98,375	144,299	121,370
Reserves for claims	784,397	913,224	910,224
Deferred Revenue	72,390	214,037	214,037
Other accrued medical expenses	77,930	236,279	231,279
Grants payable	13,415	16,975	16,975
Total current liabilities	4,688,539	5,021,723	4,520,723
Non-Current Liabilities	58,007	56,174	52,574
Total Liabilities	4,746,546	5,077,897	4,573,297
Fund Equity			
Invested in Capital Assets	98,723	160,855	170,455
Restricted	600	600	600
Designated by Board of Governors			
Board Designated Funds	104,822	90,003	79,603
Unrestricted Net Assets	676,180	984,661	1,282,606
TNE (130% of Required)	207,029	241,412	246,181
Total Fund Equity	1,087,354	1,477,531	1,779,445
Total Liabilities and Fund Equity	\$5,833,900	\$6,555,428	\$6,352,742

L. A. Care Health Plan
Statement of Cash Flows
Fiscal Year 2023-24
(dollars in thousands)

	<u>Forecast for the FYE</u> <u>September 30, 2023</u>	<u>Budget for the FYE</u> <u>September 30, 2024</u>
<i>Combined Statement of Cash Flows</i>		
Operating activities		
Net Surplus (Deficit)	\$390,177	\$301,914
Add: Depreciation/Amortization and Tax Provision	11,035	40,400
(Increase) Decrease in:		
Other current assets	88,865	172,978
Non-current Assets	1,088	-
Increase (Decrease) in:		
Accounts payable	(52,489)	3,600
Subcapitation payable	(145,716)	(473,671)
Reserves for provider incentives	45,924	(22,929)
Reserves for claims	128,827	(3,000)
Deferred revenue	141,647	-
Other accrued medical expenses	158,349	(5,000)
Grants payable	3,560	-
Non-current liabilities	(1,833)	(3,600)
Cash provided (used) by operating activities	<u>769,435</u>	<u>10,691</u>
Investing activities		
Sell (purchase) of investments	(355,531)	(10,691)
Capital assets (investment)	(27,308)	(50,000)
Cash (used) provided by investing activities	<u>(382,838)</u>	<u>(60,691)</u>
Cash provided (used) by Pass Through activities	<u>83,478</u>	<u>-</u>
Net increase (decrease) in unrestricted cash & equivalents	470,074	(50,000)
Unrestricted cash & equivalents - beginning of period	1,239,407	1,709,481
Unrestricted cash & equivalents - end of period	<u>\$1,709,481</u>	<u>\$1,659,481</u>

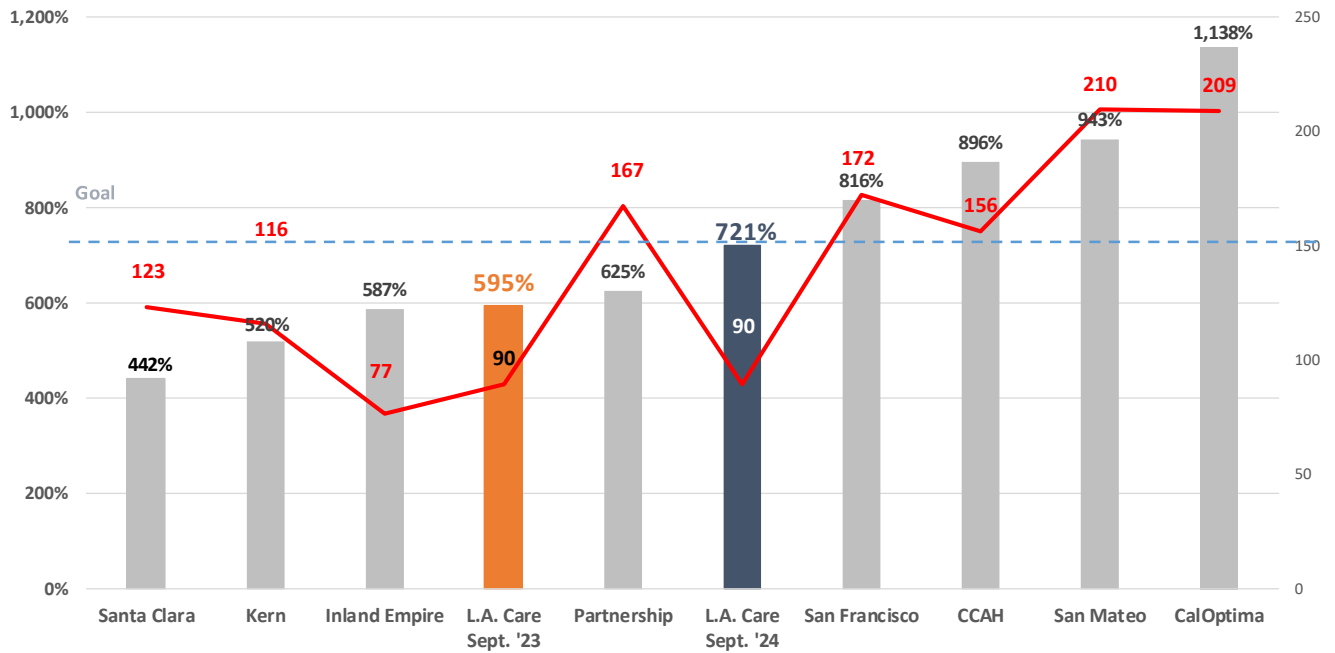
L. A. Care Health Plan
Required Tangible Net Equity Calculation
Fiscal Year 2023-24
(dollars in thousands)

Forecast as of
September 30, 2024

Tangible Net Equity (TNE) Calculation

Healthcare expenses:	
1. 8% of first \$150 million of annualized healthcare expenses, except those paid on a capitated or managed hospital basis	\$12,000
2. 4% of the annualized health care expenses, except those paid on a capitated or managed hospital basis	72,598
3. 4% of the annualized hospital expenditures paid on a managed hospital basis	104,773
	189,370
Calculated TNE based on healthcare expenses	189,370
TNE (at 130% of State Required Level)	246,181
Fund equity	1,779,445
	1,779,445
Excess equity over required TNE	\$1,533,264

TNE Chart and Days of Cash Comparison



• The above percentages are based on March 2022 DMHC Quarterly filings, unless noted otherwise.



DATE: August 23, 2023
TO: Finance & Budget Committee
FROM: Afzal Shah, *Chief Financial Officer*

SUBJECT: Monthly Investment Portfolio Securities Transaction Report for June, 2023

To keep the Committee apprised of L.A. Care's investment portfolios and to comply with California Government Code Section 53607, attached are the monthly investment transaction details from June 1 to June 30, 2023.

L.A. Care's investment market value as of June 30, 2023, was \$2.5 billion. This includes our funds invested with the government pooled funds. L.A. Care has approximately \$35 million invested with the statewide Local Agency Investment Fund (LAIF), and approximately \$78 million invested with the Los Angeles County Pooled Investment Fund (LACPIF).

The remainder as of June 30, 2023, of \$2.4 billion is managed by two independent asset managers, 1) Payden & Rygel and 2) New England Asset Management (NEAM) and is divided into three portfolios based on investment style,

1. Payden & Rygel - Short-term portfolio
2. Payden & Rygel - Extended term portfolio
3. New England Asset Management - Corporate notes extended term portfolio

The transactions within these three portfolios are included in the attached reports.

LA Care, as a California government entity, only makes investments in bonds/fixed income, as per the California Government Code. The entries on the Investment Securities Portfolio Transaction Report reflect transactions undertaken by financial management companies on L.A. Care's behalf. L.A. Care does not direct these individual transactions. The firms, managing investments on behalf of L.A. Care, conduct the transactions based on L.A. Care's investment guidelines.

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/05/23	06/05/23	Buy	5,000,000.000	U.S. TREASURY BILL MAT 06/06/23 Cpn 912797FM4	(4,999,298.61)		0.00	0.00	(4,999,298.61)
06/05/23	06/05/23	Buy	10,000,000.000	CREDIT AGRICOLE CP MAT 06/06/23 Cpn 22533UT60	(9,998,608.33)		0.00	0.00	(9,998,608.33)
06/05/23	06/05/23	Buy	15,000,000.000	NORDEA BANK CP 144A MAT 06/06/23 Cpn 65558KT61	(14,997,900.00)		0.00	0.00	(14,997,900.00)
06/05/23	06/05/23	Buy	30,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/06/23 Cpn 21687BT68	(29,995,800.00)		0.00	0.00	(29,995,800.00)
06/02/23	06/06/23	Buy	5,000,000.000	GMCAR 2021-4 A3 CAR MAT 09/16/26 Cpn 0.68 362554AC1	(4,765,625.00)	(1,888.89)	0.00	0.00	(4,767,513.89)
06/02/23	06/06/23	Buy	4,800,000.000	HART 2021-C A3 CAR MAT 05/15/26 Cpn 0.74 44935FAD6	(4,598,437.50)	(2,072.00)	0.00	0.00	(4,600,509.50)
06/06/23	06/06/23	Buy	9,000,000.000	CA SAN FRAN PUB CP TXB MAT 07/14/23 Cpn 5.30 79770TRE0	(9,000,000.00)		0.00	0.00	(9,000,000.00)
06/07/23	06/07/23	Buy	45,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(44,968,750.00)		0.00	0.00	(44,968,750.00)
06/07/23	06/07/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,965,277.78)		0.00	0.00	(49,965,277.78)
06/06/23	06/07/23	Buy	3,100,000.000	FORDL 2022-A A3 LEASE MAT 05/15/25 Cpn 3.23 34528LAD7	(3,053,136.72)	(6,119.06)	0.00	0.00	(3,059,255.78)
06/08/23	06/08/23	Buy	18,000,000.000	FHLB DISCOUNT NOTE MAT 06/09/23 Cpn 313384GR4	(17,997,500.00)		0.00	0.00	(17,997,500.00)
06/08/23	06/08/23	Buy	10,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(9,991,666.67)		0.00	0.00	(9,991,666.67)
06/08/23	06/08/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,958,333.33)		0.00	0.00	(49,958,333.33)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/09/23	06/09/23	Buy	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/05/23 Cpn 313312HT0	(49,818,722.22)		0.00	0.00	(49,818,722.22)
06/09/23	06/09/23	Buy	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/05/23 Cpn 313312HT0	(49,818,722.22)		0.00	0.00	(49,818,722.22)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	48,070,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(48,049,970.83)		0.00	0.00	(48,049,970.83)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	20,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(19,991,666.67)		0.00	0.00	(19,991,666.67)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
06/09/23	06/09/23	Buy	40,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(39,972,500.00)		0.00	0.00	(39,972,500.00)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,965,625.00)		0.00	0.00	(49,965,625.00)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,965,625.00)		0.00	0.00	(49,965,625.00)
06/09/23	06/09/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,965,625.00)		0.00	0.00	(49,965,625.00)
06/08/23	06/09/23	Buy	10,000,000.000	COOPERATIEVE RABOBANK CP MAT 03/04/24 Cpn 21687AC43	(9,589,775.00)		0.00	0.00	(9,589,775.00)
06/12/23	06/12/23	Buy	20,000,000.000	BMW US CAPITAL CP 144A MAT 07/06/23 Cpn 0556C3U66	(19,931,733.33)		0.00	0.00	(19,931,733.33)
06/12/23	06/12/23	Buy	15,000,000.000	CREDIT AGRICOLE CP MAT 06/20/23 Cpn 22533UTL7	(14,983,200.00)		0.00	0.00	(14,983,200.00)
06/12/23	06/12/23	Buy	5,000,000.000	CATERPILLAR FIN CP MAT 06/26/23 Cpn 14912ETS6	(4,990,141.67)		0.00	0.00	(4,990,141.67)
06/12/23	06/12/23	Buy	30,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	(29,995,833.33)		0.00	0.00	(29,995,833.33)
06/12/23	06/12/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
06/12/23	06/12/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
06/12/23	06/12/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	(49,993,055.56)		0.00	0.00	(49,993,055.56)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/12/23	06/12/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
06/12/23	06/12/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
06/12/23	06/12/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
06/12/23	06/12/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
06/09/23	06/12/23	Buy	38,500,000.000	FHLB DISCOUNT NOTE MAT 06/21/23 Cpn 313384HD4	(38,451,393.75)		0.00	0.00	(38,451,393.75)
06/09/23	06/12/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/21/23 Cpn 313384HD4	(49,936,875.00)		0.00	0.00	(49,936,875.00)
06/12/23	06/12/23	Buy	30,000,000.000	FNMA DISCOUNT NOTE MAT 07/06/23 Cpn 313588HU2	(29,899,800.00)		0.00	0.00	(29,899,800.00)
06/09/23	06/12/23	Buy	20,000,000.000	FLORIDA POWER & LIGHT CP MAT 06/20/23 Cpn 34108BTL9	(19,977,333.33)		0.00	0.00	(19,977,333.33)
06/09/23	06/12/23	Buy	25,000,000.000	MERCEDES-BENZ CP 144A MAT 06/23/23 Cpn 58768KTP0	(24,961,041.67)		0.00	0.00	(24,961,041.67)
06/12/23	06/12/23	Buy	20,000,000.000	NESTLE CAPITAL CP 144A MAT 07/06/23 Cpn 64105HU67	(19,932,800.00)		0.00	0.00	(19,932,800.00)
06/09/23	06/12/23	Buy	25,000,000.000	NATL SEC CLEARING CP 144A MAT 06/27/23 Cpn 63763QTT4	(24,946,666.67)		0.00	0.00	(24,946,666.67)
06/12/23	06/12/23	Buy	20,000,000.000	SUMITOMO MITSUI CP 144A MAT 06/20/23 Cpn 86563HTL4	(19,977,555.56)		0.00	0.00	(19,977,555.56)
06/13/23	06/13/23	Buy	20,000,000.000	FED CAISSE DES JARDINS CP 144A MAT 06/27/23 Cpn 31428GTT0	(19,960,333.33)		0.00	0.00	(19,960,333.33)

