

Finance Committee Meeting Agenda

November 18, 2026: 8:00 a.m. – 9:30 a.m.

In-person Locations:

Partnership's Chico Office located at 1000 Fortress St, Chico, CA
Partnership's Fairfield Office located at 4605 Business Center Drive, Fairfield, CA (Conference Center)
Partnership's Redding Office located at 2525 Airpark Dr., Redding, CA
Partnership's Santa Rosa Office located at 495 Tesconi Circle, Santa Rosa, CA
Partnership's Eureka Office located at 1036 5th Street, Eureka, CA
Partnership's Auburn Office located at 281 Nevada Street, Auburn, CA

Finance Committee Members: Chris Champlin, Dave Jones, Chair, Ryan Gruver, Alicia Hardy, Dean Germano, Nancy Starck, Nolan Sullivan

Public Participation

Public comment is welcome during designated "Public Comments" time frames or by emailing comments to the Board Clerk at Board_FinanceClerk@partnershiphp.org by 5:00p.m. on November 17, 2026. Comments received will be read during the meeting.

8:00A.M – Opening			
1.1 **Call to Order**			*Dave Jones, Chair*
1.2 **Roll Call**			*Clerk*
1.3	***ACTION:*** Approval of Agenda	1	*Chair*
1.4	***ACTION:*** Approval of Finance Committee Minutes from September 16, 2026 and October 13, 2026	2-15	*Chair*
1.5 **Commissioner Comment**			*Chair*
1.6 **Public Comment**			*Public*
New Business			
2.1	***INFORMATION:*** CEO Health Plan Update	16	*Sonja Bjork*
2.2	***ACTION:*** Accept August and September 2026 Metrics and Financials	17-44	*Jennifer Lopez*
2.3	***ACTION:*** Resolution to Accept Alicia Hardy's Resignation from the Finance Committee	45-46	*Sonja Bjork*
Adjournment			

Government Code §54957.5 requires that public records related to items on the open session agenda for a regular finance meeting be made available for public inspection. Records distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the committee. The Finance Committee has designated the Board Clerk as the contact for Partnership HealthPlan of California located at 4665 Business Center Drive, Fairfield, CA 94534, for the purpose of making those public records available for inspection. The Finance Committee Meeting Agenda and supporting documentation is available for review from 8:00 AM to 5:00 PM, Monday through Friday at all PHC regional offices (see locations above). It can also be found online at www.partnershiphp.org. PHC meeting rooms are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact the Board Clerk at least two (2) working days before the meeting at 707-863-4516 or by email at *ascott@partnershiphp.org*. Notification in advance of the meeting will enable the Clerk to make reasonable arrangements to ensure accessibility to this meeting and to materials related to it. This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda.

MINUTES OF THE MEETING OF
PARTNERSHIP HEALTHPLAN OF CALIFORNIA FINANCE COMMITTEE
In person locations:

Partnership's Fairfield Office located at 4605 Business Center Drive, Fairfield, CA (Conference Center)
Partnership's Redding Office located at 2525 Airpark Dr., Redding, CA
Partnership's Santa Rosa Office located at 495 Tesconi Circle, Santa Rosa, CA
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Partnership's Auburn Office located at 281 Nevada Street, Auburn, CA
Partnership's Chico Office located at 2760 Esplanade Ave, Suite 130, Chico, CA

On
October 13, 2026

Members Present: Chris Champlin, Dean Germano, Alicia Hardy
Members Excused: Ryan Gruver, Dave Jones, Chair, Nancy Starck, Nolan Sullivan
Staff: Leigha Andrews, Jill Blake, Sonja Bjork, Jayme Bottke, Tina Buop, Wendell Coats, Marisa Dominguez, Ryan Eberle, Naomi Gordon, Melanie Lam, John Lemoine, Jennifer Lopez, Kathryn Power, Ashlyn Scott, Rebecca Stark, Amy Turnipseed, Colleen Valenti
Guests: Chris Pritchard, Rianne Suico

AGENDA ITEM	DISCUSSION	MOTION / ACTION
1.2 Roll Call	Ashlyn Scott, Clerk of the Commission, called the roll and confirmed that a quorum was not present. As a result, the meeting proceeded for informational purposes only.	*None*
1.3 Approval of Agenda	Chairman Pro-Tempore Germano reviewed the agenda with the Commission for informational purposes only.	*None*

1.4 Reminder to approve September 16, 2026, Finance Committee Meeting Minutes at the next FiComm Meeting	Approval of the September 16, 2026, meeting minutes was deferred due to a lack of quorum.	*None*
1.5 & 1.6 Public Comment and Commissioner Comment	Chairman Pro-Tempore Germano asked if there were any public or commissioner comments. There were none.	*None*
New Business		
2.1 Resolution to Accept the Baker Tilly Audit Report for FY 2025-2026; This resolution accepts the audit report completed by Baker Tilly on Partnership's financial statements for the period July 1, 2025 to June 30, 2026.	Baker Tilly auditors, Chris Pritchard and Rianne Suico, presented Partnership HealthPlan's annual independent audit report for the fiscal year ended June 30, 2026. Ms. Suico began the presentation by reviewing the scope of audit services performed and presenting the independent auditor's opinion. The auditors issued an unmodified opinion, stating that the financial statements present fairly, in all material respects, the financial position and operations of Partnership HealthPlan of California in accordance with U.S. Generally Accepted Accounting Principles (GAAP). Ms. Suico reviewed key financial statement highlights. Total assets and deferred outflows of resources increased to approximately $4.3 billion in FY 2025-26, driven primarily by cash and cash equivalents and receivables from the California Department of Health Services. Net position increased to approximately $1.48 billion compared to $1.46 billion in the prior fiscal year. The Committee received an overview of operating results for the fiscal year. Total operating revenues were approximately $7.1 billion, compared to $6.8 billion in the prior year. Operating expenses consisted primarily of fee-for-service hospital, physician, and other healthcare costs, as well as capitated provider costs. Partnership reported a slight operating loss in FY 2025-26 compared to operating income in FY 2024-25. Overall, for FY 2025-26 Partnership reported an increase in net position of $17.8 million.	*None*

	The auditors also reviewed historical claims liabilities and reported that Partnership's estimated claims liabilities have remained reasonably aligned with actual claims liabilities over time. In discussing regulatory financial requirements, the auditors noted that Partnership's tangible net equity remained above the required tangible net equity established by the California Department of Managed Health Care, indicating continued strong financial solvency. As part of the required communications with governance, Baker Tilly reported that accounting policies were appropriate, accounting estimates were reasonable, and there were no corrected or uncorrected audit adjustments. The auditors further noted there were no disagreements with management, no consultations with other accountants, and no known material instances of fraud or noncompliance with laws and regulations. The Committee received the presentation and had an opportunity to ask questions and discuss the audit results. *Chairman Pro Tempore Germano commented that a routine audit outcome reflects the strength of Partnership's finance team and its preparedness to navigate future challenges. He also asked how long Baker Tilly had served as Partnership's auditor.* *Ms. Suico reported that Baker Tilly and formerly Moss Adams have audited Partnership for more than 15 years.* *Mr. Pritchard added that Baker Tilly audits approximately 90 percent of comparable health plans and that both he and Ms. Suico have more than 20 years of experience auditing health plans.* *Ms. Bjork recognized Partnership's finance team for its continued commitment and detailed approach to managing the annual audit process.* *Ms. Lopez echoed her appreciation, acknowledging the efforts of the finance team in balancing audit requirements with rate-setting deadlines and other organizational priorities.* *Ms. Bjork noted that representatives from Baker Tilly would return later in the month to present the audit report to the full Board.* No action was taken on this agenda item due to a lack of quorum. The item was deferred to the full Board for consideration at its October 28, 2026, meeting.	

2.2 CEO Report	Sonja Bjork, Chief Executive Officer, reported on the following topics: ***Medicare Dual Eligible Special Needs Plan (D-SNP) Update*** – Partnership remains on track for a January 1, 2028, launch and is working with vendors to support implementation efforts. Amy Turnipseed, Chief Strategy and Government Affairs Officer, is leading work with the vendor that will oversee eligibility, claims processing, and related functions. Partnership is also working to establish its provider network by the end of the year in preparation for its application submission to the Centers for Medicare & Medicaid Services (CMS) in February 2027. Partnership received a sanction and Corrective Action Plan (CAP) from DHCS related to the delayed launch of the D-SNP line of business originally scheduled for January 1, 2026. As part of the CAP, Ms. Turnipseed is meeting regularly with DHCS and providing detailed progress updates. Ms. Bjork further noted that Partnership will initially launch the D-SNP product in eight counties and that the sanction amount of approximately $151,000 was lower than anticipated, reflecting DHCS's recognition of the complexity of the program. *Chairman Pro Tempore Germano asked whether Partnership expects financial losses associated with the D-SNP program, given the need to invest in systems and infrastructure despite initially low enrollment.* *Ms. Bjork responded that the state anticipated plans would incur losses during the first few years of operation. Partnership's actuaries project losses could extend several years because of the organization's rural service area. She also noted that federal Medicare requirements are highly prescriptive and that maintaining strong quality performance is critical to avoid future rate reductions.* *Commissioner Hardy inquired about the primary drivers of the D-SNP program's upfront costs.* *Ms. Lopez explained that significant investments are being made in vendor partnerships, consulting services, and operational infrastructure needed to support the new line of business. She added that future revenue will depend largely on Medicare reimbursement rates which vary by member and the number of enrolled members.* *Ms. Turnipseed stated that Partnership views its Medicare expansion as a long-term strategic investment that will diversify the organization's lines of business. She further noted that Partnership expects some existing Medi-Cal members to eventually transition into the Medicare product as they age and become eligible.* *Chairman Pro Tempore Germano asked whether members may choose to participate in Partnership's D-SNP product.* *Ms. Turnipseed confirmed that enrollment is voluntary and requires members to actively select the plan. She added that other health plans operating D-SNP products have experienced modest*	*None*

	enrollment growth and that Partnership is exploring opportunities with DHCS to implement an "aligned enrollment" approach that would facilitate the transition of eligible Medi-Cal members into the D-SNP program. ***Equity and Practice Transformation (EPT) Program Payments*** **–** The state approved 27 Partnership-contracted providers to participate in the EPT Program. Although DHCS funding was subsequently reduced, Partnership distributed approximately $1.5 million in grant funds to participating providers on October 7. Recipients are required to meet specified performance milestones as part of the program. ***Unsatisfactory Immigration Status (UIS) Update*** – Approximately 85,000 Partnership members are expected to transition from managed care to the State's fee-for-service delivery system. Partnership's primary focus is ensuring continuity of care and supporting a smooth transition process. Efforts are currently focused on identifying members receiving ongoing services, including behavioral health treatment, non-emergency medical transportation, oncology care, and other complex or high-needs services. Partnership is preparing detailed information for providers and health centers, conducting outreach and training activities, and developing member communications to support the transition. Significant operational challenges are anticipated, including increased inquiries from members and providers. Partnership is seeking additional guidance from DHCS, particularly regarding the state's call center operations and escalation pathways. She indicated that additional updates would be provided at the December Board meeting. *Commissioner Hardy recognized the efforts of Kathryn Power, Director of Regional Operations, in supporting counties as they prepare for the UIS transition. She expressed interest in receiving further guidance from Partnership regarding how counties and providers should direct members seeking assistance, noting concerns that Partnership may experience a significant increase in member inquiries during the transition.* *Katherine Barresi, Chief Health Services Officer, responded that Partnership has been conducting extensive internal planning with its call center, provider relations, and operational teams. She noted, however, that Partnership is still awaiting additional direction from DHCS and is working to ensure consistent messaging to members and providers. Ms. Barresi added that Partnership expects to receive the third version of the State's UIS transition plan and anticipates that further revisions may follow as implementation approaches.*	

Community Supports – DHCS is transitioning to require managed care plans to commit to offering Community Supports services for a full calendar year. Previously, health plans were required to notify DHCS in six-month increments regarding the intention to add or discontinue a community supports service. Under the proposed changes, a plan would commit to their menu of community support for a full 12 months. Ms. Bjork noted that Partnership currently offers 13 Community Supports services, and Transitional Rent is the one service required by the State.

Ms. Bjork stated that Partnership has been evaluating the financial impact of the State's proposed Community Supports revenue in advance of the October 9 decision deadline, which has since been extended by DHCS. Working with actuaries, Partnership determined that the proposed rates are insufficient to cover projected costs and could result in an estimated $90 million deficit. Significant investments have been made to establish Community Supports services and provider networks, and utilization continues to increase as awareness and access improve. Given the potential financial impact, Ms. Bjork indicated that she did not want to make a recommendation without first discussing options with the Board. She further reported that she had requested additional time from DHCS to allow for Board discussion before a final decision is made.

Ms. Bjork noted that Partnership has been working closely with DHCS as we advocate for rate adjustments and that Jennifer Lopez and the Finance Department have provided actuarial data demonstrating that current reimbursement levels are inadequate. She emphasized that Partnership is considering the impacts on both members and providers and hopes to present clearly defined options for Board consideration at the October Board meeting. She also noted that legal counsel is reviewing whether Board members who provide Community Supports services may have potential conflicts of interest related to future decisions.

Chairman Pro Tempore Germano asked whether the Community Supports rates in question were established on a statewide basis or by individual health plan.

Ms. Bjork explained that the rates are specific to each health plan.

Ms. Lopez reported that Partnership has shared detailed actuarial analyses with DHCS and communicated its commitment to maintaining Community Supports services while seeking adequate funding. She stated that DHCS appeared receptive to Partnership's concerns. Ms. Lopez noted that Partnership has successfully advocated for rate changes in the past through the use of actuarial data and is hopeful that some sort of a revenue adjustment will occur.

Ms. Lopez reviewed utilization trends across Community Supports services and reported that several programs are driving the projected deficit due to increasing demand. These include Recuperative Care (Medical Respite), Short-Term Post-Hospitalization Housing, Personal Care and Homemaker Services, Housing Transition Navigation Services, Respite Services, and Housing Tenancy and Sustaining Services.

	Ms. Bjork stated that Partnership is evaluating several options, including continuing to fund Community Supports despite insufficient State reimbursement, discontinuing selected services, or accepting financial risk while awaiting potential State action. She emphasized the importance of balancing fiscal responsibility with Partnership's commitment to members and providers. *Chairman Pro Tempore Germano asked whether Partnership could consider maintaining only selected Community Supports services and suggested evaluating each service based on effectiveness and return on investment. He noted that eliminating services such as Recuperative Care could potentially result in higher downstream medical costs, including increased hospital utilization, and questioned what level of financial loss might be acceptable.* *Commissioner Hardy commented that Community Supports benefits were originally intended to improve health outcomes while generating long-term savings for the healthcare system. She questioned whether DHCS was considering those broader savings when establishing reimbursement rates and suggested a larger policy discussion may be warranted.* *Ms. Bjork responded that differences in approach sometimes exist between State policy teams and rate-setting teams and that demonstrating measurable cost savings remains challenging. She noted that DHCS has previously reported to the Centers for Medicare & Medicaid Services (CMS) that Community Supports have generated savings, although those impacts may take time to materialize and are difficult to quantify in the short term. She added that some Community Supports programs have recently received increased scrutiny at the federal level regarding fraud, waste, and abuse considerations, making ongoing evaluation particularly important.* *Chairman Pro Tempore Germano asked what PHC's peer health plans were experiencing related to Community Supports funding.* *Ms. Bjork reported that some health plans have successfully obtained rate adjustments from the State after advocating for additional funding, while others have faced public criticism after reducing or discontinuing Community Supports services.* *Commissioner Hardy requested additional information regarding utilization levels and cost per member for each Community Supports service.* *Ms. Bjork and Ms. Lopez indicated that staff are analyzing the data and that a more detailed review would be presented at the October Board meeting.*	

2.3 *ACTION*: Accept August 2026 Metrics and Financials	Jennifer Lopez, Chief Financial Officer, presented Partnership's financial metrics for the month ending August 31, 2026. At month-end, the organization reported a net deficit of $24.3 million, bringing the year-to-date deficit to $44 million. Ms. Lopez reminded the Committee that the Board approved a budget reflecting a projected $67 million operating loss for the fiscal year. She noted that Partnership may need to prepare a revised budget if current trends continue, particularly depending on the outcome of ongoing discussions regarding Community Supports funding. Ms. Lopez also reported that Partnership continues to experience membership losses related to the Unsatisfactory Immigration Status (UIS) transition. She noted that significant eligibility-related changes are occurring and that staff are taking a conservative approach to forecasting and financial planning as the impacts of those changes continue to evolve.	*None*
***2.4 ACTION:* Resolution to Approve Capital Expenditure Budget Reallocation Authority**	*Due to a lack of quorum, action on this resolution was deferred to the full Board for consideration at its October 28, 2026, meeting.*	*None*
Adjournment	Chairman Pro-Tempore Germano adjourned the meeting at 9:31AM.	None

Respectfully submitted by:
Ashlyn Scott, Board Clerk

Committee Approval Date: 11/18/2026

Signed: _____

MINUTES OF THE MEETING OF
PARTNERSHIP HEALTHPLAN OF CALIFORNIA FINANCE COMMITTEE
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Partnership's Auburn Office located at 281 Nevada Street, Auburn, CA
Partnership's Chico Office located at 1000 Fortress Street, Chico, CA

On
September 16, 2026

Members Present:, Dean Germano, Alicia Hardy Dave Jones, Chair, Nancy Starck, Nolan Sullivan
Members Excused: Chris Champlin, Ryan Gruver
Staff: Leigha Andrews, Katherine Barresi, Wendell Coats, Marisa Dominguez, Ryan Eberle, Naomi Gordon, Melanie Lam, John Lemoine, Jennifer Lopez, Kathryn Power, Jose Puga, Brian Spiker, Amy Turnipseed, Colleen Valenti

AGENDA ITEM	DISCUSSION	MOTION / ACTION
1.2 Roll Call	Colleen Valenti, Assistant Clerk of the Commission, called the roll indicating there was a quorum.	None
1.3 Approval of Agenda	Chairman Jones asked if anyone had changes to the agenda. Hearing no requests for modification, he asked for a motion to approve the agenda.	*Commissioner Sullivan moved to approve the agenda as presented, seconded by Commissioner Germano.* ***ACTION SUMMARY:*** *Yes: 4* *No: 0* *Abstention: 0* *Excused: 2 (Champlin & Gruver)* **MOTION CARRIED**

1.4 Approval of the June 17, 2026, Finance Committee Meeting Minutes	Chairman Jones asked if anyone had changes to the June 17, 2026, minutes. Hearing no requests for modification, he asked for a motion to approve the minutes.	*Commissioner Sullivan moved to approve the minutes as presented, seconded by Commissioner Germano.* ***ACTION SUMMARY:*** *Yes: 4* *No: 0* *Abstention: 0* *Excused: 2 (Champlin & Gruver)* **MOTION CARRIED**
1.5 & 1.6 Public Comment and Commissioner Comment	Chairman Jones asked if there were any public or commissioner comments. There were none.	None
New Business		
2.1 CEO Report	Sonja Bjork, Chief Executive Officer, reported on the following topics: **Community Reinvestments** Ms. Bjork reviewed the Department of Health Care Services' (DHCS) requirements for community reinvestments, as outlined in APL 25-004. Allocations are based on plan net income, county membership, and quality performance. In June DHCS opened the Reinvest360 Submission Portal. Managed care plans must use this portal to submit each county's community reinvestment projects. Partnership completed the required process for its 14 eligible counties. The due date for submissions is October 15, 2026. DHCS is expected to review submissions and respond within 60 days after the deadline. DHCS released allocated amounts per county. Partnership's obligation is $9.8M across fourteen counties, part of $186M statewide. Amounts are based on CY 2024 net income. This includes allocations related to quality initiatives. Separate from quality allocations, are base obligations which must be applied to qualified community development activities. Partnership received some credit for the Provider Recruitment Program, an allowable investment in our communities. *Commissioner Hardy asked for clarification regarding how the quality allocations were calculated. Ms. Bjork replied that DHCS looked at MCAS scores, as well as additional measures. If Partnership received low scores in certain areas, more dollars must be allocated for quality.* *Commissioner Germano inquired if this will be an annual process and assumes next year will be predicated on positive results. Ms. Bjork confirmed that yes, obligated amounts would be calculated each year. It is unclear currently if there is a connection between results of this year's funding vs. what will be funded in the next round. Next year's obligations will be based on*	None

Partnership's financial outlook/net income from CY 2025. Ms. Bjork reminded the committee that Partnership/managed care plans did not choose the projects, counties did so based on their CHA/CHIP process and in consideration of input from the Community Advisory Committee. Partnership's role was/is to ensure that DHCS guidance was followed.

Commissioner Starck noted that community reinvestment amounts are based on revenue from two years earlier, creating a mismatch as current revenue declines and H.R. 1 takes effect. She asked whether DHCS recognizes this concern, particularly amid waiver uncertainty and obligations such as housing deposits. Ms. Bjork replied that Jennifer Lopez regularly raises relevant concerns during the DHCS small rates workgroup. Partnership's utilization and revenue trends are unfavorable as will discuss during our review of the monthly financials.

Federal Regulatory Changes

Work Requirements: Beginning January 1, 2027, the new federally mandated work requirements take effect that require non-exempt adult Medicaid/Medi-Cal enrollees, ages 19-64/non-pregnant, to complete 80 hours of work, community service, education or training to maintain coverage. States are now working on their eligibility systems to be ready for January 1.

In June, CMS released guidance regarding the medical frailty exemption. Qualifying conditions are:

1) Substance use disorder
2) Disabling mental disorder
3) Physical, intellectual, or developmental disability that limit daily activities
4) Serious or complex medical condition

Per CMS, a diagnosis does not result in an automatic exemption; there must be a nexus between the diagnosis or condition and a significant impairment of their ability to work. During the first year under the new guidelines, enrollees may self-attest for the exemption.

Additional exemptions include the Unemployment Hardship exception: enrollees can qualify for a work requirement exemption should they reside in a county with high unemployment rates at or above 8%, or 1.5x the national average.

Comprehensive Regulations to Uncover Suspicious Healthcare (CRUSH): A federal initiative launched earlier this year by CMS/HHS to target and eliminate fraud, waste and abuse. It consists of AI-driven fraud detection, supporting the federal FWA "War Room" effort to identify FWA in real-time. One of the first actions taken was to stop participation by non-enrolled providers. CMS has placed enrollment moratoriums on Hospice and DME providers.

California will be conducting the same type of monitoring, aligning with federal efforts. The CRUSH regulation has not yet been finalized and remains under review by the Office of Information and Regulatory Affairs.

	***UIS Transition**:* Beginning January 1, 2027, federal rules will prohibit UIS populations from remaining in capitated managed care. Partnership is preparing required reports for the state and identifying care pathways for affected individuals after January 1. This work includes provider outreach, treatment-status review, and coordination with federally qualified health centers and county partners. Because transportation under fee-for-service may be less robust, staff are giving additional attention to members with complex or ongoing care needs, such as those receiving dialysis or drug and alcohol treatment. **Community Supports** Partnership is currently reviewing all Community Supports programs due to expenses related to high member acuity and declining revenue. Community Supports are optional in most instances but carry significant service and administrative costs. Partnership will be meeting with the state at the end of September regarding which Community Supports it will offer. Once elections have been set, Partnership will then be committed for one year, even though final rates have not yet been received from the state. Partnership plans to request flexibility and the opportunity to evaluate proposed 2027 rates in order to determine the financial impact. A report on that discussion will be presented at the October Finance Committee meeting. **Hospital Directed Payments** Approximately $886 million in hospital directed payments is expected to flow through Partnership for distribution. This amount reflects combined calendar years 2024 and 2025. Distribution is anticipated during the second week of October. Partnership works with hospitals to ensure all relevant data is submitted so that hospitals are able to realize all directed payments for which they qualify.	
2.2 *ACTION*: Accept July 2026 Metrics and Financials	Jennifer Lopez, Chief Financial Officer, presented Metrics and Financials for July 2026, the first month of the fiscal year. For the month ending July 31, 2026, Partnership reported an operating deficit of $17.1 million. Total revenue was unfavorable to budget by $18.3 million for the month. Significantly higher expenses were observed in May and June, with the trend continuing in July, for non-inpatient spend. Advocacy efforts continue with DHCS for adjusted revenue in 2026. There continues to be unfunded mandates coming from the state that will require additional staff to support them. *Commissioner Hardy expressed surprise that rising costs were occurring in outpatient rather than inpatient settings and asked what was driving the increase. Ms. Lopez cited high-cost services and therapies, including CAR-T drugs that can cost several million dollars and are commonly administered in outpatient settings.* Interest income was $0.8 million favorable to budget due to higher interest rates than expected. Total healthcare costs were favorable to budget by $14.6 for the month. Non-capitated physician and	*Commissioner Germano moved to accept the July metrics and financials as presented, seconded by Commissioner Hardy.* ***ACTION SUMMARY:*** *Yes: 4* *No: 0* *Abstention: 0* *Excused: 2 (Champlin, Gruver)* **MOTION CARRIED**

ancillary expenses were $13.9 million unfavorable to budget, primarily due to adjustments to Incurred But Not Reported (IBNR) reserves based on updated cost and utilization trends. Partnership continues to focus on encouraging appropriate, lower-cost care settings whenever possible. Long-term care (LTC) expenses were favorable to budget by $3.5 million due to lower than expected utilization.

Administrative expenses were favorable to budget by $5.8 million.

Membership had a total net decrease of 2,813 members for the month. Membership declines moderated in August after a pronounced decrease between July 2025 and July 2026, which can in part be attributed to the end of pandemic-era flexibilities and fewer losses from ex-parte renewals. Although losses remain significant, the reduction among citizen members has slowed.