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/09/23	06/13/23	Buy	2,710,281.960	ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3	(2,668,357.29)	(1,056.26)	0.00	0.00	(2,669,413.55)
06/09/23	06/13/23	Buy	2,250,159.300	EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9	(2,249,104.54)	(7,079.00)	0.00	0.00	(2,256,183.54)
06/13/23	06/13/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/13/23	06/13/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/13/23	06/13/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/13/23	06/13/23	Buy	10,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(9,998,616.67)		0.00	0.00	(9,998,616.67)
06/13/23	06/13/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/13/23	06/13/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/13/23	06/13/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/13/23	06/13/23	Buy	45,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	(44,993,775.00)		0.00	0.00	(44,993,775.00)
06/13/23	06/13/23	Buy	20,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/14/23 Cpn 21687BTE1	(19,997,200.00)		0.00	0.00	(19,997,200.00)
06/06/23	06/13/23	Buy	1,600,000.000	VALET 2023-1 A2A CAR MAT 12/21/26 Cpn 5.50 92867WAB4	(1,599,922.24)		0.00	0.00	(1,599,922.24)
06/14/23	06/14/23	Buy	9,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	(8,998,755.00)		0.00	0.00	(8,998,755.00)

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/14/23	06/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/14/23	06/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/14/23	06/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/14/23	06/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/14/23	06/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/14/23	06/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	(49,993,083.33)		0.00	0.00	(49,993,083.33)
06/14/23	06/14/23	Buy	20,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/15/23 Cpn 21687BTF8	(19,997,200.00)		0.00	0.00	(19,997,200.00)
06/15/23	06/15/23	Buy	11,000,000.000	FHLB DISCOUNT NOTE MAT 06/16/23 Cpn 313384GY9	(10,998,478.33)		0.00	0.00	(10,998,478.33)
06/06/23	06/15/23	Buy	4,200,000.000	IBRD C 09/15/2023 Q MAT 06/15/26 Cpn 5.75 45906M4C2	(4,200,000.00)		0.00	0.00	(4,200,000.00)
06/15/23	06/15/23	Buy	10,000,000.000	ID HSG AGY CP TXB MAT 08/15/23 Cpn 5.35 45130HFK1	(10,000,000.00)		0.00	0.00	(10,000,000.00)
06/15/23	06/15/23	Buy	14,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/16/23 Cpn 21687BTG6	(13,998,040.00)		0.00	0.00	(13,998,040.00)
06/16/23	06/16/23	Buy	5,000,000.000	CATERPILLAR FIN CP MAT 07/13/23 Cpn 14912EUD7	(4,980,875.00)		0.00	0.00	(4,980,875.00)
06/14/23	06/16/23	Buy	1,804,703.620	ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3	(1,777,703.57)	(795.07)	0.00	0.00	(1,778,498.64)

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06/14/23	06/16/23	Buy	3,769,227.800	ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2	(3,690,456.82)	(1,197.78)	0.00	0.00	(3,691,654.60)
06/14/23	06/16/23	Buy	444,151.110	ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2	(434,869.04)	(141.14)	0.00	0.00	(435,010.18)
06/16/23	06/16/23	Buy	20,000,000.000	MITSUBISHI UFJ TRUST & BANK 14 MAT 07/17/23 Cpn 60682XUH7	(19,912,166.67)		0.00	0.00	(19,912,166.67)
06/16/23	06/16/23	Buy	5,000,000.000	NATL SEC CLEARING CP 144A MAT 07/11/23 Cpn 63763QUB1	(4,982,222.22)		0.00	0.00	(4,982,222.22)
06/16/23	06/16/23	Buy	25,000,000.000	ROCHE HOLDINGS CP 144A MAT 07/11/23 Cpn 77119MUB1	(24,912,326.39)		0.00	0.00	(24,912,326.39)
06/16/23	06/20/23	Buy	10,000,000.000	ABN AMRO FUNDING CP 144A MAT 07/14/23 Cpn 00084CUE0	(9,965,666.67)		0.00	0.00	(9,965,666.67)
06/20/23	06/20/23	Buy	8,000,000.000	JOHN DEERE CANADA CP 144A MAT 08/03/23 Cpn 24423JV38	(7,949,448.89)		0.00	0.00	(7,949,448.89)
06/20/23	06/20/23	Buy	11,000,000.000	KAISER FOUNDATION CP MAT 08/02/23 Cpn 48306BV28	(10,932,334.72)		0.00	0.00	(10,932,334.72)
06/15/23	06/20/23	Buy	5,000,000.000	WORLD OMNI 2020-C A4 CAR MAT 10/15/26 Cpn 0.61 98163CAF7	(4,710,546.88)	(423.61)	0.00	0.00	(4,710,970.49)
06/21/23	06/21/23	Buy	9,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/22/23 Cpn 21687BTN1	(8,998,740.00)		0.00	0.00	(8,998,740.00)
06/20/23	06/21/23	Buy	28,500,000.000	TVA DISCOUNT NOTE MAT 07/05/23 Cpn 880592HT0	(28,444,361.67)		0.00	0.00	(28,444,361.67)
06/20/23	06/21/23	Buy	50,000,000.000	TVA DISCOUNT NOTE MAT 07/12/23 Cpn 880592JA9	(49,853,583.33)		0.00	0.00	(49,853,583.33)
06/20/23	06/21/23	Buy	10,000,000.000	TVA DISCOUNT NOTE MAT 07/12/23 Cpn 880592JA9	(9,970,658.33)		0.00	0.00	(9,970,658.33)

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/22/23	06/22/23	Buy	6,500,000.000	WI ASPIRUS HEALTH CP TXB MAT 07/27/23 Cpn 5.25 04537KAT6	(6,500,000.00)		0.00	0.00	(6,500,000.00)
06/12/23	06/22/23	Buy	3,200,000.000	DEFT 2023-2 A1 EQP 144A MAT 06/24/24 Cpn 5.64 24703GAA2	(3,200,000.00)		0.00	0.00	(3,200,000.00)
06/22/23	06/22/23	Buy	4,200,000.000	CA SAN JOSE FIN AUTH CP TXB MAT 09/28/23 Cpn 5.40 79815WDN5	(4,200,000.00)		0.00	0.00	(4,200,000.00)
06/22/23	06/22/23	Buy	5,000,000.000	CA SANTA CLARA VLY WTR DIST C MAT 10/17/23 Cpn 5.50 80169BAL8	(5,000,000.00)		0.00	0.00	(5,000,000.00)
06/23/23	06/23/23	Buy	25,000,000.000	NOVARTIS FINANCE CP 144A MAT 07/05/23 Cpn 6698M5U56	(24,957,916.67)		0.00	0.00	(24,957,916.67)
06/23/23	06/23/23	Buy	14,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/26/23 Cpn 21687BTS0	(13,994,120.00)		0.00	0.00	(13,994,120.00)
06/26/23	06/26/23	Buy	29,000,000.000	AUTOMATIC DATA CP 144A MAT 06/27/23 Cpn 0530A3TT5	(28,995,931.94)		0.00	0.00	(28,995,931.94)
06/27/23	06/27/23	Buy	30,000,000.000	AUTOMATIC DATA CP 144A MAT 06/28/23 Cpn 0530A3TU2	(29,995,791.67)		0.00	0.00	(29,995,791.67)
06/27/23	06/27/23	Buy	22,500,000.000	CREDIT AGRICOLE CP MAT 06/28/23 Cpn 22533UTU7	(22,496,868.75)		0.00	0.00	(22,496,868.75)
06/27/23	06/27/23	Buy	20,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/28/23 Cpn 21687BTU5	(19,997,200.00)		0.00	0.00	(19,997,200.00)
06/28/23	06/28/23	Buy	22,500,000.000	CREDIT AGRICOLE CP MAT 06/29/23 Cpn 22533UTV5	(22,496,868.75)		0.00	0.00	(22,496,868.75)
06/28/23	06/28/23	Buy	13,000,000.000	FHLB DISCOUNT NOTE MAT 06/29/23 Cpn 313384HM4	(12,998,212.50)		0.00	0.00	(12,998,212.50)
06/28/23	06/28/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/29/23 Cpn 313384HM4	(49,993,125.00)		0.00	0.00	(49,993,125.00)

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/28/23	06/28/23	Buy	5,000,000.000	NOVARTIS FINANCE CP 144A MAT 07/03/23 Cpn 6698M5U31	(4,996,527.78)		0.00	0.00	(4,996,527.78)
06/28/23	06/29/23	Buy	33,000,000.000	U.S. TREASURY BILL MAT 07/25/23 Cpn 912797FZ5	(32,881,035.92)		0.00	0.00	(32,881,035.92)
06/22/23	06/30/23	Buy	5,100,000.000	SFAST 2023-1 A1 CAR 144A MAT 07/22/24 Cpn 5.57 78398AAA1	(5,100,000.00)		0.00	0.00	(5,100,000.00)
06/30/23	06/30/23	Buy	1,000,000.000	CA SAN FRAN CITY & CNTY LEASE MAT 08/03/23 Cpn 5.25 79769EAP9	(1,000,000.00)		0.00	0.00	(1,000,000.00)
			<u>3,022,748,523.790</u>		<u>(3,019,052,337.35)</u>	<u>(20,772.81)</u>	<u>0.00</u>	<u>0.00</u>	<u>(3,019,073,110.16)</u>
06/06/23	06/06/23	Coupon		CA SAN FRAN PUB CP TXB MAT 06/06/23 Cpn 5.02 79770TRD2		86,804.17	0.00	0.00	86,804.17
06/08/23	06/08/23	Coupon		NORDEA BANK ABP NY YCD MAT 06/08/23 Cpn 2.97 65558UUE0		451,687.50	0.00	0.00	451,687.50
06/09/23	06/09/23	Coupon		MMAF 2022-B A1 EQP 144A MAT 12/01/23 Cpn 4.92 606940AA2		6,532.21	0.00	0.00	6,532.21
06/10/23	06/10/23	Coupon		CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82 14687KAB2		616.07	0.00	0.00	616.07
06/12/23	06/12/23	Coupon		CRVNA 2023-P1 A1 CAR 144A MAT 03/11/24 Cpn 5.28 14688EAA7		6,152.40	0.00	0.00	6,152.40
06/12/23	06/12/23	Coupon		CRVNA 2023-P2 A1 CAR 144A MAT 06/10/24 Cpn 5.59 14686TAA6		3,352.80	0.00	0.00	3,352.80
06/15/23	06/15/23	Coupon		ALLYA 2022-2 A2 CAR MAT 10/15/25 Cpn 4.62 02008MAB5		12,599.07	0.00	0.00	12,599.07
06/15/23	06/15/23	Coupon		CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4		3,050.59	0.00	0.00	3,050.59

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06/15/23	06/15/23	Coupon		CARMX 2023-1 A1 CAR MAT 02/15/24 Cpn 4.96 14318DAA7		6,486.94	0.00	0.00	6,486.94
06/15/23	06/15/23	Coupon		CARMX 2023-2 A1 CAR MAT 05/15/24 Cpn 5.51 142921AA3		31,602.14	0.00	0.00	31,602.14
06/15/23	06/15/23	Coupon		CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2		330.01	0.00	0.00	330.01
06/15/23	06/15/23	Coupon		CNH 2023-A A1 EQP MAT 05/15/24 Cpn 5.43 12664QAA2		26,235.05	0.00	0.00	26,235.05
06/15/23	06/15/23	Coupon		FORDL 2022-A A3 LEASE MAT 05/15/25 Cpn 3.23 34528LAD7		8,344.17	0.00	0.00	8,344.17
06/15/23	06/15/23	Coupon		FORDL 2023-A A1 LEASE MAT 02/15/24 Cpn 4.96 345287AA4		2,434.15	0.00	0.00	2,434.15
06/15/23	06/15/23	Coupon		GALC 2022-1 A1 EQP 144A MAT 10/16/23 Cpn 4.34 39154TBU1		3,970.58	0.00	0.00	3,970.58
06/15/23	06/15/23	Coupon		GALC 2023-1 A1 EQP 144A MAT 06/14/24 Cpn 5.52 39154TCA4		10,792.71	0.00	0.00	10,792.71
06/15/23	06/15/23	Coupon		HALST 2023-B A1 LEASE 144A MAT 05/15/24 Cpn 5.25 448980AA0		15,400.00	0.00	0.00	15,400.00
06/15/23	06/15/23	Coupon		HAROT 2022-1 A2 CAR MAT 10/15/24 Cpn 1.44 43815BAB6		2,667.80	0.00	0.00	2,667.80
06/15/23	06/15/23	Coupon		HAROT 2023-2 A2 CAR MAT 04/15/26 Cpn 5.41 437927AB2		14,088.54	0.00	0.00	14,088.54
06/15/23	06/15/23	Coupon		HART 2019-B A4 CAR MAT 04/15/25 Cpn 2.00 44891JAD0		3,181.51	0.00	0.00	3,181.51
06/15/23	06/15/23	Coupon		HART 2021-C A3 CAR MAT 05/15/26 Cpn 0.74 44935FAD6		2,960.00	0.00	0.00	2,960.00

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06/15/23	06/15/23	Coupon		HART 2023-A A1 CAR MAT 04/15/24 Cpn 5.17 448979AA2		15,116.83	0.00	0.00	15,116.83
06/15/23	06/15/23	Coupon		ID HSG AGY CP TXB MAT 06/15/23 Cpn 5.13 45130HFG0		75,263.42	0.00	0.00	75,263.42
06/15/23	06/15/23	Coupon		JOHN DEERE 2020-B A3 EQP MAT 11/15/24 Cpn 0.51 47787NAC3		450.54	0.00	0.00	450.54
06/15/23	06/15/23	Coupon		KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8		40.91	0.00	0.00	40.91
06/15/23	06/15/23	Coupon		KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8		9.81	0.00	0.00	9.81
06/15/23	06/15/23	Coupon		KCOT 2023-1A A1 EQP 144A MAT 03/15/24 Cpn 5.29 50117KAA8		20,689.70	0.00	0.00	20,689.70
06/15/23	06/15/23	Coupon		NALT 2023-A A1 LEASE MAT 02/15/24 Cpn 4.97 65480VAA1		8,122.34	0.00	0.00	8,122.34
06/15/23	06/15/23	Coupon		NAROT 2023-A A1 CAR MAT 05/15/24 Cpn 5.42 65480WAA9		30,667.77	0.00	0.00	30,667.77
06/15/23	06/15/23	Coupon		U.S. TREASURY NOTE MAT 12/15/23 Cpn 0.13 91282CBA8		7,500.00	0.00	0.00	7,500.00
06/15/23	06/15/23	Coupon		TAOT 2022-C A2A CAR MAT 08/15/25 Cpn 4.19 89231CAB3		15,354.85	0.00	0.00	15,354.85
06/15/23	06/15/23	Coupon		TAOT 2023-A A1 CAR MAT 01/15/24 Cpn 4.84 891940AA6		4,791.49	0.00	0.00	4,791.49
06/15/23	06/15/23	Coupon		TAOT 2023-B A1 CAR MAT 05/15/24 Cpn 5.23 891941AA4		33,381.94	0.00	0.00	33,381.94
06/15/23	06/15/23	Coupon		WOART 2022-B A2A CAR MAT 10/15/25 Cpn 2.77 98163QAB5		6,486.62	0.00	0.00	6,486.62

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/15/23	06/15/23	Coupon		WOART 2023-A A2A CAR MAT 07/15/26 Cpn 5.18 98164JAB0		23,741.67	0.00	0.00	23,741.67
06/15/23	06/15/23	Coupon		WOART 2023-B A1 CAR MAT 04/15/24 Cpn 5.32 98164QAA6		38,638.31	0.00	0.00	38,638.31
06/15/23	06/15/23	Coupon		WOLS 2022-A A2 LEASE MAT 10/15/24 Cpn 2.63 98163NAB2		1,806.92	0.00	0.00	1,806.92
06/15/23	06/15/23	Coupon		WOLS 2023-A A1 LEASE MAT 05/15/24 Cpn 5.22 981944AA9		7,970.42	0.00	0.00	7,970.42
06/16/23	06/16/23	Coupon		GMCAR 2021-4 A3 CAR MAT 09/16/26 Cpn 0.68 362554AC1		2,833.33	0.00	0.00	2,833.33
06/16/23	06/16/23	Coupon		GMCAR 2023-1 A1 CAR MAT 01/16/24 Cpn 4.89 38013JAA1		9,939.41	0.00	0.00	9,939.41
06/16/23	06/16/23	Coupon		GMCAR 2023-2 A1 CAR MAT 04/16/24 Cpn 5.19 362583AA4		24,110.10	0.00	0.00	24,110.10
06/20/23	06/20/23	Coupon		DLLAD 2023-1A A1 EQP 144A MAT 02/20/24 Cpn 5.01 233258AA0		3,958.82	0.00	0.00	3,958.82
06/20/23	06/20/23	Coupon		DLLMT 2023-1A A1 EQP 144A MAT 05/20/24 Cpn 5.53 232989AA1		29,878.20	0.00	0.00	29,878.20
06/20/23	06/20/23	Coupon		ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3		1,377.73	0.00	0.00	1,377.73
06/20/23	06/20/23	Coupon		ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3		917.39	0.00	0.00	917.39
06/20/23	06/20/23	Coupon		ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2		1,382.05	0.00	0.00	1,382.05
06/20/23	06/20/23	Coupon		ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2		162.86	0.00	0.00	162.86

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/20/23	06/20/23	Coupon		EFF 2022-3 A1 FLEET 144A MAT 08/20/23 Cpn 3.61 29374FAA1		1,254.73	0.00	0.00	1,254.73
06/20/23	06/20/23	Coupon		EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9		9,190.03	0.00	0.00	9,190.03
06/20/23	06/20/23	Coupon		EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9		9,331.41	0.00	0.00	9,331.41
06/20/23	06/20/23	Coupon		EFF 2023-2 A1 FLEET 144A MAT 06/20/24 Cpn 5.79 29375NAA3		13,999.75	0.00	0.00	13,999.75
06/20/23	06/20/23	Coupon		GMALT 2021-2 A LEASE MAT 05/20/25 Cpn 0.41 380144AD7		717.50	0.00	0.00	717.50
06/20/23	06/20/23	Coupon		GMALT 2023-1 A2A LEASE MAT 06/20/25 Cpn 5.27 362541AB0		11,857.50	0.00	0.00	11,857.50
06/20/23	06/20/23	Coupon		GMALT 2023-2 A1 LEASE MAT 05/20/24 Cpn 5.45 362548AA7		37,588.51	0.00	0.00	37,588.51
06/20/23	06/20/23	Coupon		SRT 2021-A A3 LEASE 144A MAT 07/22/24 Cpn 0.51 80286TAC7		962.87	0.00	0.00	962.87
06/20/23	06/20/23	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		292.07	0.00	0.00	292.07
06/20/23	06/20/23	Coupon		TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3		661.08	0.00	0.00	661.08
06/20/23	06/20/23	Coupon		TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3		967.82	0.00	0.00	967.82
06/20/23	06/20/23	Coupon		VALET 2021-1 A2 CAR MAT 10/21/24 Cpn 0.49 92868KAB9		179.74	0.00	0.00	179.74
06/20/23	06/20/23	Coupon		VALET 2023-1 A2A CAR MAT 12/21/26 Cpn 5.50 92867WAB4		1,711.11	0.00	0.00	1,711.11

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/22/23	06/22/23	Coupon		WI ASPIRUS HEALTH CP TXB MAT 06/22/23 Cpn 5.20 04537KAS8		40,745.21	0.00	0.00	40,745.21
06/22/23	06/22/23	Coupon		CA SAN JOSE FIN AUTH LEASE CP MAT 06/22/23 Cpn 5.15 79815WDL9		38,519.18	0.00	0.00	38,519.18
06/23/23	06/23/23	Coupon		INTL BK RECON & DEVELOP FRN S MAT 09/23/26 Cpn 5.39 459058KK8		17,823.60	0.00	0.00	17,823.60
06/23/23	06/23/23	Coupon		INTL BK RECON & DEVELOP FRN S MAT 09/23/26 Cpn 5.39 459058KK8		57,140.36	0.00	0.00	57,140.36
06/25/23	06/25/23	Coupon		BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6		574.55	0.00	0.00	574.55
06/25/23	06/25/23	Coupon		FHMS KF36 A MAT 08/25/24 Cpn 5.53 3137FBAR7		37.13	0.00	0.00	37.13
06/25/23	06/25/23	Coupon		FHMS KF38 A MAT 09/25/24 Cpn 5.52 3137FBUC8		1,044.30	0.00	0.00	1,044.30
06/25/23	06/25/23	Coupon		FHMS KI06 A 1MOFRN CMBS MAT 03/25/25 Cpn 5.41 3137FVNA6		2,478.26	0.00	0.00	2,478.26
06/25/23	06/25/23	Coupon		FHMS KI07 A SOFRFRN MAT 09/25/26 Cpn 5.21 3137H3KA9		29,877.83	0.00	0.00	29,877.83
06/25/23	06/25/23	Coupon		FHMS KI08 A 1MOFRN CMBS MAT 10/25/26 Cpn 5.24 3137H4RC6		13,937.13	0.00	0.00	13,937.13
06/25/23	06/25/23	Coupon		FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 5.24 3137FYUR5		3,631.21	0.00	0.00	3,631.21
06/30/23	06/30/23	Coupon		INTL FINANCE CORP FRN SOFRRA MAT 06/30/23 Cpn 45950KCW8		124,834.31	0.00	0.00	124,834.31

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Fixed Income - cont.									
06/30/23	06/30/23	Coupon		CA SAN FRANCISCO CITY & CNTY MAT 06/30/23 Cpn 5.30 79769EAN4		9,293.15	0.00	0.00	9,293.15
						<u>1,492,532.18</u>	<u>0.00</u>	<u>0.00</u>	<u>1,492,532.18</u>
06/01/23	06/01/23	Income	17,368.860	ADJ NET INT MAT Cpn USD		17,368.86	0.00	0.00	17,368.86
06/01/23	06/01/23	Income	732,406.270	STIF INT MAT Cpn USD		732,406.27	0.00	0.00	732,406.27
			<u>749,775.130</u>			<u>749,775.13</u>	<u>0.00</u>	<u>0.00</u>	<u>749,775.13</u>
06/02/23	06/02/23	Contributn	60,000,000.000	NM MAT Cpn USD	60,000,000.00		0.00	0.00	60,000,000.00
06/08/23	06/08/23	Contributn	590,000,000.000	NM MAT Cpn USD	590,000,000.00		0.00	0.00	590,000,000.00
06/09/23	06/09/23	Contributn	320,000,000.000	NM MAT Cpn USD	320,000,000.00		0.00	0.00	320,000,000.00
06/16/23	06/16/23	Contributn	75,000,000.000	NM MAT Cpn USD	75,000,000.00		0.00	0.00	75,000,000.00
			<u>1,045,000,000.000</u>			<u>1,045,000,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,045,000,000.00</u>