Partnership received draft 2027 rates from the state. Partnership is asking the state to recognize the higher acuity of the remaining membership in current rates.

Ms. Lopez discussed Partnership's current efforts to reduce healthcare costs. Internal workgroups are evaluating medical-cost and administrative levers, including out-of-area care, referral patterns to higher-cost facilities, and the use of local hospitals when clinically appropriate.

Additional Discussion/Questions

UIS: *Commissioner Jones asked how UIS is defined. Ms. Bjork replied that the definition continues to evolve, particularly for individuals seeking lawful permanent resident status or Temporary Protected Status. She estimated a current loss of 84,000 to 85,000 UIS members and noted that the decline could increase in the coming months.*

Metrics/Reserves: *Commissioner Hardy inquired about how Partnership will address the financial outlook, given recent changes, whether focusing on reserve levels or adopting revised performance benchmarks, etc. Ms. Lopez replied that Partnership historically maintained more than 100 days cash on hand, but current expense levels could reduce cash below that level. This is a scenario we will face until additional information is received regarding 2026 revenue and what will happen in 2027 in regard to member acuity and rates. Staff will continue monitoring tangible net equity, cash, and fund balance. The goal is to remain well above the regulatory minimum and not fall below 400% of required tangible net equity; falling below 300% could expose the plan tofiscal monitoring.*

Contracting: *Commissioner Jones inquired about hospital contracting status. Ms. Bjork replied that Adventist were nearing completion. Additional discussions with Dignity Health, Providence, and UCSF are next. UCSF has stated that Partnership is outside of their catchment area, however Ms. Bjork noted that they are largely affiliated throughout Marin, resulting in natural referral patterns. Commissioner Jones stated that the large hospital systems have significant negotiating*

	leverage. Ms. Bjork also reported that private medical groups are experiencing revenue declines and may seek additional funding from Partnership. ***Membership:*** *Ms. Lopez highlighted the financial risk created by retroactive membership adjustments. The state may retroactively determine that a member was ineligible for up to 13 months, requiring repayment.*	
Adjournment	Chairman Jones adjourned the meeting at 9:11AM.	None

Respectfully submitted by:
Colleen Valenti, Assistant Board Clerk

Committee Approval Date: 11/18/2026

Signed: _____
Colleen Valenti, Assistant Clerk

Finance Committee
Chief Executive Officer Update
November 18, 2026

1. **Federal / State Updates**
2. **CalAIM**
3. **Voluntary Rate Range Program**
4. **CY25 Quality Withold**

Financial Analysis for the Current Period

Total Surplus / Deficit

For the month ending September 30, 2026, Partnership reported a deficit of $8.5 million, bringing the year-to-date deficit to $50.0 million. Key variances are outlined below.

Revenue

Total Revenue is favorable to budget by $38.2 million for the month and $13.8 million for the year-to-date. The following summarizes the year-to-date variances. Medi-Cal revenue is $70.2 million favorable to budget driven by updated Calendar Year 2026 revenue, the recognition of the Calendar Year 2025 Quality Withhold Earn Back, and timing in recording risk corridor adjustments. Directed Payments are $70.9 million unfavorable to budget due to lower than anticipated rates with a corresponding offset recorded in Healthcare Investment Funds (HCIF). Supplemental revenues are $10.0 million favorable to budget, reflecting higher Proposition 56 revenue and higher DHCS submissions for American Indian Health Services (AIHS) payments, which are partially offset by lower than expected volumes for Maternity Kick. Interest income is $2.6 million favorable to budget due to higher interest rates than anticipated. The remaining $1.9 million favorable variance is attributed to other revenues.

Healthcare Costs

Total Healthcare Costs are unfavorable to budget by $37.3 million for the month and $31.8 million unfavorable for the year-to-date. The following summarizes the year-to-date variances. Non-Capitated Physician and Ancillary expenses are $92.7 million unfavorable to budget primarily due to adjustments to Incurred but Not Reported (IBNR) reserves which reflect the latest utilization trend. Capitation expenses are $3.8 million favorable to budget due to changes in the funding methodologies for certain healthcare providers. Long-term care costs are favorable to budget by $11.6 million due to lower than expected utilization. Inpatient Hospital Fee-For-Service (FFS) expenses are unfavorable to budget by $23.1 million due to higher utilization. HCIF expenses are $70.7 million favorable to budget due to lower than anticipated Directed Payment rates with an offsetting revenue component as referenced above. Transportation costs are $3.9 million unfavorable to budget, attributed to an increase in utilization. Quality Assurance expenses are $6.2 million favorable to budget due to lower than budgeted medical administrative costs.

Administrative Costs

Total Administrative costs are overall favorable to budget by $5.6 million for the month and $18.0 million for the year-to-date. The primary driver of favorability is in Employee costs due to the timing of the filling of open positions geared towards fulfilling our regulatory requirements. Favorable variances in Occupancy are primarily driven by timing of maintenance and utility costs, as well as the depreciation expenses that accompany capital purchases. Additional favorable variances in the Operational and Professional Services categories are primarily driven by the timing of purchases that vary throughout the year.

Balance Sheet / Cash Flow

Total Cash & Cash Equivalents increased by $994.5 million for the month. Typical significant cash

transactions include State Capitation payments received; healthcare cost payments to providers; and administrative and capital payments out to vendors, employees, and other entities. A key highlight for the month was $1.4 billion received from DHCS; $923.1 million of this was for hospital directed payments relating to calendar years 2024 and 2025. These payments are expected to be disbursed in the following month.

General Statistics

Membership

Membership had a total net decrease of 1,078 members for the month.

Utilization Metrics and High Dollar Case

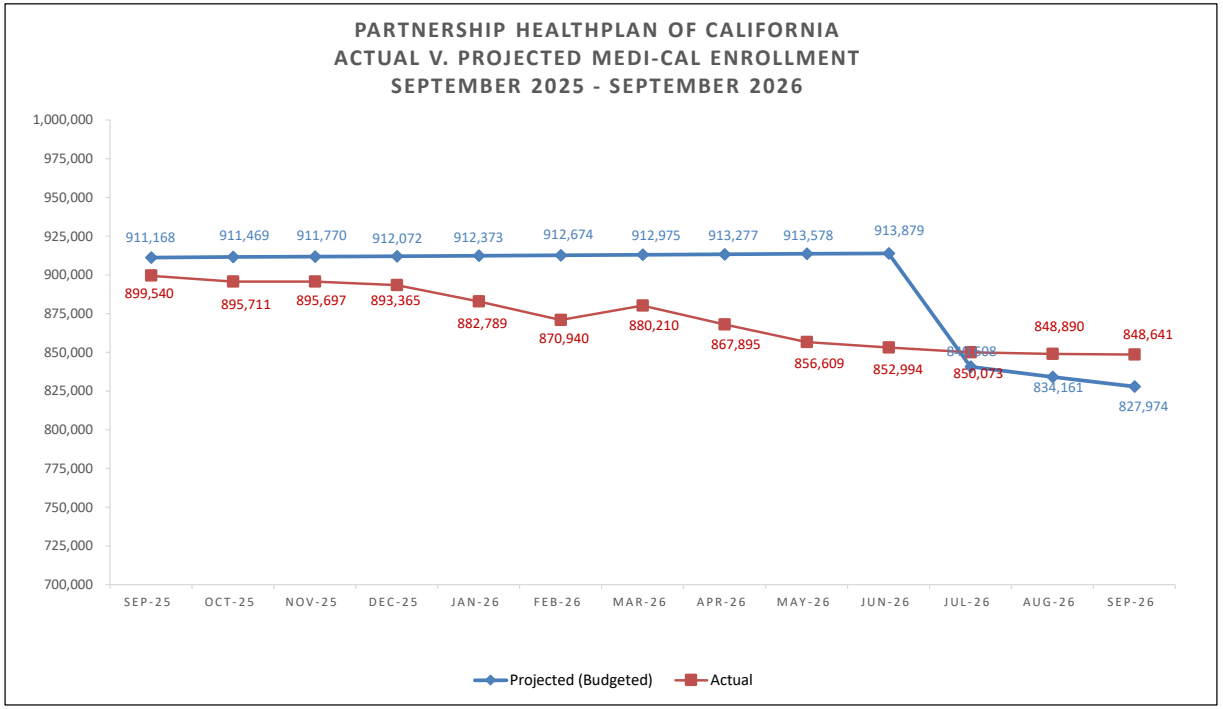
For the fiscal year 2026/27 through September 2026, 156 members reached the $250,000 threshold with an average cost of $494,522. For fiscal year 2025/26, 1,444 members reached the $250,000 threshold with an average cost per case of $513,255. For fiscal year 2024/25, 1,293 members reached the $250,000 threshold with an average claims cost of $513,880.

Current Ratio/Reserved Funds

Current Ratio Including Required Reserves:	**1.42**
Current Ratio Excluding Required Reserves:	**1.00**
Required Reserves:	**$ 1,432,475,385**
Total Fund Balance:	**$ 1,425,330,103**

Days of Cash on Hand

Including Required Reserves:	**159.54**
Excluding Required Reserves:	**91.44**



Member Months by County:

County	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
Solano	102,240	101,767	101,583	101,555	98,608	97,031	98,109	96,112	94,063	93,037	93,536	93,325	93,331
Napa	27,642	27,529	27,480	27,355	26,951	26,540	26,659	26,242	25,959	25,962	25,565	25,512	25,540
Yolo	54,152	53,995	54,252	54,140	53,283	52,229	53,552	52,558	51,925	51,634	51,217	50,857	50,721
Sonoma	110,631	110,400	109,596	109,061	107,549	104,697	105,595	104,205	101,994	100,881	99,494	98,939	98,970
Marin	46,609	46,235	46,089	45,096	44,197	43,709	44,101	43,451	42,266	41,744	41,207	41,300	41,547
Mendocino	40,390	40,244	40,200	40,229	39,247	39,125	39,376	38,850	38,565	38,223	38,255	38,047	38,151
Lake	33,236	33,298	33,359	33,389	33,107	32,715	32,770	32,563	32,472	32,310	32,123	32,100	32,114
Del Norte	12,197	12,191	12,220	12,169	12,188	12,077	12,027	11,967	11,744	11,724	11,703	11,629	11,482
Humboldt	56,678	56,451	56,095	55,976	55,830	55,208	55,173	54,632	53,886	53,766	53,393	53,404	53,368
Lassen	8,439	8,412	8,406	8,491	8,375	8,305	8,255	8,204	8,025	8,055	8,049	8,022	8,054
Modoc	3,827	3,743	3,747	3,845	3,836	3,703	3,706	3,658	3,624	3,661	3,673	3,585	3,623
Shasta	64,742	64,786	65,062	64,124	64,876	63,940	64,314	63,758	63,487	63,606	63,398	63,645	63,780
Siskiyou	17,760	17,739	17,786	17,928	17,691	17,590	17,564	17,409	16,952	17,223	17,176	17,140	16,993
Trinity	5,103	5,169	5,118	5,081	4,955	4,955	5,000	4,962	4,894	4,890	4,787	4,718	4,702
Butte	84,532	84,241	84,407	84,874	84,412	83,486	83,679	83,341	83,296	83,128	83,126	83,098	83,254
Colusa	9,996	9,913	9,968	10,006	10,025	9,825	9,899	9,867	9,617	9,773	9,723	9,713	9,759
Glenn	13,672	13,523	13,497	13,456	13,358	13,182	13,222	13,064	12,859	12,906	12,892	12,806	12,846
Nevada	28,369	28,250	28,148	28,633	28,415	28,427	28,548	28,346	27,583	27,575	27,743	27,755	27,502
Placer	61,676	61,371	61,679	61,561	60,619	59,451	62,164	60,536	60,081	59,681	59,786	60,634	60,361
Plumas	5,616	5,575	5,478	5,429	5,395	5,292	5,270	5,278	5,297	5,255	5,236	5,217	5,193
Sierra	832	820	810	813	828	823	817	814	805	783	775	790	778
Sutter	44,294	43,923	44,223	44,067	43,956	43,584	44,445	43,563	43,174	43,484	43,371	43,024	43,011
Tehama	29,551	29,266	29,219	29,095	29,098	29,019	28,962	28,589	28,254	28,231	28,110	27,961	27,888
Yuba	37,356	36,870	37,275	36,992	35,990	36,027	37,003	35,926	35,787	35,462	35,735	35,669	35,673
All Counties Total	**899,540**	**895,711**	**895,697**	**893,365**	**882,789**	**870,940**	**880,210**	**867,895**	**856,609**	**852,994**	**850,073**	**848,890**	**848,641**

Partnership HealthPlan of California
Comparative Financial Indicators Monthly Report
Fiscal Year 2026 - 2027 & Fiscal Year 2025 - 2026