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06/22/23	06/22/23	Sell Long	19,000,000.000	FFCB DISCOUNT NOTE MAT 07/05/23 Cpn 313312HT0	18,931,183.05	34,442.78	68.61	0.00	18,965,625.83
06/09/23	06/09/23	Pay Princpl	536,274.407	MMAF 2022-B A1 EQP 144A MAT 12/01/23 Cpn 4.92 606940AA2	536,274.41		0.00	0.00	536,274.41
06/10/23	06/10/23	Pay Princpl	427,114.216	CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82 14687KAB2	427,114.22		0.00	11.55	427,114.22
06/12/23	06/12/23	Pay Princpl	1,270,917.256	CRVNA 2023-P1 A1 CAR 144A MAT 03/11/24 Cpn 5.28 14688EAA7	1,270,917.26		0.00	0.00	1,270,917.26
06/12/23	06/12/23	Pay Princpl	490,586.615	CRVNA 2023-P2 A1 CAR 144A MAT 06/10/24 Cpn 5.59 14686TAA6	490,586.61		(0.00)	0.00	490,586.61
06/15/23	06/15/23	Pay Princpl	333,107.831	ALLYA 2022-2 A2 CAR MAT 10/15/25 Cpn 4.62 02008MAB5	333,107.83		16.33	0.00	333,107.83
06/15/23	06/15/23	Pay Princpl	356,590.593	CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4	356,590.59		14,080.56	0.00	356,590.59
06/15/23	06/15/23	Pay Princpl	659,934.257	CARMX 2023-1 A1 CAR MAT 02/15/24 Cpn 4.96 14318DAA7	659,934.26		0.00	0.00	659,934.26
06/15/23	06/15/23	Pay Princpl	1,292,293.137	CARMX 2023-2 A1 CAR MAT 05/15/24 Cpn 5.51 142921AA3	1,292,293.14		0.00	0.00	1,292,293.14
06/15/23	06/15/23	Pay Princpl	411,806.923	CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2	411,806.92		0.00	5.18	411,806.92
06/15/23	06/15/23	Pay Princpl	353,796.416	CNH 2023-A A1 EQP MAT 05/15/24 Cpn 5.43 12664QAA2	353,796.42		0.00	0.00	353,796.42
06/15/23	06/15/23	Pay Princpl	276,309.516	FORDL 2023-A A1 LEASE MAT 02/15/24 Cpn 4.96 345287AA4	276,309.52		0.00	0.00	276,309.52
06/15/23	06/15/23	Pay Princpl	534,559.403	GALC 2022-1 A1 EQP 144A MAT 10/16/23 Cpn 4.34 39154TBU1	534,559.40		(0.00)	0.00	534,559.40

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/15/23	06/15/23	Pay Princpl	380,881.406	GALC 2023-1 A1 EQP 144A MAT 06/14/24 Cpn 5.52 39154TCA4	380,881.41		0.00	0.00	380,881.41
06/15/23	06/15/23	Pay Princpl	1,456,696.609	HALST 2023-B A1 LEASE 144A MAT 05/15/24 Cpn 5.25 448980AA0	1,456,696.61		0.00	0.00	1,456,696.61
06/15/23	06/15/23	Pay Princpl	370,470.735	HAROT 2022-1 A2 CAR MAT 10/15/24 Cpn 1.44 43815BAB6	370,470.74		0.00	9.62	370,470.74
06/15/23	06/15/23	Pay Princpl	610,529.051	HART 2019-B A4 CAR MAT 04/15/25 Cpn 2.00 44891JAD0	610,529.05		(0.00)	0.00	610,529.05
06/15/23	06/15/23	Pay Princpl	767,547.254	HART 2023-A A1 CAR MAT 04/15/24 Cpn 5.17 448979AA2	767,547.25		(0.00)	0.00	767,547.25
06/15/23	06/15/23	Pay Princpl	251,974.258	JOHN DEERE 2020-B A3 EQP MAT 11/15/24 Cpn 0.51 47787NAC3	251,974.26		2,400.32	0.00	251,974.26
06/15/23	06/15/23	Pay Princpl	25,045.010	KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8	25,045.01		0.00	(88.00)	25,045.01
06/15/23	06/15/23	Pay Princpl	6,008.558	KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8	6,008.56		0.00	(19.53)	6,008.56
06/15/23	06/15/23	Pay Princpl	756,658.887	KCOT 2023-1A A1 EQP 144A MAT 03/15/24 Cpn 5.29 50117KAA8	756,658.89		(23.54)	0.00	756,658.89
06/15/23	06/15/23	Pay Princpl	647,960.415	NALT 2023-A A1 LEASE MAT 02/15/24 Cpn 4.97 65480VAA1	647,960.41		(0.00)	0.00	647,960.41
06/15/23	06/15/23	Pay Princpl	1,117,906.156	NAROT 2023-A A1 CAR MAT 05/15/24 Cpn 5.42 65480WAA9	1,117,906.16		0.00	0.00	1,117,906.16
06/15/23	06/15/23	Pay Princpl	372,980.303	TAOT 2022-C A2A CAR MAT 08/15/25 Cpn 4.19 89231CAB3	372,980.30		19.94	0.00	372,980.30
06/15/23	06/15/23	Pay Princpl	478,086.492	TAOT 2023-A A1 CAR MAT 01/15/24 Cpn 4.84 891940AA6	478,086.49		(0.00)	0.00	478,086.49

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06/15/23	06/15/23	Pay Princpl	3,226,600.820	TAOT 2023-B A1 CAR MAT 05/15/24 Cpn 5.23 891941AA4	3,226,600.82		0.00	0.00	3,226,600.82
06/15/23	06/15/23	Pay Princpl	318,882.410	WOART 2022-B A2A CAR MAT 10/15/25 Cpn 2.77 98163QAB5	318,882.41		0.00	14.73	318,882.41
06/15/23	06/15/23	Pay Princpl	1,899,690.698	WOART 2023-B A1 CAR MAT 04/15/24 Cpn 5.32 98164QAA6	1,899,690.70		0.00	0.00	1,899,690.70
06/15/23	06/15/23	Pay Princpl	127,945.519	WOLS 2022-A A2 LEASE MAT 10/15/24 Cpn 2.63 98163NAB2	127,945.52		0.00	1.36	127,945.52
06/15/23	06/15/23	Pay Princpl	1,075,881.194	WOLS 2023-A A1 LEASE MAT 05/15/24 Cpn 5.22 981944AA9	1,075,881.19		(0.00)	0.00	1,075,881.19
06/16/23	06/16/23	Pay Princpl	1,037,593.528	GMCAR 2023-1 A1 CAR MAT 01/16/24 Cpn 4.89 38013JAA1	1,037,593.53		0.00	0.00	1,037,593.53
06/16/23	06/16/23	Pay Princpl	1,306,103.417	GMCAR 2023-2 A1 CAR MAT 04/16/24 Cpn 5.19 362583AA4	1,306,103.42		0.00	0.00	1,306,103.42
06/20/23	06/20/23	Pay Princpl	256,670.392	DLLAD 2023-1A A1 EQP 144A MAT 02/20/24 Cpn 5.01 233258AA0	256,670.39		(0.00)	0.00	256,670.39
06/20/23	06/20/23	Pay Princpl	1,838,220.999	DLLMT 2023-1A A1 EQP 144A MAT 05/20/24 Cpn 5.53 232989AA1	1,838,221.00		0.00	0.00	1,838,221.00
06/20/23	06/20/23	Pay Princpl	424,646.388	ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3	424,646.39		6,418.97	0.00	424,646.39
06/20/23	06/20/23	Pay Princpl	282,760.571	ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3	282,760.57		4,174.70	0.00	282,760.57
06/20/23	06/20/23	Pay Princpl	362,562.319	ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2	362,562.32		7,510.67	0.00	362,562.32
06/20/23	06/20/23	Pay Princpl	42,722.930	ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2	42,722.93		885.03	0.00	42,722.93

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06/20/23	06/20/23	Pay Princpl	430,991.036	EFF 2022-3 A1 FLEET 144A MAT 08/20/23 Cpn 3.61 29374FAA1	430,991.04		0.00	0.00	430,991.04
06/20/23	06/20/23	Pay Princpl	580,546.546	EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9	580,546.55		0.00	0.00	580,546.55
06/20/23	06/20/23	Pay Princpl	589,478.031	EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9	589,478.03		265.86	0.00	589,478.03
06/20/23	06/20/23	Pay Princpl	991,437.927	EFF 2023-2 A1 FLEET 144A MAT 06/20/24 Cpn 5.79 29375NAA3	991,437.93		0.00	0.00	991,437.93
06/20/23	06/20/23	Pay Princpl	2,492,325.303	GMALT 2023-2 A1 LEASE MAT 05/20/24 Cpn 5.45 362548AA7	2,492,325.30		(0.00)	0.00	2,492,325.30
06/20/23	06/20/23	Pay Princpl	361,770.390	SRT 2021-A A3 LEASE 144A MAT 07/22/24 Cpn 0.51 80286TAC7	361,770.39		5,459.44	0.00	361,770.39
06/20/23	06/20/23	Pay Princpl	196,392.473	TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1	196,392.47		0.00	5.37	196,392.47
06/20/23	06/20/23	Pay Princpl	298,353.237	TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3	298,353.24		7,704.84	0.00	298,353.24
06/20/23	06/20/23	Pay Princpl	436,789.139	TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3	436,789.14		7,982.94	0.00	436,789.14
06/20/23	06/20/23	Pay Princpl	440,173.136	VALET 2021-1 A2 CAR MAT 10/21/24 Cpn 0.49 92868KAB9	440,173.14		0.00	3.37	440,173.14
06/25/23	06/25/23	Pay Princpl	759,802.202	BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6	759,802.20		7,685.45	0.00	759,802.20
06/25/23	06/25/23	Pay Princpl	118.785	FHMS KF38 A MAT 09/25/24 Cpn 5.52 3137FBUC8	118.79		0.00	0.05	118.79
06/25/23	06/25/23	Pay Princpl	443,511.340	FHMS KI08 A 1MOFRN CMBS MAT 10/25/26 Cpn 5.24 3137H4RC6	443,511.34		0.00	0.00	443,511.34

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06/25/23	06/25/23	Pay Princpl	603,610.254	FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 5.24 3137FYUR5	603,610.25		0.00	(0.00)	603,610.25
			<u>35,011,616.689</u>		<u>35,011,616.72</u>		<u>64,581.55</u>	<u>(56.32)</u>	<u>35,011,616.72</u>
06/06/23	06/06/23	Mature Long	5,000,000.000	U.S. TREASURY BILL MAT 06/06/23 Cpn 912797FM4	4,999,298.61	701.39	0.00	0.00	5,000,000.00
06/06/23	06/06/23	Mature Long	10,000,000.000	CREDIT AGRICOLE CP MAT 06/06/23 Cpn 22533UT60	9,998,608.33	1,391.67	0.00	0.00	10,000,000.00
06/06/23	06/06/23	Mature Long	15,000,000.000	NORDEA BANK CP 144A MAT 06/06/23 Cpn 65558KT61	14,997,900.00	2,100.00	0.00	0.00	15,000,000.00
06/06/23	06/06/23	Mature Long	30,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/06/23 Cpn 21687BT68	29,995,800.00	4,200.00	0.00	0.00	30,000,000.00
06/06/23	06/06/23	Mature Long	7,500,000.000	CA SAN FRAN PUB CP TXB MAT 06/06/23 Cpn 5.02 79770TRD2	7,500,000.00		0.00	0.00	7,500,000.00
06/07/23	06/07/23	Mature Long	8,500,000.000	ESSILOR CP 144A MAT 06/07/23 Cpn 29728YT70	8,428,562.22	71,437.78	0.00	0.00	8,500,000.00
06/07/23	06/07/23	Mature Long	20,000,000.000	MERCEDES-BENZ CP 144A MAT 06/07/23 Cpn 58768KT70	19,960,411.11	39,588.89	0.00	0.00	20,000,000.00
06/07/23	06/07/23	Mature Long	17,200,000.000	NATL SEC CLEARING CP 144A MAT 06/07/23 Cpn 63763QT72	17,136,895.11	63,104.89	0.00	0.00	17,200,000.00
06/08/23	06/08/23	Mature Long	15,000,000.000	NORDEA BANK ABP NY YCD MAT 06/08/23 Cpn 2.97 65558UUE0	15,000,000.00		0.00	0.00	15,000,000.00
06/09/23	06/09/23	Mature Long	18,000,000.000	FHLB DISCOUNT NOTE MAT 06/09/23 Cpn 313384GR4	17,997,500.00	2,500.00	0.00	0.00	18,000,000.00
06/12/23	06/12/23	Mature Long	45,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn 313384GU7	44,968,750.00	31,250.00	0.00	0.00	45,000,000.00

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

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Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,965,277.78	34,722.22	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	48,070,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	48,049,970.83	20,029.17	0.00	0.00	48,070,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	20,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	19,991,666.67	8,333.33	0.00	0.00	20,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
06/12/23	06/12/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/12/23 Cpn	313384GU7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/12/23	06/12/23	Mature Long	16,500,000.000	METLIFE SHORT TERM FUND CP 1 MAT 06/12/23 Cpn 59157UTC4	16,428,532.08	71,467.92	0.00	0.00	16,500,000.00
06/13/23	06/13/23	Mature Long	30,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	29,995,833.33	4,166.67	0.00	0.00	30,000,000.00
06/13/23	06/13/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
06/13/23	06/13/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
06/13/23	06/13/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
06/13/23	06/13/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
06/13/23	06/13/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
06/13/23	06/13/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
06/13/23	06/13/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/13/23 Cpn 313384GV5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
06/13/23	06/13/23	Mature Long	20,000,000.000	NOVARTIS FINANCE CP 144A MAT 06/13/23 Cpn 6698M5TD1	19,946,694.44	53,305.56	0.00	0.00	20,000,000.00
06/14/23	06/14/23	Mature Long	20,000,000.000	BMW US CAPITAL CP 144A MAT 06/14/23 Cpn 0556C3TE1	19,941,083.33	58,916.67	0.00	0.00	20,000,000.00
06/14/23	06/14/23	Mature Long	12,500,000.000	CREDIT AGRICOLE CP MAT 06/14/23 Cpn 22533UTE3	12,465,000.00	35,000.00	0.00	0.00	12,500,000.00
06/14/23	06/14/23	Mature Long	38,000,000.000	FFCB DISCOUNT NOTE MAT 06/14/23 Cpn 313312GW4	37,829,665.00	170,335.00	0.00	0.00	38,000,000.00

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Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/14/23	06/14/23	Mature Long	50,000,000.000	FFCB DISCOUNT NOTE MAT 06/14/23 Cpn	313312GW4	49,775,875.00	224,125.00	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	9,988,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	9,931,834.15	56,165.85	0.00	0.00	9,988,000.00
06/14/23	06/14/23	Mature Long	10,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	9,991,666.67	8,333.33	0.00	0.00	10,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	49,958,333.33	41,666.67	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	40,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	39,972,500.00	27,500.00	0.00	0.00	40,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	49,965,625.00	34,375.00	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	49,965,625.00	34,375.00	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	49,965,625.00	34,375.00	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	10,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	9,998,616.67	1,383.33	0.00	0.00	10,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn	313384GW3	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/14/23	06/14/23	Mature Long	45,000,000.000	FHLB DISCOUNT NOTE MAT 06/14/23 Cpn 313384GW3	44,993,775.00	6,225.00	0.00	0.00	45,000,000.00
06/14/23	06/14/23	Mature Long	20,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/14/23 Cpn 21687BTE1	19,997,200.00	2,800.00	0.00	0.00	20,000,000.00
06/14/23	06/14/23	Mature Long	20,000,000.000	ROCHE HOLDINGS CP 144A MAT 06/14/23 Cpn 77119MTE7	19,944,333.33	55,666.67	0.00	0.00	20,000,000.00
06/15/23	06/15/23	Mature Long	9,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	8,998,755.00	1,245.00	0.00	0.00	9,000,000.00
06/15/23	06/15/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/15/23	06/15/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/15/23	06/15/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/15/23	06/15/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/15/23	06/15/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/15/23	06/15/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/15/23 Cpn 313384GX1	49,993,083.33	6,916.67	0.00	0.00	50,000,000.00
06/15/23	06/15/23	Mature Long	8,500,000.000	ID HSG AGY CP TXB MAT 06/15/23 Cpn 5.13 45130HFG0	8,500,000.00		0.00	0.00	8,500,000.00

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06/15/23	06/15/23	Mature Long	20,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/15/23 Cpn 21687BTF8	19,997,200.00	2,800.00	0.00	0.00	20,000,000.00
06/16/23	06/16/23	Mature Long	3,400,000.000	FHLB DISCOUNT NOTE MAT 06/16/23 Cpn 313384GY9	3,379,845.56	20,154.44	0.00	0.00	3,400,000.00
06/16/23	06/16/23	Mature Long	15,000,000.000	FHLB DISCOUNT NOTE MAT 06/16/23 Cpn 313384GY9	14,911,633.33	88,366.67	0.00	0.00	15,000,000.00
06/16/23	06/16/23	Mature Long	11,000,000.000	FHLB DISCOUNT NOTE MAT 06/16/23 Cpn 313384GY9	10,998,478.33	1,521.67	0.00	0.00	11,000,000.00
06/16/23	06/16/23	Mature Long	14,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/16/23 Cpn 21687BTG6	13,998,040.00	1,960.00	0.00	0.00	14,000,000.00
06/20/23	06/20/23	Mature Long	15,000,000.000	CREDIT AGRICOLE CP MAT 06/20/23 Cpn 22533UTL7	14,983,200.00	16,800.00	0.00	0.00	15,000,000.00
06/20/23	06/20/23	Mature Long	10,000,000.000	CUMMINS INC CP 144A MAT 06/20/23 Cpn 23102VTL4	9,949,100.00	50,900.00	0.00	0.00	10,000,000.00
06/20/23	06/20/23	Mature Long	40,000,000.000	FHLB DISCOUNT NOTE MAT 06/20/23 Cpn 313384HC6	39,740,800.00	259,200.00	0.00	0.00	40,000,000.00
06/20/23	06/20/23	Mature Long	20,000,000.000	FLORIDA POWER & LIGHT CP MAT 06/20/23 Cpn 34108BTL9	19,977,333.33	22,666.67	0.00	0.00	20,000,000.00
06/20/23	06/20/23	Mature Long	15,000,000.000	JOHN DEERE CAPITAL CP 144A MAT 06/20/23 Cpn 24422MTL5	14,903,591.67	96,408.33	0.00	0.00	15,000,000.00
06/20/23	06/20/23	Mature Long	20,000,000.000	SUMITOMO MITSUI CP 144A MAT 06/20/23 Cpn 86563HTL4	19,977,555.56	22,444.44	0.00	0.00	20,000,000.00
06/21/23	06/21/23	Mature Long	38,500,000.000	FHLB DISCOUNT NOTE MAT 06/21/23 Cpn 313384HD4	38,451,393.75	48,606.25	0.00	0.00	38,500,000.00
06/21/23	06/21/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/21/23 Cpn 313384HD4	49,936,875.00	63,125.00	0.00	0.00	50,000,000.00

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06/22/23	06/22/23	Mature Long	6,500,000.000	WI ASPIRUS HEALTH CP TXB MAT 06/22/23 Cpn 5.20 04537KAS8	6,500,000.00		0.00	0.00	6,500,000.00
06/22/23	06/22/23	Mature Long	20,000,000.000	PACCAR FINANCIAL CP MAT 06/22/23 Cpn 69372BTN0	19,921,444.44	78,555.56	0.00	0.00	20,000,000.00
06/22/23	06/22/23	Mature Long	9,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/22/23 Cpn 21687BTN1	8,998,740.00	1,260.00	0.00	0.00	9,000,000.00
06/22/23	06/22/23	Mature Long	4,200,000.000	CA SAN JOSE FIN AUTH LEASE CP MAT 06/22/23 Cpn 5.15 79815WDL9	4,200,000.00		0.00	0.00	4,200,000.00
06/23/23	06/23/23	Mature Long	13,900,000.000	AIR LIQUIDE CP 144A MAT 06/23/23 Cpn 00912UTP5	13,817,943.67	82,056.33	0.00	0.00	13,900,000.00
06/23/23	06/23/23	Mature Long	25,000,000.000	MERCEDES-BENZ CP 144A MAT 06/23/23 Cpn 58768KTP0	24,961,041.67	38,958.33	0.00	0.00	25,000,000.00
06/26/23	06/26/23	Mature Long	17,500,000.000	BAYERISCHE LANDESBANK CP MAT 06/26/23 Cpn 07274MTS4	17,419,422.22	80,577.78	0.00	0.00	17,500,000.00
06/26/23	06/26/23	Mature Long	20,000,000.000	CATERPILLAR FIN CP MAT 06/26/23 Cpn 14912ETS6	19,912,511.11	87,488.89	0.00	0.00	20,000,000.00
06/26/23	06/26/23	Mature Long	5,000,000.000	CATERPILLAR FIN CP MAT 06/26/23 Cpn 14912ETS6	4,990,141.67	9,858.33	0.00	0.00	5,000,000.00
06/26/23	06/26/23	Mature Long	9,400,000.000	ILLINOIS TOOL WORKS CP 144A MAT 06/26/23 Cpn 4523EMTS2	9,340,545.00	59,455.00	0.00	0.00	9,400,000.00
06/26/23	06/26/23	Mature Long	12,500,000.000	MITSUBISHI UFJ TRUST & BANK 14 MAT 06/26/23 Cpn 60682XTS5	12,443,777.78	56,222.22	0.00	0.00	12,500,000.00
06/26/23	06/26/23	Mature Long	14,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/26/23 Cpn 21687BTS0	13,994,120.00	5,880.00	0.00	0.00	14,000,000.00
06/27/23	06/27/23	Mature Long	29,000,000.000	AUTOMATIC DATA CP 144A MAT 06/27/23 Cpn 0530A3TT5	28,995,931.94	4,068.06	0.00	0.00	29,000,000.00

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06/27/23	06/27/23	Mature Long	15,000,000.000	APPLE CP 144A MAT 06/27/23 Cpn 03785ETT1	14,888,479.17	111,520.83	0.00	0.00	15,000,000.00
06/27/23	06/27/23	Mature Long	20,000,000.000	FED CAISSE DESJARDINS CP 144A MAT 06/27/23 Cpn 31428GTT0	19,960,333.33	39,666.67	0.00	0.00	20,000,000.00
06/27/23	06/27/23	Mature Long	25,000,000.000	NATL SEC CLEARING CP 144A MAT 06/27/23 Cpn 63763QTT4	24,946,666.67	53,333.33	0.00	0.00	25,000,000.00
06/28/23	06/28/23	Mature Long	30,000,000.000	AUTOMATIC DATA CP 144A MAT 06/28/23 Cpn 0530A3TU2	29,995,791.67	4,208.33	0.00	0.00	30,000,000.00
06/28/23	06/28/23	Mature Long	22,500,000.000	CREDIT AGRICOLE CP MAT 06/28/23 Cpn 22533UTU7	22,496,868.75	3,131.25	0.00	0.00	22,500,000.00
06/28/23	06/28/23	Mature Long	20,000,000.000	COOPERATIEVE RABOBANK CP MAT 06/28/23 Cpn 21687BTU5	19,997,200.00	2,800.00	0.00	0.00	20,000,000.00
06/29/23	06/29/23	Mature Long	22,500,000.000	CREDIT AGRICOLE CP MAT 06/29/23 Cpn 22533UTV5	22,496,868.75	3,131.25	0.00	0.00	22,500,000.00
06/29/23	06/29/23	Mature Long	13,000,000.000	FHLB DISCOUNT NOTE MAT 06/29/23 Cpn 313384HM4	12,998,212.50	1,787.50	0.00	0.00	13,000,000.00
06/29/23	06/29/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 06/29/23 Cpn 313384HM4	49,993,125.00	6,875.00	0.00	0.00	50,000,000.00
06/29/23	06/29/23	Mature Long	7,500,000.000	HYDRO-QUEBEC CP 144A MAT 06/29/23 Cpn 44881MTV5	7,446,343.75	53,656.25	0.00	0.00	7,500,000.00
06/30/23	06/30/23	Mature Long	10,000,000.000	INTL FINANCE CORP FRN SOFRRA MAT 06/30/23 Cpn 45950KCW8	10,000,000.00		0.00	0.00	10,000,000.00