FINANCIAL INDICATORS	Jul-26	Aug-26	Sep-26										YTD	Avg / Month As of Sep-26
Total Enrollment	845,592	845,544	844,466										2,535,602	845,201
Total Revenue	574,269,489	588,313,441	641,312,480										1,803,895,410	601,298,470
Total Healthcare Costs	499,787,409	524,805,070	559,487,382										1,584,079,863	528,026,621
Total Administrative Costs	28,646,448	24,876,648	27,423,777										80,946,873	26,982,291
Medi-Cal Hospital & Managed Care Taxes	63,001,807	62,898,992	62,943,178										188,843,977	62,947,992
Total Current Year Surplus (Deficit)	(17,166,175)	(24,267,269)	(8,541,857)										(49,975,303)	(16,658,434)
Total Claims Payable	616,501,408	541,937,476	625,988,666										625,988,666	594,809,183
Total Fund Balance	1,458,139,229	1,433,871,960	1,425,330,103										1,425,330,103	1,439,113,764
Reserved Funds														
State Financial Performance Guarantee	1,179,810,000	1,178,447,000	1,182,813,000										1,182,813,000	1,180,356,667
Board Approved Capital and Infrastructure Purchases	84,955,473	84,193,814	80,103,704										80,103,704	83,084,330
Capital Assets	169,392,254	169,575,129	169,558,681										169,558,681	169,508,688
Strategic Use of Reserve-Board Approved	32,612,668	31,737,668	31,737,668										31,737,668	32,029,335
Unrestricted Fund Balance	(8,631,166)	(30,081,651)	(38,882,949)										(38,882,949)	(25,865,255)
Fund Balance as % of Reserved Funds	99.41%	97.95%	97.34%										97.34%	98.23%
Current Ratio (including Required Reserves)	1.47:1	1.45:1	1.42:1										1.42:1	1.45:1
Medical Loss Ratio w/o Tax	97.75%	99.88%	96.74%										98.08%	98.08%
Admin Ratio w/o Tax	5.60%	4.73%	4.74%										5.01%	5.01%
Profit Margin Ratio	-3.36%	-4.62%	-1.48%										-3.09%	-3.09%

FINANCIAL INDICATORS	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	YTD	Avg / Month As of Jun-26
Total Enrollment	911,768	903,653	898,537	895,299	893,778	892,208	880,183	870,940	869,706	862,120	854,931	848,405	10,581,528	881,794
Total Revenue	593,945,794	596,614,742	614,951,654	605,173,794	589,922,935	597,186,401	597,564,630	582,105,182	598,248,494	584,419,840	598,548,850	651,579,103	7,210,261,419	600,855,118
Total Healthcare Costs	498,796,206	506,539,614	512,291,047	520,182,134	500,456,939	496,774,321	509,948,545	476,842,427	505,708,177	497,005,879	534,802,208	542,145,317	6,101,492,820	508,457,735
Total Administrative Costs	24,791,602	22,017,598	26,477,113	24,878,941	26,778,257	26,528,471	26,108,033	23,515,181	26,583,549	29,267,043	27,040,349	28,010,865	311,996,997	25,999,750
Medi-Cal Hospital & Managed Care Taxes	66,396,128	65,722,340	65,436,800	65,176,911	65,100,207	65,268,296	65,351,788	64,457,740	65,122,231	64,257,297	63,472,321	63,254,350	779,016,409	64,918,034
Total Current Year Surplus (Deficit)	3,961,858	2,335,190	10,746,694	(5,064,192)	(2,412,468)	8,615,313	(3,843,736)	17,289,834	834,537	(6,110,379)	(26,766,028)	18,168,570	17,755,193	1,479,599
Total Claims Payable	629,390,689	669,310,022	649,369,505	691,165,158	693,242,993	695,889,424	733,344,288	698,356,590	626,293,648	646,605,440	676,948,645	615,153,264	615,153,264	668,755,805
Total Fund Balance	1,461,512,071	1,463,847,260	1,474,593,953	1,469,529,761	1,467,117,293	1,475,732,606	1,471,888,870	1,489,178,704	1,490,013,242	1,483,902,863	1,457,136,835	1,475,305,406	1,475,305,406	1,473,313,239
Reserved Funds														
State Financial Performance Guarantee	1,135,173,000	1,146,059,000	1,166,267,000	1,181,553,000	1,195,372,000	1,208,212,000	1,221,224,000	1,191,261,000	1,175,457,000	1,173,987,000	1,174,823,000	1,183,088,000	1,183,088,000	1,179,373,000
Board Approved Capital and Infrastructure Purchases	100,733,349	100,103,601	98,688,437	97,620,158	94,941,438	93,782,664	92,028,380	90,442,990	89,322,236	88,490,275	87,191,571	86,188,795	86,188,795	93,294,491
Capital Assets	161,362,815	161,328,374	162,223,752	162,679,193	164,744,577	165,348,675	166,558,763	167,531,839	168,044,105	167,542,468	168,323,898	168,742,088	168,742,088	165,369,212
Strategic Use of Reserve-Board Approved	71,002,668	71,002,668	71,002,668	71,002,668	71,002,668	71,002,668	68,377,668	68,377,668	68,377,668	68,377,668	68,377,668	32,612,668	32,612,668	66,709,751
Unrestricted Fund Balance	(6,759,761)	(14,646,383)	(23,587,903)	(43,325,258)	(58,943,390)	(62,613,402)	(76,299,941)	(28,434,793)	(11,187,767)	(14,494,548)	(41,579,301)	4,673,854	4,673,854	(31,433,216)
Fund Balance as % of Reserved Funds	99.54%	99.01%	98.43%	97.14%	96.14%	95.93%	95.07%	98.13%	99.25%	99.03%	97.23%	100.32%	100.32%	98.65%
Current Ratio (including Required Reserves)	1.49:1	1.46:1	1.44:1	1.45:1	1.43:1	1.43:1	1.46:1	1.44:1	1.43:1	1.50:1	1.47:1	1.47:1	1.47:1	1.46:1
Medical Loss Ratio w/o Tax	94.55%	95.41%	93.23%	96.33%	95.36%	93.39%	95.82%	92.12%	94.86%	95.55%	99.95%	92.10%	94.87%	98.09%
Admin Ratio w/o Tax	4.70%	4.15%	4.82%	4.61%	5.10%	4.99%	4.91%	4.54%	4.99%	5.63%	5.05%	4.76%	4.85%	5.02%
Profit Margin Ratio	0.75%	0.44%	1.96%	-0.94%	-0.46%	1.62%	-0.72%	3.34%	0.16%	-1.17%	-5.00%	3.09%	0.28%	0.29%

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
Membership and Financial Summary
For The Period Ending September 30, 2026

CURRENT MONTH	PRIOR MONTH	INC / DEC	MEMBERSHIP SUMMARY	CURRENT YTD AVG	PRIOR YTD AVG	VARIANCE
844,466	845,544	(1,078)	**Total Membership**	845,201	904,653	(59,452)

ACTUAL MONTH	BUDGET MONTH	$ VARIANCE MONTH	FINANCIAL SUMMARY	ACTUAL YTD	BUDGET YTD	$ VARIANCE YTD
641,312,480	603,158,714	38,153,766	**Total Revenue**	1,803,895,410	1,790,107,397	13,788,013
559,487,382	522,237,077	(37,250,305)	**Total Healthcare Costs**	1,584,079,863	1,552,265,637	(31,814,226)
27,423,777	33,003,420	5,579,643	**Total Administrative Costs**	80,946,873	98,993,430	18,046,557
62,943,178	61,352,884	(1,590,294)	**Medi-Cal Managed Care Tax**	188,843,977	185,453,316	(3,390,661)
(8,541,857)	**(13,434,667)**	**4,892,810**	**Total Current Year Surplus (Deficit)**	**(49,975,303)**	**(46,604,986)**	**(3,370,317)**
96.74%	96.39%		**Medical Loss Ratio (HC Costs as a % of Rev, excluding Managed Care Tax)**	98.08%	96.74%	
4.74%	6.09%		**Admin Ratio (Admin Costs as a % of Rev, excluding Managed Care Tax)**	5.01%	6.17%	

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
Balance Sheet
As Of September 30, 2026

	September 2026	August 2026
A S S E T S		
Current Assets		
Cash & Cash Equivalents	**1,695,495,664**	**700,964,460**
Receivables		
Accrued Interest	1,176,200	778,700
State DHS - Cap Rec	1,225,912,345	2,019,435,841
Other Healthcare Receivable	37,069,206	31,747,984
Miscellaneous Receivable	9,665,520	10,214,960
Total Receivables	**1,273,823,271**	**2,062,177,485**
Other Current Assets		
Payroll Clearing	(2,395)	442
Prepaid Expenses	15,704,244	15,526,401
Total Other Current Assets	**15,701,849**	**15,526,843**
Total Current Assets	**2,985,020,784**	**2,778,668,788**
Non-Current Assets		
Fixed Assets		
Motor Vehicles	1,045,364	1,045,364
Furniture & Fixtures	7,701,728	7,701,728
Computer Equipment	23,190,011	23,160,070
Computer Software	9,060,595	9,060,595
Leasehold Improvements	124,288	124,288
Land	12,405,737	11,330,439
Building	78,399,251	79,474,549
Building Improvements	46,931,958	46,911,927
Accum Depr - Motor Vehicles	(650,108)	(626,582)
Accum Depr - Furniture	(6,883,193)	(6,863,878)
Accum Depr - Comp Equipment	(20,598,695)	(20,449,554)
Accum Depr - Comp Software	(9,034,691)	(9,033,277)
Accum Depr - Leasehold Improvements	(124,288)	(124,288)
Accum Depr - Building	(16,618,421)	(16,587,592)
Accum Depr - Bldg Improvements	(19,532,736)	(19,316,306)
Construction Work-In-Progress	64,141,881	63,767,647
Total Fixed Assets	**169,558,681**	**169,575,130**
Other Non-Current Assets		
Board-Designated Reserves	1,262,616,704	1,262,340,814
Knox-Keene Reserves	300,000	300,000
Prepaid - Other Non-Current	8,288,257	8,275,475
Net Pension Asset	8,186,907	8,186,907
Deferred Outflows Of Resources	2,500,051	2,500,051
Net Subscription Asset	16,612,451	18,998,626
Total Other Non-Current Assets	**1,298,518,058**	**1,300,615,561**
Total Non-Current Assets	**1,468,076,739**	**1,470,190,691**
Total Assets	**4,453,097,523**	**4,248,859,479**

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
Balance Sheet
As Of September 30, 2026

	September 2026	August 2026
L I A B I L I T I E S & F U N D B A L A N C E		
Liabilities		
Current Liabilities		
Accounts Payable	402,075,687	345,081,539
Unearned Income	36,932,520	37,380,380
Suspense Account	8,485,064	11,025,275
Capitation Payable	11,607,512	11,234,628
State DHS - Cap Payable	32,633,113	32,633,113
Accrued Healthcare Costs	1,804,808,260	1,731,752,506
Claims Payable	113,981,347	163,097,116
Incurred But Not Reported-IBNR	512,007,319	378,840,360
Quality Improvement Programs	77,065,438	72,807,099
Total Current Liabilities	**2,999,596,260**	**2,783,852,016**
Non-Current Liabilities		
Deferred Inflows Of Resources	12,000,900	12,579,067
Net Subscription Liability	16,170,260	18,556,435
Total Non-Current Liabilities	**28,171,160**	**31,135,502**
Total Liabilities	**3,027,767,420**	**2,814,987,518**
Fund Balance		
Unrestricted Fund Balance	**(38,882,949)**	**(30,081,651)**
Reserved Funds		
State Financial Performance Guarantee	1,182,813,000	1,178,447,000
Board Approved Capital and Infrastructure Purchases	80,103,704	84,193,814
Capital Assets	169,558,681	169,575,129
Strategic Use of Reserve-Board Approved	31,737,668	31,737,668
Total Reserved Funds	**1,464,213,053**	**1,463,953,611**
Total Fund Balance	**1,425,330,103**	**1,433,871,961**
Total Liabilities And Fund Balance	**4,453,097,523**	**4,248,859,479**

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
Statement of Cash Flow
For The Period Ending September 30, 2026