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
Fixed Income - cont.									
06/30/23	06/30/23	Mature Long	1,000,000.000	CA SAN FRANCISCO CITY & CNTY MAT 06/30/23 Cpn 5.30 79769EAN4	1,000,000.00		0.00	0.00	1,000,000.00
			<u>3,013,158,000.000</u>		<u>3,010,137,824.19</u>	<u>3,020,175.82</u>	<u>0.00</u>	<u>0.00</u>	<u>3,013,158,000.00</u>
06/06/23	06/06/23	Withdrawal	(45,000,000.000)	WD MAT Cpn USD	(45,000,000.00)		(45,000,000.00)	0.00	(45,000,000.00)
06/12/23	06/12/23	Withdrawal	(30,000,000.000)	WD MAT Cpn USD	(30,000,000.00)		(30,000,000.00)	0.00	(30,000,000.00)
06/14/23	06/14/23	Withdrawal	(310,000,000.000)	WD MAT Cpn USD	(310,000,000.00)		(310,000,000.00)	0.00	(310,000,000.00)
06/15/23	06/15/23	Withdrawal	(300,000,000.000)	WD MAT Cpn USD	(300,000,000.00)		(300,000,000.00)	0.00	(300,000,000.00)
06/20/23	06/20/23	Withdrawal	(150,000,000.000)	WD MAT Cpn USD	(150,000,000.00)		(150,000,000.00)	0.00	(150,000,000.00)
06/22/23	06/22/23	Withdrawal	(60,000,000.000)	WD MAT Cpn USD	(60,000,000.00)		(60,000,000.00)	0.00	(60,000,000.00)
06/26/23	06/26/23	Withdrawal	(50,000,000.000)	WD MAT Cpn USD	(50,000,000.00)		(50,000,000.00)	0.00	(50,000,000.00)
06/27/23	06/27/23	Withdrawal	(30,000,000.000)	WD MAT Cpn USD	(30,000,000.00)		(30,000,000.00)	0.00	(30,000,000.00)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
Cash - cont.										
06/29/23	06/29/23	Withdrawal	(80,000,000.00)	WD MAT	Cpn	USD	(80,000,000.00)	(80,000,000.00)	0.00	(80,000,000.00)
			<u>(1,055,000,000.00)</u>				<u>(1,055,000,000.00)</u>	<u>(1,055,000,000.00)</u>	<u>0.00</u>	<u>(1,055,000,000.00)</u>

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/14/23	06/15/23	Buy	680,000.000	U.S. TREASURY NOTE MAT 05/31/28 Cpn 3.63 91282CHE4	(669,667.19)	(1,010.25)	0.00	0.00	(670,677.44)
06/21/23	06/26/23	Buy	600,000.000	FORDO 2023-B A3 CAR MAT 05/15/28 Cpn 5.23 344930AD4	(599,991.90)		0.00	0.00	(599,991.90)
06/21/23	06/28/23	Buy	900,000.000	GFORT 2023-1 A1 FLOOR 144A MAT 06/15/28 Cpn 5.34 361886CR3	(899,779.77)		0.00	0.00	(899,779.77)
06/21/23	06/28/23	Buy	750,000.000	JDOT 2023-B A3 EQP MAT 03/15/28 Cpn 5.18 477920AC6	(749,874.90)		0.00	0.00	(749,874.90)
06/29/23	06/30/23	Buy	1,695,000.000	U.S. TREASURY NOTE MAT 06/30/28 Cpn 4.00 91282CHK0	(1,684,273.83)		0.00	0.00	(1,684,273.83)
			<u>4,625,000.000</u>		<u>(4,603,587.59)</u>	<u>(1,010.25)</u>	<u>0.00</u>	<u>0.00</u>	<u>(4,604,597.84)</u>
06/01/23	06/01/23	Coupon		CA BEVERLY HILLS PFA LEASE RE MAT 06/01/25 Cpn 0.83 088006JZ5		2,780.50	0.00	0.00	2,780.50
06/01/23	06/01/23	Coupon		CA HEALTH FACS-NO PLACE LIKE MAT 06/01/24 Cpn 2.02 13032UVB1		3,838.00	0.00	0.00	3,838.00
06/01/23	06/01/23	Coupon		CA LOS ANGELESX CNTY PUB WO MAT 12/01/23 Cpn 3.59 54473ERV8		7,622.38	0.00	0.00	7,622.38
06/01/23	06/01/23	Coupon		CA CITY OF RIVERSIDE POB TXB MAT 06/01/24 Cpn 2.11 769036BL7		3,371.20	0.00	0.00	3,371.20
06/15/23	06/15/23	Coupon		CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2		116.03	0.00	0.00	116.03
06/15/23	06/15/23	Coupon		CARMX 2021-2 A3 AUTO MAT 02/17/26 Cpn 0.52 14314QAC8		292.41	0.00	0.00	292.41
06/15/23	06/15/23	Coupon		CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4		386.41	0.00	0.00	386.41

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/15/23	06/15/23	Coupon		CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5		51.58	0.00	0.00	51.58
06/15/23	06/15/23	Coupon		CT STATE GO/ULT TXB MAT 06/15/26 Cpn 3.53 20772KQJ1		11,299.20	0.00	0.00	11,299.20
06/15/23	06/15/23	Coupon		FORDF 2023-1 A1 FLOOR 144A MAT 05/15/28 Cpn 4.92 34528QHV9		2,774.33	0.00	0.00	2,774.33
06/15/23	06/15/23	Coupon		FORDF 2023-1 A1 FLOOR 144A MAT 05/15/28 Cpn 4.92 34528QHV9		792.67	0.00	0.00	792.67
06/15/23	06/15/23	Coupon		JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7		22.12	0.00	0.00	22.12
06/15/23	06/15/23	Coupon		JOHN DEERE 2021-A A3 EQP MAT 09/15/25 Cpn 0.36 47788UAC6		99.84	0.00	0.00	99.84
06/15/23	06/15/23	Coupon		KUBOTA 2021-2A A3 EQP 144A MAT 11/17/25 Cpn 0.56 50117XAE2		443.33	0.00	0.00	443.33
06/15/23	06/15/23	Coupon		MERCEDES 2021-B A3 LEASE MAT 11/15/24 Cpn 0.40 58769KAD6		152.67	0.00	0.00	152.67
06/15/23	06/15/23	Coupon		WORLD OMNI 2021-A A3 LEASE MAT 08/15/24 Cpn 0.42 98163JAC9		182.36	0.00	0.00	182.36
06/16/23	06/16/23	Coupon		GMCAR 2021-2 A3 CAR MAT 04/16/26 Cpn 0.51 380149AC8		66.58	0.00	0.00	66.58
06/20/23	06/20/23	Coupon		GMALT 2021-2 A LEASE MAT 05/20/25 Cpn 0.41 380144AD7		256.25	0.00	0.00	256.25
06/20/23	06/20/23	Coupon		SRT 2021-C A3 LEASE 144A MAT 03/20/25 Cpn 0.50 80286CAC4		131.18	0.00	0.00	131.18
06/20/23	06/20/23	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		38.30	0.00	0.00	38.30

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/20/23	06/20/23	Coupon		TLOT 2023A A3 LEASE 144A MAT 04/20/26 Cpn 4.93 89239MAC1		2,054.17	0.00	0.00	2,054.17
06/20/23	06/20/23	Coupon		VERIZON 2020-B A PHONE MAT 02/20/25 Cpn 0.47 92290BAA9		73.00	0.00	0.00	73.00
06/25/23	06/25/23	Coupon		BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6		76.61	0.00	0.00	76.61
06/01/23	06/25/23	Coupon		FHMS K033 A2 MAT 07/25/23 Cpn 3.06 3137B4WB8		1,014.59	0.00	0.00	1,014.59
06/01/23	06/25/23	Coupon		FHMS K034 A2 MAT 07/25/23 Cpn 3.53 3137B5JM6		979.88	0.00	0.00	979.88
06/01/23	06/25/23	Coupon		FHMS K725 AM CMBS MAT 02/25/24 Cpn 3.10 3137BWWE		2,095.20	0.00	0.00	2,095.20
06/01/23	06/25/23	Coupon		FHMS K726 AM CMBS MAT 04/25/24 Cpn 2.99 3137BYPR5		1,417.88	0.00	0.00	1,417.88
06/30/23	06/30/23	Coupon		U.S. TREASURY NOTE MAT 12/31/25 Cpn 0.38 91282CBC4		3,845.63	0.00	0.00	3,845.63
06/30/23	06/30/23	Coupon		U.S. TREASURY NOTE MAT 06/30/26 Cpn 0.88 91282CCJ8		2,056.25	0.00	0.00	2,056.25
06/30/23	06/30/23	Coupon		U.S. TREASURY NOTE MAT 12/31/26 Cpn 1.25 91282CDQ1		2,906.25	0.00	0.00	2,906.25
06/30/23	06/30/23	Coupon		U.S. TREASURY NOTE MAT 12/31/26 Cpn 1.25 91282CDQ1		2,906.25	0.00	0.00	2,906.25
06/30/23	06/30/23	Coupon		U.S. TREASURY NOTE MAT 06/30/24 Cpn 1.75 9128286Z8		218.75	0.00	0.00	218.75

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
Fixed Income - cont.									
06/30/23	06/30/23	Coupon		U.S. TREASURY NOTE MAT 06/30/27 Cpn 3.25 91282CEW7		40,137.50	0.00	0.00	40,137.50
						<u>94,499.30</u>	<u>0.00</u>	<u>0.00</u>	<u>94,499.30</u>
06/01/23	06/01/23	Income	3,269.650	STIF INT MAT Cpn USD		3,269.65	0.00	0.00	3,269.65
06/09/23	06/13/23	Sell Long	570,040.686	FORDL 2021-B A3 LEASE MAT 10/15/24 Cpn 0.37 345329AC0	566,232.99	164.05	0.00	(3,782.05)	566,397.04
06/21/23	06/22/23	Sell Long	700,000.000	U.S. TREASURY NOTE MAT 05/15/26 Cpn 3.63 91282CHB0	686,847.66	2,620.24	(9,737.95)	0.00	689,467.90
06/21/23	06/22/23	Sell Long	305,000.000	U.S. TREASURY NOTE MAT 05/15/26 Cpn 3.63 91282CHB0	299,197.85	1,141.68	(4,314.45)	0.00	300,339.53
06/22/23	06/23/23	Sell Long	850,000.000	U.S. TREASURY NOTE MAT 05/31/24 Cpn 2.00 912828XT2	824,267.58	1,068.31	0.00	(27,011.67)	825,335.89
06/23/23	06/27/23	Sell Long	310,809.892	JOHN DEERE 2021-A A3 EQP MAT 09/15/25 Cpn 0.36 47788UAC6	301,497.74	37.30	0.00	(9,288.04)	301,535.04
06/29/23	06/30/23	Sell Long	770,000.000	U.S. TREASURY NOTE MAT 09/30/24 Cpn 1.50 912828YH7	734,447.66	2,871.72	0.00	(35,004.96)	737,319.38
			<u>3,505,850.578</u>		<u>3,412,491.48</u>	<u>7,903.30</u>	<u>(14,052.40)</u>	<u>(75,086.71)</u>	<u>3,420,394.78</u>