	Current Month Activity	Year-To-Date Activity
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received From:		
Capitation from California Department of Health Care Services	1,426,508,625	2,410,487,312
Other Revenues	283,555	893,957
Cash Payments to Providers for Medi-Cal Members		
Capitation Payments	(22,587,908)	(63,880,127)
Medical Claims Payments	(374,984,894)	(1,268,206,624)
Drug Medi-Cal		
DMC Receipts from Counties	1,912,004	10,823,536
DMC Payments to Providers	(4,825,143)	(15,629,101)
Cash Payments to Vendors	(8,074,528)	(281,719,015)
Cash Payments to Employees	(30,222,573)	(73,498,186)
Net Cash Provided by Operating Activities	**988,009,138**	**719,271,752**
CASH FLOWS FROM CAPITAL FINANCING & RELATED ACTIVITIES:		
Purchases of Capital Assets	(440,830)	(2,746,052)
Net Cash (Used) by Capital Financial & Related Activities	**(440,830)**	**(2,746,052)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Board-Designated Reserve Transfers	(275,890)	6,360,091
Interest and Dividends on Investments	7,238,786	20,643,270
Net Cash Provided by Investing Activities	**6,962,896**	**27,003,361**
NET INCREASE IN CASH & CASH EQUIVALENTS	**994,531,204**	**743,529,061**
CASH & CASH EQUIVALENTS, BEGINNING	**700,964,460**	**951,966,603**
CASH & CASH EQUIVALENTS, ENDING	**1,695,495,664**	**1,695,495,664**
RECONCILIATION OF TOTAL OPERATING LOSSTO NET CASH PROVIDED BY OPERATING ACTIVITIES		
TOTAL OPERATING LOSS	**(16,178,143)**	**(71,079,973)**
DEPRECIATION	**440,655**	**1,602,594**
CHANGES IN ASSETS AND LIABILITIES:		
Other Receivables	(4,771,783)	(18,663,335)
California Department of Health Services Receivable	793,523,495	560,896,429
Other Assets	2,215,012	1,784,253
Accounts Payable and Accrued Expenses	124,470,373	212,308,709
Accrued Claims Payable	84,051,190	10,835,402
Quality Improvement Programs	4,258,339	21,587,673
Net Cash Provided by Operating Activities	**988,009,138**	**719,271,752**

PARTNERSHIP HEALTHPLAN OF CALIFORNIA

Statement of Revenues and Expenses

For The Period Ending September 30, 2026

****The Notes to the Financial Statement are an Integral Part of this Statement****

ACTUAL MONTH	BUDGET MONTH	$ VARIANCE MONTH	ACTUAL MONTH PMPM	BUDGET MONTH PMPM		ACTUAL YTD	BUDGET YTD	$ VARIANCE YTD	ACTUAL YTD PMPM	BUDGET YTD PMPM
844,466	**844,466**	**-**			**TOTAL MEMBERSHIP**	**2,535,602**	**2,535,602**	**-**		
					REVENUE					
632,985,449	596,894,944	36,090,505	749.57	706.83	State Capitation Revenue	1,780,265,963	1,770,921,717	9,344,246	702.11	698.42
7,636,286	6,041,100	1,595,186	9.04	7.15	Interest Income	21,104,670	18,526,040	2,578,630	8.32	7.31
690,745	222,670	468,075	0.82	0.26	Other Revenue	2,524,777	659,640	1,865,137	1.00	0.26
641,312,480	**603,158,714**	**38,153,766**	**759.43**	**714.25**	**TOTAL REVENUE**	**1,803,895,410**	**1,790,107,397**	**13,788,013**	**711.43**	**705.99**
					HEALTHCARE COSTS					
					Physician Services					
8,860,672	9,512,470	651,798	10.49	11.26	Pcp Capitation	26,937,039	28,457,572	1,520,533	10.62	11.22
194,424	205,238	10,814	0.23	0.24	Specialty Capitation	584,322	610,511	26,189	0.23	0.24
102,622,640	90,483,451	(12,139,189)	121.52	107.15	Non-Capitated Physician Services	294,524,107	259,348,055	(35,176,052)	116.16	102.28
111,677,736	**100,201,159**	**(11,476,577)**	**132.24**	**118.65**	**Total Physician Services**	**322,045,468**	**288,416,138**	**(33,629,330)**	**127.01**	**113.74**
					Inpatient Hospital					
16,083,143	16,742,841	659,698	19.05	19.83	Hospital Capitation	48,082,993	50,141,396	2,058,403	18.96	19.77
127,716,722	107,899,788	(19,816,934)	151.24	127.77	Inpatient Hospital - Ffs	346,516,554	323,447,849	(23,068,705)	136.66	127.56
544,462	544,462	-	0.64	0.64	Hospital Stoploss	2,256,995	2,256,995	-	0.89	0.89
144,344,327	**125,187,091**	**(19,157,236)**	**170.93**	**148.24**	**Total Inpatient Hospital**	**396,856,542**	**375,846,240**	**(21,010,302)**	**156.51**	**148.22**
58,935,287	64,010,640	5,075,353	69.79	75.80	Long Term Care	179,406,732	191,059,284	11,652,552	70.76	75.35
					Ancillary Services					
1,241,912	1,309,690	67,778	1.47	1.55	Ancillary Services - Capitated	3,712,405	3,919,119	206,714	1.46	1.55
133,847,534	100,127,801	(33,719,733)	158.50	118.57	Ancillary Services - Non-Capitated	361,667,165	299,652,802	(62,014,363)	142.64	118.18
135,089,446	**101,437,491**	**(33,651,955)**	**159.97**	**120.12**	**Total Ancillary Services**	**365,379,570**	**303,571,921**	**(61,807,649)**	**144.10**	**119.73**
					Other Medical					
6,665,856	8,289,110	1,623,254	7.89	9.82	Quality Assurance	18,709,620	24,867,380	6,157,760	7.38	9.81
80,649,455	101,797,374	21,147,919	95.50	120.55	Healthcare Investment Funds	234,041,468	304,780,435	70,738,967	92.30	120.20
120,650	131,490	10,840	0.14	0.16	Advice Nurse	362,206	394,480	32,274	0.14	0.16
13,316,080	12,494,177	(821,903)	15.77	14.80	Transportation	41,260,378	37,311,880	(3,948,498)	16.27	14.72
100,752,041	**122,712,151**	**21,960,110**	**119.30**	**145.33**	**Total Other Medical**	**294,373,672**	**367,354,175**	**72,980,503**	**116.09**	**144.89**
8,688,545	8,688,545	-	10.29	10.29	Quality Improvement Programs	26,017,879	26,017,879	-	10.26	10.26
559,487,382	**522,237,077**	**(37,250,305)**	**662.52**	**618.43**	**TOTAL HEALTHCARE COSTS**	**1,584,079,863**	**1,552,265,637**	**(31,814,226)**	**624.73**	**612.19**
					ADMINISTRATIVE COSTS					
17,755,110	21,718,550	3,963,440	21.03	25.72	Employee	52,323,404	65,155,600	12,832,196	20.64	25.70
161,238	254,830	93,592	0.19	0.30	Travel And Meals	287,520	764,500	476,980	0.11	0.30
1,242,816	2,100,640	857,824	1.47	2.49	Occupancy	3,835,378	6,285,230	2,449,852	1.51	2.48
624,395	1,050,370	425,975	0.74	1.24	Operational	1,961,677	3,150,960	1,189,283	0.77	1.24
2,318,841	3,328,680	1,009,839	2.75	3.94	Professional Services	9,104,569	9,986,120	881,551	3.59	3.94
5,321,377	4,550,350	(771,027)	6.30	5.39	Computer And Data	13,434,325	13,651,020	216,695	5.30	5.38
27,423,777	**33,003,420**	**5,579,643**	**32.48**	**39.08**	**TOTAL ADMINISTRATIVE COSTS**	**80,946,873**	**98,993,430**	**18,046,557**	**31.92**	**39.04**
62,943,178	61,352,884	(1,590,294)	74.54	72.65	**Medi-Cal Managed Care Tax**	188,843,977	185,453,316	(3,390,661)	74.48	73.14
(8,541,857)	**(13,434,667)**	**4,892,810**	**(10.11)**	**(15.91)**	**TOTAL CURRENT YEAR SURPLUS (DEFICIT)**	**(49,975,303)**	**(46,604,986)**	**(3,370,317)**	**(19.70)**	**(18.38)**

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
September 30, 2026

1. ORGANIZATION

The Partnership HealthPlan of California (the HealthPlan) was formed as a health insurance organization and is legally a subdivision of the State of California but is not part of any city, county or state government system. The HealthPlan has quasi-independent political jurisdiction to contract with the State for managing Medi-Cal beneficiaries who reside in various Northern California counties. The HealthPlan is a combined public and private effort engaged principally in providing a more cost-effective method of healthcare. The HealthPlan began serving Medi-Cal eligible persons in Solano County in May 1994. That was followed by expansion into additional counties in March 1998, March 2001, October 2009, July 2011, September 2013, and January 2024. As of today, the HealthPlan serves members in 24 counties.

As a public agency, the HealthPlan is exempt from state and federal income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING POLICIES:
The accounting and reporting policies of the HealthPlan conform to Generally Accepted Accounting Principles and general practices within the healthcare industry.

PROPERTY AND EQUIPMENT:
Property and equipment totaling $10,000 or more are recorded at cost; this includes assets acquired through capital leases and improvements that significantly add to the productive capacity or extend the useful life of the asset. Costs of maintenance and repairs are expensed as incurred. Depreciation for financial reporting purposes is provided on a straight-line method over the estimated useful life of the asset. The costs of major remodeling and improvements are capitalized as building or leasehold improvements. Leasehold improvements are amortized using the straight-line method over the shorter of the remaining term of the applicable lease or their estimated useful life. Building improvements are depreciated over their estimated useful life.

INVESTMENTS:
The HealthPlan investments can consist of U.S. Treasury Securities, Certificates of Deposits, Money Market and Mutual Funds, Government Pooled Funds, Agency Notes, Repurchase Agreements, Shares of Beneficial Interest and Commercial Paper and are carried at fair value.

RESERVED FUNDS:
As of September 2026, the HealthPlan has Total Reserved Funds of $1.5 billion. This includes $31.7 million of funds set aside for Board approved Strategic Use of Reserve (SUR) initiatives. The total SUR amount represents the net amount remaining for all SUR projects that have been approved to date and is periodically adjusted as projects are completed. Reserved Funds also

includes $0.3 million of Knox-Keene Reserves.

RECLASSIFICATIONS:
Certain reclassifications of prior period balances have been made to conform with the current period presentations. Such reclassifications do not affect the total increase in net position or total current or noncurrent assets or liabilities.

3. STATE CAPITATION REVENUE

Medi-Cal capitation revenue is based on the monthly capitation rates, as provided for in the State contract, and the actual number of Medi-Cal eligible members. Capitation revenues are paid by the State on a monthly basis in arrears based on estimated membership. As such, capitation revenue includes an estimate for amounts receivable from or refundable to the State for projected changes in membership and trued up monthly through a State reconciliation process. These estimates are continually monitored and adjusted, as necessary, as experience develops or new information becomes known.

4. HEALTHCARE COST

The HealthPlan continues to develop completion factors to calculate estimated liability for claims Incurred But Not Reported. These factors are reviewed and adjusted as more historical data becomes available. Budgeted capitation revenues and healthcare costs are adjusted each month to reflect changes in enrollee counts.

5. QUALITY IMPROVEMENT PROGRAM

The HealthPlan maintains quality improvement contracts with acute care hospitals and primary care physicians. As of September 2026, the HealthPlan has accrued a Quality Improvement Program payout of $77.1 million.

6. ESTIMATES

Due to the nature of the operations of the HealthPlan, it is necessary to estimate amounts for financial statement presentation. Substantial overstatement or understatement of these estimates would have a significant impact on the statements. The items estimated through various methodologies are:

- Value of Claims Incurred But Not Reported
- Quality Incentive Payouts
- Earned Capitation Revenues
- Total Number of Members

- Retro Capitation Expense for Certain Providers

7. COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, the HealthPlan is party to claims and legal actions by enrollees, providers, and others. After consulting with legal counsel, the HealthPlan's Management is of the opinion that any liability which may ultimately be incurred as a result of claims or legal actions will not have a material effect on the financial position or results of the operations of the HealthPlan.