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/15/23	06/15/23	Pay Princpl	17,973.497	CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2	17,973.50		0.00	(73.32)	17,973.50
06/15/23	06/15/23	Pay Princpl	46,498.543	CARMX 2021-2 A3 AUTO MAT 02/17/26 Cpn 0.52 14314QAC8	46,498.54		0.00	4.25	46,498.54
06/15/23	06/15/23	Pay Princpl	45,168.142	CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4	45,168.14		0.00	3.83	45,168.14
06/15/23	06/15/23	Pay Princpl	15,809.061	CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5	15,809.06		0.00	0.38	15,809.06
06/15/23	06/15/23	Pay Princpl	19,076.947	JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7	19,076.95		0.00	0.14	19,076.95
06/15/23	06/15/23	Pay Princpl	21,986.609	JOHN DEERE 2021-A A3 EQP MAT 09/15/25 Cpn 0.36 47788UAC6	21,986.61		0.00	1.74	21,986.61
06/15/23	06/15/23	Pay Princpl	10,001.370	KUBOTA 2021-2A A3 EQP 144A MAT 11/17/25 Cpn 0.56 50117XAE2	10,001.37		0.00	0.19	10,001.37
06/15/23	06/15/23	Pay Princpl	54,780.684	MERCEDES 2021-B A3 LEASE MAT 11/15/24 Cpn 0.40 58769KAD6	54,780.68		0.00	1.23	54,780.68
06/15/23	06/15/23	Pay Princpl	68,273.237	WORLD OMNI 2021-A A3 LEASE MAT 08/15/24 Cpn 0.42 98163JAC9	68,273.24		0.00	2.12	68,273.24
06/16/23	06/16/23	Pay Princpl	10,379.752	GMCAR 2021-2 A3 CAR MAT 04/16/26 Cpn 0.51 380149AC8	10,379.75		0.00	0.38	10,379.75
06/20/23	06/20/23	Pay Princpl	55,066.256	SRT 2021-C A3 LEASE 144A MAT 03/20/25 Cpn 0.50 80286CAC4	55,066.26		0.00	0.85	55,066.26
06/20/23	06/20/23	Pay Princpl	25,756.390	TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1	25,756.39		0.00	0.70	25,756.39
06/20/23	06/20/23	Pay Princpl	55,503.287	VERIZON 2020-B A PHONE MAT 02/20/25 Cpn 0.47 92290BAA9	55,503.29		0.00	(17.80)	55,503.29

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

06/01/2023
through 06/30/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
06/25/23	06/25/23	Pay Princpl	101,306.960	BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6	101,306.96		0.00	0.59	101,306.96
06/01/23	06/25/23	Pay Princpl	354,297.030	FHMS K033 A2 MAT 07/25/23 Cpn 3.06 3137B4WB8	354,297.03		0.00	(764.84)	354,297.03
06/01/23	06/25/23	Pay Princpl	135,169.892	FHMS K034 A2 MAT 07/25/23 Cpn 3.53 3137B5JM6	135,169.89		0.00	(444.71)	135,169.89
			<u>1,037,047.657</u>		<u>1,037,047.66</u>		<u>0.00</u>	<u>(1,284.26)</u>	<u>1,037,047.66</u>

LA CARE

Cash Activity by Transaction Type GAAP Basis

Accounting Period From 06/01/2023 To 06/30/2023

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/Withdrawals	Total Amount
BUY										
06/05/23	06/01/23	06/05/23	TNT77	74153WCS6	PRICOA GLOBAL FUNDING 1	5,000,000.00	(3,541.67)	(5,020,900.00)	0.00	(5,024,441.67)
06/09/23	06/09/23	06/09/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	456,320.46	0.00	(456,320.46)	0.00	(456,320.46)
06/15/23	06/13/23	06/15/23	TNT77	035240AL4	ANHEUSER-BUSCH INBEV WOR	2,500,000.00	(17,222.22)	(2,423,800.00)	0.00	(2,441,022.22)
06/15/23	06/13/23	06/15/23	TNT77	756109BH6	REALTY INCOME CORP	2,500,000.00	(35,416.67)	(2,311,450.00)	0.00	(2,346,866.67)
TOTAL BUY						10,456,320.46	(56,180.56)	(10,212,470.46)	0.00	(10,268,651.02)
DIVIDEND										
06/01/23	06/01/23	06/01/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	1,044,195.50	7,292.07	0.00	0.00	7,292.07
TOTAL DIVIDEND						1,044,195.50	7,292.07	0.00	0.00	7,292.07
INTEREST										
06/01/23	06/01/23	06/01/23	TNT77	438516CB0	HONEYWELL INTERNATIONAL	5,000,000.00	33,750.00	0.00	0.00	33,750.00
06/05/23	06/05/23	06/05/23	TNT77	46647PAY2	JPMORGAN CHASE & CO	4,000,000.00	80,460.00	0.00	0.00	80,460.00
06/06/23	06/06/23	06/06/23	TNT77	07330NAT2	TRUIST BANK	4,750,000.00	51,062.50	0.00	0.00	51,062.50
06/12/23	06/12/23	06/12/23	TNT77	24422ESP5	JOHN DEERE CAPITAL CORP	2,000,000.00	33,500.00	0.00	0.00	33,500.00
06/15/23	06/15/23	06/15/23	TNT77	976656CL0	WISCONSIN ELECTRIC POWER	1,500,000.00	15,375.00	0.00	0.00	15,375.00
06/27/23	06/27/23	06/27/23	TNT77	02665WCZ2	AMERICAN HONDA FINANCE	2,250,000.00	27,000.00	0.00	0.00	27,000.00
06/30/23	06/30/23	06/30/23	TNT77	59217GFB0	MET LIFE GLOB FUNDING I	3,500,000.00	77,000.00	0.00	0.00	77,000.00
TOTAL INTEREST						23,000,000.00	318,147.50	0.00	0.00	318,147.50
SELL										
06/05/23	06/02/23	06/05/23	TNT77	459200HU8	IBM CORP	2,000,000.00	22,756.95	1,973,720.00	0.00	1,996,476.95
06/05/23	06/02/23	06/05/23	TNT77	459200JY8	IBM CORP	3,000,000.00	5,000.00	2,930,370.00	0.00	2,935,370.00
06/09/23	06/09/23	06/09/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	1,044,195.50	0.00	1,044,195.50	0.00	1,044,195.50
06/12/23	06/08/23	06/12/23	TNT77	46647PAY2	JPMORGAN CHASE & CO	4,000,000.00	3,129.00	3,964,040.00	0.00	3,967,169.00
TOTAL SELL						10,044,195.50	30,885.95	9,912,325.50	0.00	9,943,211.45
GRAND TOTAL						44,544,711.46	300,144.96	(300,144.96)	0.00	0.00

Avg Date 9



August 14, 2023

TO: Finance & Budget Committee
FROM: Afzal Shah, *Chief Financial Officer*

SUBJECT: AFS-006 (Authorization and Approval Limits) and AFS-007 (Procurement Policy) 3rd Quarter Report for FY 2023

The below Accounting & Financial Services (AFS) policies are required to be reported to the Finance & Budget Committee:

1. Policy AFS-006 (Authorization and Approval Limits) requires reports for executed vendor contracts for all expenditures.
2. Policy AFS-007 (Procurement Policy) requires reports for all sole source purchases over \$250,000.

Attached are the reports for 3rd Quarter Report for FY 2023.



L.A. Care Health Plan
AFS-006 Authorization and Approval Limits Quarterly Report
April 2023 - June 2023

New POs and Contracts	
Vendor Name	PO and Contract Total
I Color Printing & Mailing Inc	\$ 7,321,472.94
Cognizant TriZetto Software Group, Inc.	\$ 6,437,600.00
Sierra Pacific Constructors, Inc.	\$ 2,613,966.00
SHI International Corp	\$ 1,948,258.85
Iron Mountain Inc	\$ 1,500,000.00
Optiv Security, Inc.	\$ 1,457,152.89
Daponde Simpson Rowe PC	\$ 1,200,000.00
Transform Health LLC	\$ 1,098,910.29
Arent Fox LLP	\$ 1,000,000.00
Informatica LLC	\$ 957,112.98
CenturyLink Communications, LLC	\$ 900,000.00
California Medical Association	\$ 896,688.00
salesforce.com, inc. (Parent Company of MuleSoft, LLC)	\$ 680,194.80
Meyers, Nave, Riback, Silver & Wilson	\$ 600,000.00
Applied Research Works, Inc.	\$ 588,000.00
National Committee for Quality Assurance	\$ 545,788.00
Health Management Associates Inc.	\$ 495,990.00
ePlus Technology, inc.	\$ 480,485.25
M. Arthur Gensler, Jr. & Associates, Inc	\$ 447,400.00
Earth Print, Inc.	\$ 427,166.59
HALO BRANDED SOLUTIONS, INC.	\$ 383,780.55
Quest Analytics LLC	\$ 373,036.40
BrandFuse, inc.	\$ 330,406.65
Center for the Study of Services	\$ 325,794.64
City of Los Angeles, Department of Water and Power	\$ 318,198.12
Actum II, LLC	\$ 300,000.00
Andrues/Podberesky, APLC	\$ 300,000.00
Barber Ranen LLP	\$ 300,000.00
Best Best & Krieger LLP	\$ 300,000.00
Mitchell Martin Inc.	\$ 300,000.00
Seyfarth Shaw LLP	\$ 300,000.00
Sheppard Mullin Richter & Hampton LLP	\$ 300,000.00
Worksite Wellness LA	\$ 259,200.00
Saviynt, Inc.	\$ 250,541.79
Q-PERIOR Inc.	\$ 250,000.00
Fierce Software Corporation	\$ 248,954.84
Skillsoft Corporation	\$ 230,852.03
Hogan Lovells US LLP	\$ 200,000.00
Jenner & Block LLP	\$ 200,000.00
Morgan, Lewis & Bockius, LLP	\$ 200,000.00
Sanders Roberts, LLP	\$ 200,000.00
SSI (US) Inc	\$ 200,000.00
Absolute Ops LLC	\$ 195,440.00

New POs and Contracts	
Vendor Name	PO and Contract Total
GHA Technologies Inc	\$ 166,827.25
God's Pantry	\$ 136,900.00
Los Angeles Christian Health Centers (Grantee)	\$ 125,000.00
The Los Angeles Free Clinic (Grantee)	\$ 125,000.00
The R.O.A.D.S. Foundation, Inc. (Grantee)	\$ 125,000.00
Valley Community Healthcare (Grantee)	\$ 125,000.00
SAS Institute, Inc.	\$ 121,428.00
SKKN, INC.	\$ 106,456.96
SAP America, Inc.	\$ 104,458.96
Richards, Watson & Gershon A Professional Corporation	\$ 100,000.00
Children's Dental Foundation (Grantee)	\$ 100,000.00
Community Medical Wellness Centers USA (Grantee)	\$ 100,000.00
Family Health Care Centers of Greater Los Angeles, Inc.(Grantee)	\$ 100,000.00
Garfield Health Center (Grantee)	\$ 100,000.00
Northeast Valley Health Corporation (Grantee)	\$ 100,000.00
Pediatric & Family Medical Center (Grantee)	\$ 100,000.00
San Fernando Community Hospital (Grantee)	\$ 100,000.00
South Central Family Health Center (Grantee)	\$ 100,000.00
T.H.E. Clinic, Inc. (Grantee)	\$ 100,000.00
California Safety Net Coalition (Grantee)	\$ 100,000.00
Purchaser Business Group on Health	\$ 94,736.42
Gloria S. Nuestro	\$ 93,600.00
Edmund Jung & Associates, Inc.	\$ 90,000.00
Kinema Fitness, Inc.	\$ 87,360.00
Access Books	\$ 85,000.00
Herald Christian Health Center	\$ 83,200.00
JeffersonLarsonSmith LLC	\$ 78,500.00
Blackbaud, Inc.	\$ 77,536.11
PPT Holdings I, LLC	\$ 74,686.32
Level 3 Financing, Inc.	\$ 70,000.00
MEND- Meet Each Need with Dignity	\$ 67,500.00
Cactus Software LLC	\$ 67,435.55
Aquent LLC	\$ 66,960.00
Healthy Cooking LLC	\$ 61,080.00
Instant InfoSystems	\$ 53,144.58
Rebecca E. Lynch	\$ 52,000.00
Critical Care Training Center	\$ 50,400.00
Customer Motivators, LLC	\$ 50,000.00
Canon Solutions America Inc	\$ 45,000.00
Office Depot, Inc.	\$ 44,960.56
Ex Novo, Inc	\$ 39,166.05
ABF Data Systems, Inc	\$ 39,085.00
Safe and Sound Surveillance Solutions Inc	\$ 30,728.13
Korn Ferry Hay Group, Inc.	\$ 30,177.00
Maternal and Child Health Access Project	\$ 30,000.00
Sonia P. Guzman	\$ 25,705.00
Prevalent, Inc.	\$ 25,467.00

New POs and Contracts	
Vendor Name	PO and Contract Total
MG Dance Foundation	\$ 25,210.00
Arakelian Enterprises, Inc.	\$ 24,350.00
Laura Roman Cadena	\$ 22,220.00
Victoria Serna Garcia	\$ 20,800.00
Tony Lopez International	\$ 20,230.66
GM Voices, Inc.	\$ 20,000.00
Golden State Water Company	\$ 19,498.76
Aurora Systems Consulting, Inc	\$ 19,470.00
Therapeutic Bridges Inc.	\$ 19,000.00
Amazon Capital Services, Inc.	\$ 18,241.16
Luxor Printing Inc.	\$ 16,877.43
Ana Maria Delgado	\$ 16,840.00
SonBern LLC.	\$ 15,840.00
Miriam Patricia Perez	\$ 15,800.00
TurningWest, Inc.	\$ 13,560.00
Acts93, Inc.	\$ 12,655.50
Lands' End, Inc	\$ 11,926.76
Uline, Inc.	\$ 11,868.76
Direct Technology Group, Inc.	\$ 11,760.00
B&H Foto & Electronics, Corp.	\$ 11,440.05
Zoom Video Communications, Inc.	\$ 11,294.00
Melissa Data Corporation	\$ 11,185.00
Plunet Inc	\$ 10,178.78
Zones, LLC (Wholly Owned by Zones IT Solutions Inc.)	\$ 10,120.00
Dewey Pest Control	\$ 9,915.00
Training Connection LLC	\$ 7,950.00
Kimberley Carruthers	\$ 7,800.00
LexisNexis Risk Solutions FL Inc	\$ 7,200.00
Bootstrap Software Partners, LLC	\$ 7,180.65
Christopher Lopez	\$ 7,020.00
RightStar, Inc.	\$ 5,823.84
America's Health Insurance Plans, Inc.	\$ 5,000.00
Q:SIS Los Angeles	\$ 4,613.75
Lakeshore Equipment Company	\$ 4,202.32
LifeLabs Group, Inc.	\$ 3,200.00
Articulate Global, Inc.	\$ 2,798.00
All Day AcquisitionCo LLC	\$ 2,500.00
Blue Ribbon Technologies, LLC	\$ 1,560.00
Your Glass Connection, Inc.	\$ 1,550.00
Digicert, Inc.	\$ 1,331.00
SJS Partnership	\$ 1,090.00
Altec Products, Inc.	\$ 927.00
Sovos Compliance, LLC	\$ 671.34
Total	\$ 42,177,460.92



L.A. Care Health Plan
AFS-006 Authorization and Approval Limits Quarterly Report
April 2023 - June 2023

Amended Vendor Contracts				
Vendor Name	Current Contract Total	Amendment	New Contract Total	Term Date
Analysis Prime, Inc.	\$ 305,550.00	\$ 166,922.40	\$ 472,472.40	12/31/2023
ATTAC Consulting Group, LLC	\$ 43,800.00	Time	\$ 43,800.00	3/31/2024
Axis Technology, LLC	\$ 285,000.00	\$ 158,000.00	\$ 443,000.00	12/31/2023
Bayard Advertising Agency, Inc.	\$ 488,000.00	\$ 170,000.00	\$ 658,000.00	9/30/2024
BIG Language Solutions LLC	\$ 2,700,000.00	Time	\$ 2,700,000.00	2/28/2026
California Safety Net Coalition	\$ 100,000.00	\$ 200,000.00	\$ 300,000.00	12/31/2024
Centauri Health Solutions Inc	\$ 3,600,000.00	Scope	\$ 3,600,000.00	12/31/2023
Cloud Technology Innovations LLC	\$ 2,335,000.00	Time	\$ 2,335,000.00	12/31/2025
Cognizant Technology Solutions U.S. Corp	\$ 549,768.00	\$ 66,832.00	\$ 616,600.00	6/30/2023
Cognizant TriZetto Software Group, Inc.	\$ 75,944,611.22	Scope	\$ 75,944,611.22	9/30/2027
Cognizant TriZetto Software Group, Inc.	\$ 1,900,000.00	\$ 300,000.00	\$ 2,200,000.00	7/31/2023
Control Air Holdings Inc	\$ 83,796.00	\$ 18,136.00	\$ 101,932.00	3/31/2025
Customer Motivators, LLC	\$ 1,000,000.00	\$ 1,999,999.00	\$ 2,999,999.00	6/30/2026
Edifecs, Inc.	\$ 670,937.00	Time	\$ 670,937.00	9/30/2023
Faneuil, Inc.	\$ 22,000,000.00	Scope	\$ 22,000,000.00	3/31/2025
HCL America Inc.	\$ 1,379,658.00	\$ 1,188,508.00	\$ 2,568,166.00	4/20/2023
HCL America Inc.	\$ 2,568,166.00	\$ 855,104.00	\$ 3,423,270.00	6/30/2023
Infocrossing, LLC	\$ 2,747,949.00	\$ 715,000.00	\$ 3,462,949.00	12/31/2023
Infosys Limited	\$ 260,695.00	\$ 57,424.09	\$ 318,119.09	6/30/2023
Infosys Limited	\$ 646,016.00	Time	\$ 646,016.00	6/15/2023
Language Line Services, Inc.	\$ 2,475,000.00	\$ 2,100,000.00	\$ 4,575,000.00	3/31/2026
MetaSoftTech Solutions LLC	\$ 300,000.00	\$ 300,000.00	\$ 600,000.00	4/21/2024
Microsoft Corporation	\$ 408,506.00	Time	\$ 408,506.00	7/14/2023
O'Neil Digital Solutions LLC	\$ 2,000,000.00	Scope	\$ 2,000,000.00	6/30/2023
OptumInsight, Inc.	\$ 7,500,000.00	\$ 7,457,500.00	\$ 14,957,500.00	12/31/2026
Resources Connection Inc.	\$ 1,805,000.00	\$ 700,000.00	\$ 2,505,000.00	12/31/2023
Salesforce.com, inc. (Parent Company of M	\$ 257,509.68	\$ 21,459.14	\$ 278,968.82	4/30/2023
Scout Exchange LLC	\$ 254,000.00	\$ 100,000.00	\$ 354,000.00	No Expiration
The Messina Group, Inc.	\$ 135,000.00	\$ 90,000.00	\$ 225,000.00	5/10/2024
Whitney Lawrence Consulting LLC	\$ 20,000.00	\$ 25,000.00	\$ 45,000.00	10/31/2023
Yesenia Andrade	\$ 16,350.00	\$ 2,400.00	\$ 18,750.00	8/31/2023
Total			\$ 151,472,596.53	



L.A. Care Health Plan
AFS-007 Authorization and Approval Limits Quarterly Report
April 2023 - June 2023

Vendor Selection - Sole Source

Vendor Name	Contract Total	Paid As Of 8/1/23	Vendor Selection
Shah Health LLC	\$ 300,000.00	\$ 129,273.00	Sole Source
Applied Research Works, Inc.	\$ 588,000.00	\$ 539,000.00	Sole Source
Actum II, LLC	\$ 300,000.00	\$ 150,000.00	Sole Source



DATE: August 23, 2023
TO: Finance & Budget Committee
FROM: Afzal Shah, *Chief Financial Officer*

SUBJECT: AFS-027 Travel Expense Report & AFS-004 Non-Travel Expense Report

L.A. Care's internal policies, AFS-027 Travel Related Expenses and AFS-004 Non-Travel Expenses, for business related travel and non-travel expenses incurred by employees, members of the Board of Governors, Stakeholder Committees, and members of the Public Advisory Committees (PACs), require that all expenditures covered under these policies are to be reported to the Board of Governors on a quarterly basis.

Expenses covered under the Travel Related Expenses policy:

Travel and training expenditures, such as:

- Airlines
- Out-of-Town Lodging
- Parking
- Mileage
- Rental Cars
- Taxis and Other Public Transportation
- Meals Related to Business Travel

Expenses covered under the Non-Travel Expenses policy:

Any lunch, event, or gathering at which stakeholders are in attendance, such as:

- Board of Governors' meetings
- Stakeholder relationship events and outreach
- Education events

Any lunch, event, or gathering for internal staff only, such as:

- Recruitment, On-boarding, or Orientation Events
- Extenuating circumstances
- Discretionary staff spending for recognition and retention efforts

In order to keep the Committee apprised of L.A. Care's necessary expenditures and to comply with internal policy, presented herein are the travel and non-travel related expenses for the third quarter of Fiscal Year 2022-2023, April through June 2023.

AFS-004 Non-Travel Expense Report Q2 FY 22-23

Division	April - June 2023	Description
Executive Services	\$ 104	Expenses are related to refreshments for executive team meeting.
Finance Services	\$ 632	Expenses are related to refreshments for in-person meeting with Milliman.
Health Services	\$ 46,801	Expenses are related to in-person CME/CE Geriatric Care Conference, Depression and Anxiety dinner event, and Maternal Mental Health Conference.
Human Resources	\$ 15,639	Expenses are related to refreshments for New Hire Orientation events, PNM Job Fair, Dedicated Service Awards 2023, and Admin Professionals Day.
Information Technology	\$ 1,139	Expenses are related to in-person meeting with Local Health Plans of California (LHPC)
Legal Services	\$ 6,623	Expenses are related to refreshments for the committee meetings.
Strategic Services	\$ 10,290	Expenses are related to refreshments for RCAC and ECAC meetings in April, May, and June.
Total Non-Travel Expenses	\$ 81,229	

AFS-027 Travel Expense Report Q2 FY 22-23

Division	April - June 2023	Description
Chief Product Officer	\$ 16,869	Expenses are related to attendance of SNP Alliance and L.A. Care staff mileage reimbursement.
Clinical Operations	\$ 13,747	Expenses are related to L.A. Care Community Health Worker (CHW) staff mileage reimbursement and nursing license renewals.
Compliance	\$ 2,295	Expenses are related to attendance of California Association of Health Plans (CAHP) conference and staff mileage reimbursement.
Executive Services	\$ 3,471	Expenses are related to attendance of Managed Care Organization (MCO) Coalition meeting, California Health and Human Services (CHHS) Agency conference, and Hospital Association of California (HASC) conference.
Finance Services	\$ 11,831	Expenses are related to attendance of Government Investment Officers Association (GIOA), California Municipal Treasurers Association (CMTA), and America's SAP Users Group conferences, and approved L.A. Care staff travel.
Health Services	\$ 33,227	Expenses are related to attendance of Healthcare Information and Management Systems Society (HIMSS), Western Pharmacy Exchange (WPE), Association for Talent Development (ATD), and Academy of Managed Care Pharmacy (AMCP) conferences, continuing education fees, license renewals, and staff expense and mileage reimbursement for clinics.
Human Resources	\$ 181	Expenses are related to L.A. Care staff mileage reimbursement.
Information Technology	\$ 10,996	Expenses are related to attendance of Cognizant Healthcare conference, Cisco LIVE training, Gartner CIO Leadership Forum, and LA Care staff mileage reimbursement for CRC visits.
Legal Services	\$ 489	Expenses are related to approved L.A. Care staff education and travel.
Operations	\$ 18,609	Expenses related to attendance of Cognizant/Trizetto conference and approved L.A. Care staff education and travel, and staff transportation for CRC visits.
Strategic Services	\$ 20,706	Expenses are related to attendance of Social Determinants of Health (SDOH) Summit, Association for Community Affiliated Plans (ACAP) member meeting, support fees for CRC workshops and Outreach events, and approved L.A. Care staff transportation for site visits and meetings.
Total Travel Expenses	\$ 132,420	