8. UNUSUAL OR INFREQUENT ITEMS REPORTED IN CURRENT MONTH'S FINANCIAL STATEMENTS

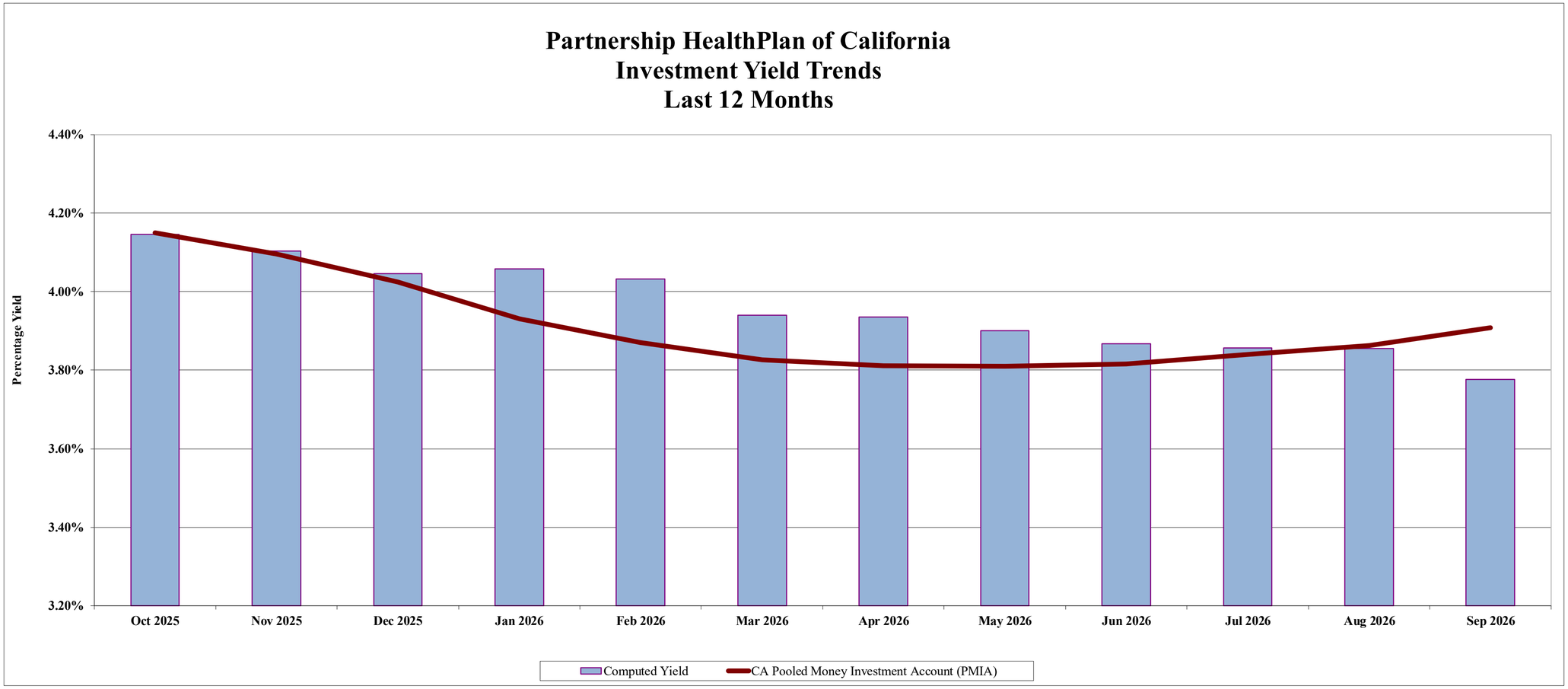
None noted.

Partnership HealthPlan of California
Investment Schedule
September 30, 2026

Name of Investment	Investment Type	Yield to Maturity	Trade Date	Maturity Date	Call Date	Face Value	Purchase Price	Market Value	Credit Rating Agency	Credit Rating
FUNDS HELD FOR INVESTMENT:										
Highmark Money Market	Cash & Cash Equiv	NA	Various	NA	NA	NA	$ 1,861,829	$ 1,861,829	NA	NR
Certificate of Deposit for Knox Keene	Cash & Cash Equiv	0.0405	1/31/2025	1/30/2030	NA	$ 300,000	$ 300,000	$ 300,000	NA	NR
FUNDS HELD FOR OPERATIONS:										
Merrill Lynch Institutional	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 82,557,506		
Merrill Lynch MMA - Checking	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 1,117,185		
US Bank - General, MMA, and Sweeps	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 2,750,369,859		
Government Investment Pools (LAIF)	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 75,000,000		
Government Investment Pools (County)	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 47,054,631		
West America Payroll	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 148,059		
Petty Cash	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 3,300		
GRAND TOTAL:								$ 2,958,412,369		

Partnership HealthPlan of California
Investment Yield Trends

PERIOD		Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026
Interest Income		8,116,523	6,918,278	7,880,097	8,365,738	6,897,186	7,765,472	8,154,675	7,103,154	6,978,324	7,074,733	6,393,651	7,636,286
Cash & Investments at Historical Cost	(1)	2,254,168,286	2,239,590,881	2,602,840,892	2,355,098,087	2,373,599,880	2,777,427,432	2,252,683,455	2,285,165,168	2,221,243,398	2,085,539,930	1,963,605,275	2,958,412,369
Computed Yield	(2)	4.15%	4.10%	4.05%	4.06%	4.03%	3.94%	3.94%	3.90%	3.87%	3.86%	3.86%	3.78%
CA Pooled Money Investment Account (PMIA)	(3)	4.15%	4.10%	4.03%	3.93%	3.87%	3.83%	3.81%	3.81%	3.82%	3.84%	3.86%	3.91%



NOTES:

(1) Investment balances include Restricted Cash and Board Designated Reserves

(2) Computed yield is calculated by dividing the past 12 months of interest by the average cash balance for the past 12 months.

(3) LAIF limits the amount a single government entity can deposit into LAIF; currently that amount is set at $75 million.

FINANCIAL HIGHLIGHTS
Of The Partnership HealthPlan of California
For the Period Ending August 31, 2026

Financial Analysis for the Current Period

Total Surplus / Deficit

For the month ending August 31, 2026, Partnership reported a deficit of $24.3 million, bringing the year-to-date deficit to $41.4 million. Key variances are outlined below.

Revenue

Total Revenue is unfavorable to budget by $6.0 million for the month and $24.4 million for the year-to-date. The following summarizes the year-to-date variances. Medi-Cal revenue is $8.4 million favorable to budget primarily due to timing in recording risk corridor adjustments. Directed Payments are $47.7 million unfavorable to budget due to lower than anticipated rates with a corresponding offset recorded in Healthcare Investment Funds (HCIF). Supplemental revenues are $12.5 million favorable to budget, reflecting higher Proposition 56 revenue, higher DHCS submissions for American Indian Health Services (AIHS) payments, and higher than expected volumes for Maternity Kick. Interest income is $1.0 million favorable to budget due to higher interest rates than anticipated. The remaining $1.4 million favorable variance is attributed to other revenues.

Healthcare Costs

Total Healthcare Costs are unfavorable to budget by $9.2 million for the month but $5.4 million favorable for the year-to-date. The following summarizes the year-to-date variances. Non-Capitated Physician and Ancillary expenses are $51.3 million unfavorable to budget primarily due to adjustments to Incurred but Not Reported (IBNR) reserves which reflect the latest utilization trend. Capitation expenses are $2.4 million favorable to budget due to changes in the funding methodologies for certain healthcare providers. Long-term care costs are favorable to budget by $6.6 million due to lower than expected utilization. Inpatient Hospital Fee-For-Service (FFS) expenses are unfavorable to budget by $3.3 million due to higher utilization. HCIF expenses are $49.6 million favorable to budget due to lower than anticipated Directed Payment rates with an offsetting revenue component as referenced above. Transportation costs are $3.1 million unfavorable to budget, attributed to an increase in utilization. Quality Assurance expenses are $4.5 million favorable to budget due to lower than budgeted medical administrative costs.

Administrative Costs

Total Administrative costs are overall favorable to budget by $6.7 million for the month and $12.5 million for the year-to-date. The primary driver of favorability is in Employee costs due to the timing of the filling of open positions geared towards fulfilling our regulatory requirements; this offsets some of the unfavorability in the Professional Services category due to the timing of the utilization of consultants. Additional favorable variances in Occupancy are primarily driven by timing of maintenance and utility costs and in the Computer and Data category primarily driven by timing of software purchases, which typically correlates to the variance in staffing.

Balance Sheet / Cash Flow

Total Cash & Cash Equivalents decreased by $119.8 million for the month. Typical significant cash

transactions include State Capitation payments received; healthcare cost payments to providers; and administrative and capital payments out to vendors, employees, and other entities. A key highlight for the month was a $69.3 million payout for the calendar year 2024 Unsatisfactory Immigration Status (UIS) Risk Corridor.

General Statistics

Membership

Membership had a total net decrease of 48 members for the month.

Utilization Metrics and High Dollar Case

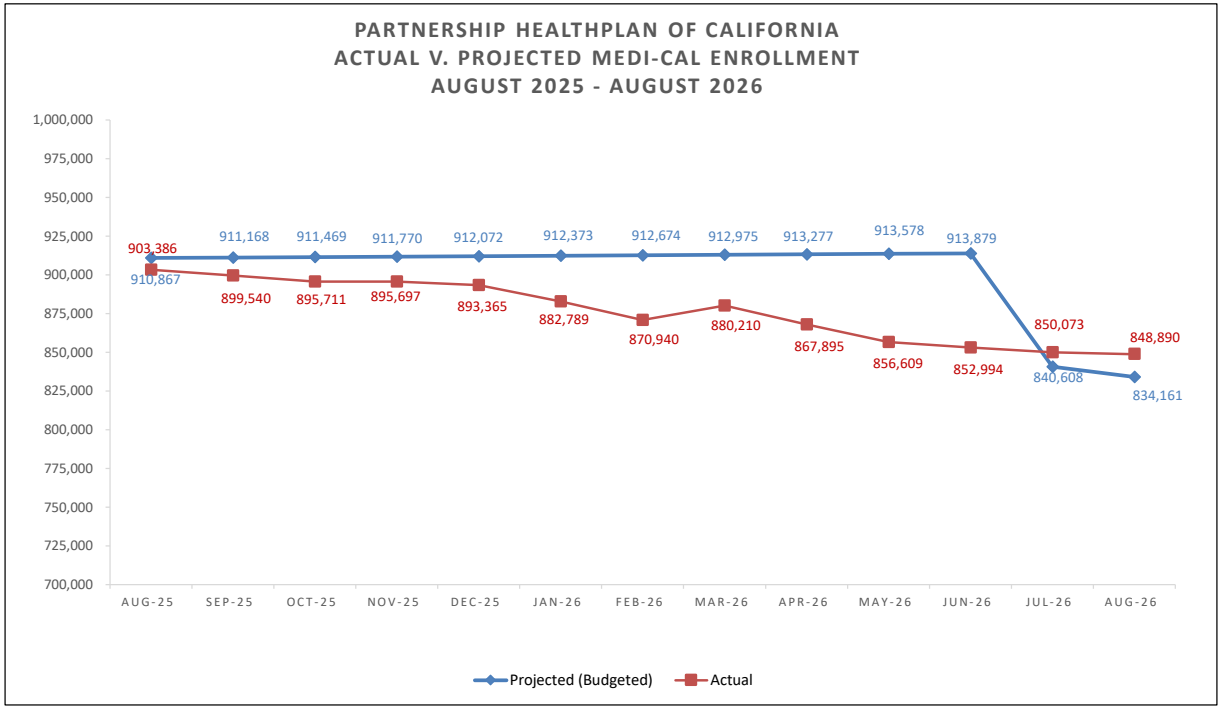
For the fiscal year 2026/27 through August 2026, 89 members reached the $250,000 threshold with an average cost of $479,049. For fiscal year 2025/26, 1,431 members reached the $250,000 threshold with an average cost per case of $512,895. For fiscal year 2024/25, 1,294 members reached the $250,000 threshold with an average claims cost of $513,867.

Current Ratio/Reserved Funds

Current Ratio Including Required Reserves:	**1.45**
Current Ratio Excluding Required Reserves:	**1.00**
Required Reserves:	**$ 1,432,215,943**
Total Fund Balance:	**$ 1,433,871,960**

Days of Cash on Hand

Including Required Reserves:	**96.27**
Excluding Required Reserves:	**34.37**



Member Months by County:

County	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Solano	102,676	102,240	101,767	101,583	101,555	98,608	97,031	98,109	96,112	94,063	93,037	93,536	93,325
Napa	27,619	27,642	27,529	27,480	27,355	26,951	26,540	26,659	26,242	25,959	25,962	25,565	25,512
Yolo	54,223	54,152	53,995	54,252	54,140	53,283	52,229	53,552	52,558	51,925	51,634	51,217	50,857
Sonoma	111,588	110,631	110,400	109,596	109,061	107,549	104,697	105,595	104,205	101,994	100,881	99,494	98,939
Marin	46,806	46,609	46,235	46,089	45,096	44,197	43,709	44,101	43,451	42,266	41,744	41,207	41,300
Mendocino	40,506	40,390	40,244	40,200	40,229	39,247	39,125	39,376	38,850	38,565	38,223	38,255	38,047
Lake	33,568	33,236	33,298	33,359	33,389	33,107	32,715	32,770	32,563	32,472	32,310	32,123	32,100
Del Norte	12,314	12,197	12,191	12,220	12,169	12,188	12,077	12,027	11,967	11,744	11,724	11,703	11,629
Humboldt	56,962	56,678	56,451	56,095	55,976	55,830	55,208	55,173	54,632	53,886	53,766	53,393	53,404
Lassen	8,358	8,439	8,412	8,406	8,491	8,375	8,305	8,255	8,204	8,025	8,055	8,049	8,022
Modoc	3,888	3,827	3,743	3,747	3,845	3,836	3,703	3,706	3,658	3,624	3,661	3,673	3,585
Shasta	64,714	64,742	64,786	65,062	64,124	64,876	63,940	64,314	63,758	63,487	63,606	63,398	63,645
Siskiyou	17,782	17,760	17,739	17,786	17,928	17,691	17,590	17,564	17,409	16,952	17,223	17,176	17,140
Trinity	5,220	5,103	5,169	5,118	5,081	4,955	4,955	5,000	4,962	4,894	4,890	4,787	4,718
Butte	84,665	84,532	84,241	84,407	84,874	84,412	83,486	83,679	83,341	83,296	83,128	83,126	83,098
Colusa	10,152	9,996	9,913	9,968	10,006	10,025	9,825	9,899	9,867	9,617	9,773	9,723	9,713
Glenn	13,687	13,672	13,523	13,497	13,456	13,358	13,182	13,222	13,064	12,859	12,906	12,892	12,806
Nevada	28,464	28,369	28,250	28,148	28,633	28,415	28,427	28,548	28,346	27,583	27,575	27,743	27,755
Placer	61,883	61,676	61,371	61,679	61,561	60,619	59,451	62,164	60,536	60,081	59,681	59,786	60,634
Plumas	5,783	5,616	5,575	5,478	5,429	5,395	5,292	5,270	5,278	5,297	5,255	5,236	5,217
Sierra	825	832	820	810	813	828	823	817	814	805	783	775	790
Sutter	44,471	44,294	43,923	44,223	44,067	43,956	43,584	44,445	43,563	43,174	43,484	43,371	43,024
Tehama	29,626	29,551	29,266	29,219	29,095	29,098	29,019	28,962	28,589	28,254	28,231	28,110	27,961
Yuba	37,606	37,356	36,870	37,275	36,992	35,990	36,027	37,003	35,926	35,787	35,462	35,735	35,669
All Counties Total	**903,386**	**899,540**	**895,711**	**895,697**	**893,365**	**882,789**	**870,940**	**880,210**	**867,895**	**856,609**	**852,994**	**850,073**	**848,890**

Partnership HealthPlan of California
Comparative Financial Indicators Monthly Report
Fiscal Year 2026 - 2027 & Fiscal Year 2025 - 2026

FINANCIAL INDICATORS	Jul-26	Aug-26											YTD	Avg / Month As of Aug-26
Total Enrollment	845,592	845,544											1,691,136	845,568
Total Revenue	574,269,489	588,313,441											1,162,582,930	581,291,465
Total Healthcare Costs	499,787,409	524,805,069											1,024,592,480	512,296,240
Total Administrative Costs	28,646,448	24,876,649											53,523,097	26,761,549
Medi-Cal Hospital & Managed Care Taxes	63,001,807	62,898,992											125,900,799	62,950,400
Total Current Year Surplus (Deficit)	(17,166,175)	(24,267,269)											(41,433,446)	(20,716,723)
Total Claims Payable	616,501,408	541,937,476											541,937,476	579,219,442
Total Fund Balance	1,458,139,229	1,433,871,960											1,433,871,961	1,446,005,595
Reserved Funds														
State Financial Performance Guarantee	1,179,810,000	1,178,447,000											1,178,447,000	1,179,128,500
Board Approved Capital and Infrastructure Purchases	84,955,473	84,193,814											84,193,814	84,574,644
Capital Assets	169,392,254	169,575,129											169,575,129	169,483,692
Strategic Use of Reserve-Board Approved	32,612,668	31,737,668											31,737,668	32,175,168
Unrestricted Fund Balance	(8,631,166)	(30,081,651)											(30,081,651)	(19,356,409)
Fund Balance as % of Reserved Funds	99.41%	97.95%											97.95%	98.68%
Current Ratio (including Required Reserves)	1.47:1	1.45:1											1.45:1	1.46:1
Medical Loss Ratio w/o Tax	97.75%	99.88%											98.83%	98.83%
Admin Ratio w/o Tax	5.60%	4.73%											5.16%	5.16%
Profit Margin Ratio	-3.36%	-4.62%											-4.00%	-4.00%

FINANCIAL INDICATORS	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	YTD	Avg / Month As of Jun-26
Total Enrollment	911,768	903,653	898,537	895,299	893,778	892,208	880,183	870,940	869,706	862,120	854,931	848,405	10,581,528	881,794
Total Revenue	593,945,794	596,614,742	614,951,654	605,173,794	589,922,935	597,186,401	597,564,630	582,105,182	598,248,494	584,419,840	598,548,850	651,579,103	7,210,261,419	600,855,118
Total Healthcare Costs	498,796,206	506,539,614	512,291,047	520,182,134	500,456,939	496,774,321	509,948,545	476,842,427	505,708,177	497,005,879	534,802,208	542,145,317	6,101,492,820	508,457,735
Total Administrative Costs	24,791,602	22,017,598	26,477,113	24,878,941	26,778,257	26,528,471	26,108,033	23,515,181	26,583,549	29,267,043	27,040,349	28,010,865	311,996,997	25,999,750
Medi-Cal Hospital & Managed Care Taxes	66,396,128	65,722,340	65,436,800	65,176,911	65,100,207	65,268,296	65,351,788	64,457,740	65,122,231	64,257,297	63,472,321	63,254,350	779,016,409	64,918,034
Total Current Year Surplus (Deficit)	3,961,858	2,335,190	10,746,694	(5,064,192)	(2,412,468)	8,615,313	(3,843,736)	17,289,834	834,537	(6,110,379)	(26,766,028)	18,168,570	17,755,193	1,479,599
Total Claims Payable	629,390,689	669,310,022	649,369,505	691,165,158	693,242,993	695,889,424	733,344,288	698,356,590	626,293,648	646,605,440	676,948,645	615,153,264	615,153,264	668,755,805
Total Fund Balance	1,461,512,071	1,463,847,260	1,474,593,953	1,469,529,761	1,467,117,293	1,475,732,606	1,471,888,870	1,489,178,704	1,490,013,242	1,483,902,863	1,457,136,835	1,475,305,406	1,475,305,406	1,473,313,239
Reserved Funds														
State Financial Performance Guarantee	1,135,173,000	1,146,059,000	1,166,267,000	1,181,553,000	1,195,372,000	1,208,212,000	1,221,224,000	1,191,261,000	1,175,457,000	1,173,987,000	1,174,823,000	1,183,088,000	1,183,088,000	1,179,373,000
Board Approved Capital and Infrastructure Purchases	100,733,349	100,103,601	98,688,437	97,620,158	94,941,438	93,782,664	92,028,380	90,442,990	89,322,236	88,490,275	87,191,571	86,188,795	86,188,795	93,294,491
Capital Assets	161,362,815	161,328,374	162,223,752	162,679,193	164,744,577	165,348,675	166,558,763	167,531,839	168,044,105	167,542,468	168,323,898	168,742,088	168,742,088	165,369,212
Strategic Use of Reserve-Board Approved	71,002,668	71,002,668	71,002,668	71,002,668	71,002,668	71,002,668	68,377,668	68,377,668	68,377,668	68,377,668	68,377,668	32,612,668	32,612,668	66,709,751
Unrestricted Fund Balance	(6,759,761)	(14,646,383)	(23,587,903)	(43,325,258)	(58,943,390)	(62,613,402)	(76,299,941)	(28,434,793)	(11,187,767)	(14,494,548)	(41,579,301)	4,673,854	4,673,854	(31,433,216)
Fund Balance as % of Reserved Funds	99.54%	99.01%	98.43%	97.14%	96.14%	95.93%	95.07%	98.13%	99.25%	99.03%	97.23%	100.32%	100.32%	98.65%
Current Ratio (including Required Reserves)	1.49:1	1.46:1	1.44:1	1.45:1	1.43:1	1.43:1	1.46:1	1.44:1	1.43:1	1.50:1	1.47:1	1.47:1	1.47:1	1.46:1
Medical Loss Ratio w/o Tax	94.55%	95.41%	93.23%	96.33%	95.36%	93.39%	95.82%	92.12%	94.86%	95.55%	99.95%	92.10%	94.87%	98.09%
Admin Ratio w/o Tax	4.70%	4.15%	4.82%	4.61%	5.10%	4.99%	4.91%	4.54%	4.99%	5.63%	5.05%	4.76%	4.85%	5.02%
Profit Margin Ratio	0.75%	0.44%	1.96%	-0.94%	-0.46%	1.62%	-0.72%	3.34%	0.16%	-1.17%	-5.00%	3.09%	0.28%	0.29%

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
Membership and Financial Summary
For The Period Ending August 31, 2026

CURRENT MONTH	PRIOR MONTH	INC / DEC	MEMBERSHIP SUMMARY	CURRENT YTD AVG	PRIOR YTD AVG	VARIANCE
845,544	845,592	(48)	**Total Membership**	845,568	907,711	(62,143)

ACTUAL MONTH	BUDGET MONTH	$ VARIANCE MONTH	FINANCIAL SUMMARY	ACTUAL YTD	BUDGET YTD	$ VARIANCE YTD
588,313,441	594,359,904	(6,046,463)	**Total Revenue**	1,162,582,930	1,186,948,683	(24,365,753)
524,805,069	515,633,077	(9,171,992)	**Total Healthcare Costs**	1,024,592,480	1,030,028,560	5,436,080
24,876,649	31,526,700	6,650,051	**Total Administrative Costs**	53,523,097	65,990,010	12,466,913
62,898,992	61,811,345	(1,087,647)	**Medi-Cal Managed Care Tax**	125,900,799	124,100,432	(1,800,367)
(24,267,269)	**(14,611,218)**	**(9,656,051)**	**Total Current Year Surplus (Deficit)**	**(41,433,446)**	**(33,170,319)**	**(8,263,127)**
99.88%	96.82%		**Medical Loss Ratio (HC Costs as a % of Rev, excluding Managed Care Tax)**	98.83%	96.91%	
4.73%	5.92%		**Admin Ratio (Admin Costs as a % of Rev, excluding Managed Care Tax)**	5.16%	6.21%	

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
Balance Sheet
As Of August 31, 2026

	August 2026	July 2026
A S S E T S		
Current Assets		
Cash & Cash Equivalents	**700,964,460**	**820,774,457**
Receivables		
Accrued Interest	778,700	388,100
State DHS - Cap Rec	2,019,435,841	1,861,297,969
Other Healthcare Receivable	31,747,984	28,723,981
Miscellaneous Receivable	10,214,960	10,173,593
Total Receivables	**2,062,177,485**	**1,900,583,643**
Other Current Assets		
Payroll Clearing	442	5,180
Prepaid Expenses	15,526,401	16,179,596
Total Other Current Assets	**15,526,843**	**16,184,776**
Total Current Assets	**2,778,668,788**	**2,737,542,876**
Non-Current Assets		
Fixed Assets		
Motor Vehicles	1,045,364	1,045,364
Furniture & Fixtures	7,701,728	7,701,728
Computer Equipment	23,160,070	23,160,070
Computer Software	9,060,595	9,060,595
Leasehold Improvements	124,288	124,288
Land	11,330,439	11,330,439
Building	79,474,549	79,474,549
Building Improvements	46,911,927	46,911,927
Accum Depr - Motor Vehicles	(626,582)	(603,056)
Accum Depr - Furniture	(6,863,878)	(6,844,563)
Accum Depr - Comp Equipment	(20,449,554)	(20,301,245)
Accum Depr - Comp Software	(9,033,277)	(9,031,864)
Accum Depr - Leasehold Improvements	(124,288)	(124,288)
Accum Depr - Building	(16,587,592)	(16,417,774)
Accum Depr - Bldg Improvements	(19,316,306)	(19,099,904)
Construction Work-In-Progress	63,767,647	63,005,988
Total Fixed Assets	**169,575,130**	**169,392,254**
Other Non-Current Assets		
Board-Designated Reserves	1,262,340,814	1,264,465,473
Knox-Keene Reserves	300,000	300,000
Prepaid - Other Non-Current	8,275,475	8,275,475
Net Pension Asset	8,186,907	8,186,907
Deferred Outflows Of Resources	2,500,051	2,500,051
Net Subscription Asset	18,998,626	18,998,626
Total Other Non-Current Assets	**1,300,615,561**	**1,302,726,532**
Total Non-Current Assets	**1,470,190,691**	**1,472,118,786**
Total Assets	**4,248,859,479**	**4,209,661,662**

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
Balance Sheet
As Of August 31, 2026

	August 2026	July 2026
L I A B I L I T I E S & F U N D B A L A N C E		
Liabilities		
Current Liabilities		
Accounts Payable	345,081,539	285,155,516
Unearned Income	37,380,380	38,334,893
Suspense Account	11,025,275	10,122,077
Capitation Payable	11,234,628	10,354,452
State DHS - Cap Payable	32,633,113	32,633,113
Accrued Healthcare Costs	1,731,752,506	1,663,143,497
Claims Payable	163,097,116	228,952,653
Incurred But Not Reported-IBNR	378,840,360	387,548,755
Quality Improvement Programs	72,807,099	64,141,974
Total Current Liabilities	**2,783,852,016**	**2,720,386,930**
Non-Current Liabilities		
Deferred Inflows Of Resources	12,579,067	12,579,067
Net Subscription Liability	18,556,435	18,556,435
Total Non-Current Liabilities	**31,135,502**	**31,135,502**
Total Liabilities	**2,814,987,518**	**2,751,522,432**
Fund Balance		
Unrestricted Fund Balance	**(30,081,651)**	**(8,631,166)**
Reserved Funds		
State Financial Performance Guarantee	1,178,447,000	1,179,810,000
Board Approved Capital and Infrastructure Purchases	84,193,814	84,955,473
Capital Assets	169,575,129	169,392,254
Strategic Use of Reserve-Board Approved	31,737,668	32,612,668
Total Reserved Funds	**1,463,953,611**	**1,466,770,395**
Total Fund Balance	**1,433,871,961**	**1,458,139,230**
Total Liabilities And Fund Balance	**4,248,859,479**	**4,209,661,662**

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
Statement of Cash Flow
For The Period Ending August 31, 2026

	Current Month Activity	Year-To-Date Activity
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received From:		
Capitation from California Department of Health Care Services	491,950,118	983,978,687
Other Revenues	161,557	610,403
Cash Payments to Providers for Medi-Cal Members		
Capitation Payments	(18,942,183)	(41,292,219)
Medical Claims Payments	(497,405,944)	(893,221,730)
Drug Medi-Cal		
DMC Receipts from Counties	4,066,352	8,911,531
DMC Payments to Providers	(6,471,243)	(10,803,958)
Cash Payments to Vendors	(79,095,872)	(273,644,486)
Cash Payments to Employees	(21,420,286)	(43,275,613)
Net Cash (Used) by Operating Activities	**(127,157,501)**	**(268,737,385)**
CASH FLOWS FROM CAPITAL FINANCING & RELATED ACTIVITIES:		
Purchases of Capital Assets	(780,206)	(2,305,223)
Net Cash (Used) by Capital Financial & Related Activities	**(780,206)**	**(2,305,223)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Board-Designated Reserve Transfers	2,124,659	6,635,981
Interest and Dividends on Investments	6,003,051	13,404,484
Net Cash Provided by Investing Activities	**8,127,710**	**20,040,465**
NET (DECREASE) IN CASH & CASH EQUIVALENTS	**(119,809,997)**	**(251,002,143)**
CASH & CASH EQUIVALENTS, BEGINNING	**820,774,457**	**951,966,603**
CASH & CASH EQUIVALENTS, ENDING	**700,964,460**	**700,964,460**
RECONCILIATION OF TOTAL OPERATING LOSSTO NET CASH (USED) BY OPERATING ACTIVITIES		
TOTAL OPERATING LOSS	**(30,660,920)**	**(54,901,829)**
DEPRECIATION	**578,784**	**1,161,940**
CHANGES IN ASSETS AND LIABILITIES:		
Other Receivables	(3,065,370)	(13,891,553)
California Department of Health Services Receivable	(158,137,872)	(232,627,066)
Other Assets	662,792	(430,759)
Accounts Payable and Accrued Expenses	129,363,893	87,838,336
Accrued Claims Payable	(74,563,933)	(73,215,788)
Quality Improvement Programs	8,665,125	17,329,334

PARTNERSHIP HEALTHPLAN OF CALIFORNIA

Statement of Revenues and Expenses

For The Period Ending August 31, 2026

****The Notes to the Financial Statement are an Integral Part of this Statement****

ACTUAL MONTH	BUDGET MONTH	$ VARIANCE MONTH	ACTUAL MONTH PMPM	BUDGET MONTH PMPM		ACTUAL YTD	BUDGET YTD	$ VARIANCE YTD	ACTUAL YTD PMPM	BUDGET YTD PMPM
845,544	**845,544**	**-**			**TOTAL MEMBERSHIP**	**1,691,136**	**1,691,136**	**-**		
					REVENUE					
580,762,434	587,894,894	(7,132,460)	686.85	695.29	State Capitation Revenue	1,147,280,514	1,174,026,773	(26,746,259)	678.41	694.22
6,393,651	6,242,470	151,181	7.56	7.38	Interest Income	13,468,384	12,484,940	983,444	7.96	7.38
1,157,356	222,540	934,816	1.37	0.26	Other Revenue	1,834,032	436,970	1,397,062	1.08	0.26
588,313,441	**594,359,904**	**(6,046,463)**	**695.78**	**702.94**	**TOTAL REVENUE**	**1,162,582,930**	**1,186,948,683**	**(24,365,753)**	**687.46**	**701.86**
					HEALTHCARE COSTS					
					Physician Services					
9,026,138	9,478,039	451,901	10.67	11.21	Pcp Capitation	18,076,367	18,945,102	868,735	10.69	11.20
194,662	203,631	8,969	0.23	0.24	Specialty Capitation	389,899	405,273	15,374	0.23	0.24
101,870,632	85,025,812	(16,844,820)	120.48	100.56	Non-Capitated Physician Services	191,901,467	168,864,604	(23,036,863)	113.47	99.85
111,091,432	**94,707,482**	**(16,383,950)**	**131.38**	**112.01**	**Total Physician Services**	**210,367,733**	**188,214,979**	**(22,152,754)**	**124.39**	**111.29**
					Inpatient Hospital					
15,999,505	16,680,724	681,219	18.92	19.73	Hospital Capitation	31,999,850	33,398,555	1,398,705	18.92	19.75
111,163,493	107,737,157	(3,426,336)	131.47	127.42	Inpatient Hospital - Ffs	218,799,832	215,548,061	(3,251,771)	129.38	127.46
1,003,973	1,003,973	-	1.19	1.19	Hospital Stoploss	1,712,533	1,712,533	-	1.01	1.01
128,166,971	**125,421,854**	**(2,745,117)**	**151.58**	**148.34**	**Total Inpatient Hospital**	**252,512,215**	**250,659,149**	**(1,853,066)**	**149.31**	**148.22**
60,778,482	63,792,756	3,014,274	71.88	75.45	Long Term Care	120,471,445	127,048,644	6,577,199	71.24	75.13
					Ancillary Services					
1,239,843	1,305,085	65,242	1.47	1.54	Ancillary Services - Capitated	2,470,493	2,609,429	138,936	1.46	1.54
120,324,982	99,787,475	(20,537,507)	142.30	118.02	Ancillary Services - Non-Capitated	227,819,631	199,525,001	(28,294,630)	134.71	117.98
121,564,825	**101,092,560**	**(20,472,265)**	**143.77**	**119.56**	**Total Ancillary Services**	**230,290,124**	**202,134,430**	**(28,155,694)**	**136.17**	**119.52**
					Other Medical					
5,744,875	7,912,360	2,167,485	6.79	9.36	Quality Assurance	12,043,764	16,578,270	4,534,506	7.12	9.80
73,546,996	101,494,966	27,947,970	86.98	120.04	Healthcare Investment Funds	153,392,012	202,983,061	49,591,049	90.70	120.03
120,899	125,520	4,621	0.14	0.15	Advice Nurse	241,556	262,990	21,434	0.14	0.16
15,125,464	12,420,454	(2,705,010)	17.89	14.69	Transportation	27,944,297	24,817,703	(3,126,594)	16.52	14.68
94,538,234	**121,953,300**	**27,415,066**	**111.80**	**144.24**	**Total Other Medical**	**193,621,629**	**244,642,024**	**51,020,395**	**114.48**	**144.67**
8,665,125	8,665,125	-	10.25	10.25	Quality Improvement Programs	17,329,334	17,329,334	-	10.25	10.25
524,805,069	**515,633,077**	**(9,171,992)**	**620.66**	**609.85**	**TOTAL HEALTHCARE COSTS**	**1,024,592,480**	**1,030,028,560**	**5,436,080**	**605.84**	**609.08**
					ADMINISTRATIVE COSTS					
16,428,852	20,731,320	4,302,468	19.43	24.52	Employee	34,568,295	43,437,050	8,868,755	20.44	25.69
66,197	243,230	177,033	0.08	0.29	Travel And Meals	126,283	509,670	383,387	0.07	0.30
1,185,177	2,028,720	843,543	1.40	2.40	Occupancy	2,592,562	4,184,590	1,592,028	1.53	2.47
980,917	1,002,550	21,633	1.16	1.19	Operational	1,337,282	2,100,590	763,308	0.79	1.24
2,704,686	3,177,370	472,684	3.20	3.76	Professional Services	6,785,727	6,657,440	(128,287)	4.01	3.94
3,510,820	4,343,510	832,690	4.15	5.14	Computer And Data	8,112,948	9,100,670	987,722	4.80	5.38
24,876,649	**31,526,700**	**6,650,051**	**29.42**	**37.30**	**TOTAL ADMINISTRATIVE COSTS**	**53,523,097**	**65,990,010**	**12,466,913**	**31.64**	**39.02**
62,898,992	61,811,345	(1,087,647)	74.39	73.10	**Medi-Cal Managed Care Tax**	125,900,799	124,100,432	(1,800,367)	74.45	73.38
(24,267,269)	**(14,611,218)**	**(9,656,051)**	**(28.69)**	**(17.31)**	**TOTAL CURRENT YEAR SURPLUS (DEFICIT)**	**(41,433,446)**	**(33,170,319)**	**(8,263,127)**	**(24.47)**	**(19.62)**

PARTNERSHIP HEALTHPLAN OF CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
August 31, 2026

1. ORGANIZATION

The Partnership HealthPlan of California (the HealthPlan) was formed as a health insurance organization and is legally a subdivision of the State of California but is not part of any city, county or state government system. The HealthPlan has quasi-independent political jurisdiction to contract with the State for managing Medi-Cal beneficiaries who reside in various Northern California counties. The HealthPlan is a combined public and private effort engaged principally in providing a more cost-effective method of healthcare. The HealthPlan began serving Medi-Cal eligible persons in Solano County in May 1994. That was followed by expansion into additional counties in March 1998, March 2001, October 2009, July 2011, September 2013, and January 2024. As of today, the HealthPlan serves members in 24 counties.

As a public agency, the HealthPlan is exempt from state and federal income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING POLICIES:
The accounting and reporting policies of the HealthPlan conform to Generally Accepted Accounting Principles and general practices within the healthcare industry.

PROPERTY AND EQUIPMENT:
Property and equipment totaling $10,000 or more are recorded at cost; this includes assets acquired through capital leases and improvements that significantly add to the productive capacity or extend the useful life of the asset. Costs of maintenance and repairs are expensed as incurred. Depreciation for financial reporting purposes is provided on a straight-line method over the estimated useful life of the asset. The costs of major remodeling and improvements are capitalized as building or leasehold improvements. Leasehold improvements are amortized using the straight-line method over the shorter of the remaining term of the applicable lease or their estimated useful life. Building improvements are depreciated over their estimated useful life.

INVESTMENTS:
The HealthPlan investments can consist of U.S. Treasury Securities, Certificates of Deposits, Money Market and Mutual Funds, Government Pooled Funds, Agency Notes, Repurchase Agreements, Shares of Beneficial Interest and Commercial Paper and are carried at fair value.

RESERVED FUNDS:
As of August 2026, the HealthPlan has Total Reserved Funds of $1.5 billion. This includes $31.7 million of funds set aside for Board approved Strategic Use of Reserve (SUR) initiatives. The total SUR amount represents the net amount remaining for all SUR projects that have been approved to date and is periodically adjusted as projects are completed. Reserved Funds also

includes $0.3 million of Knox-Keene Reserves.

RECLASSIFICATIONS:
Certain reclassifications of prior period balances have been made to conform with the current period presentations. Such reclassifications do not affect the total increase in net position or total current or noncurrent assets or liabilities.

3. STATE CAPITATION REVENUE

Medi-Cal capitation revenue is based on the monthly capitation rates, as provided for in the State contract, and the actual number of Medi-Cal eligible members. Capitation revenues are paid by the State on a monthly basis in arrears based on estimated membership. As such, capitation revenue includes an estimate for amounts receivable from or refundable to the State for projected changes in membership and trued up monthly through a State reconciliation process. These estimates are continually monitored and adjusted, as necessary, as experience develops or new information becomes known.

4. HEALTHCARE COST

The HealthPlan continues to develop completion factors to calculate estimated liability for claims Incurred But Not Reported. These factors are reviewed and adjusted as more historical data becomes available. Budgeted capitation revenues and healthcare costs are adjusted each month to reflect changes in enrollee counts.

5. QUALITY IMPROVEMENT PROGRAM

The HealthPlan maintains quality improvement contracts with acute care hospitals and primary care physicians. As of August 2026, the HealthPlan has accrued a Quality Improvement Program payout of $72.8 million.

6. ESTIMATES

Due to the nature of the operations of the HealthPlan, it is necessary to estimate amounts for financial statement presentation. Substantial overstatement or understatement of these estimates would have a significant impact on the statements. The items estimated through various methodologies are:

- Value of Claims Incurred But Not Reported
- Quality Incentive Payouts
- Earned Capitation Revenues
- Total Number of Members

- Retro Capitation Expense for Certain Providers

7. COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, the HealthPlan is party to claims and legal actions by enrollees, providers, and others. After consulting with legal counsel, the HealthPlan's Management is of the opinion that any liability which may ultimately be incurred as a result of claims or legal actions will not have a material effect on the financial position or results of the operations of the HealthPlan.

8. UNUSUAL OR INFREQUENT ITEMS REPORTED IN CURRENT MONTH'S FINANCIAL STATEMENTS

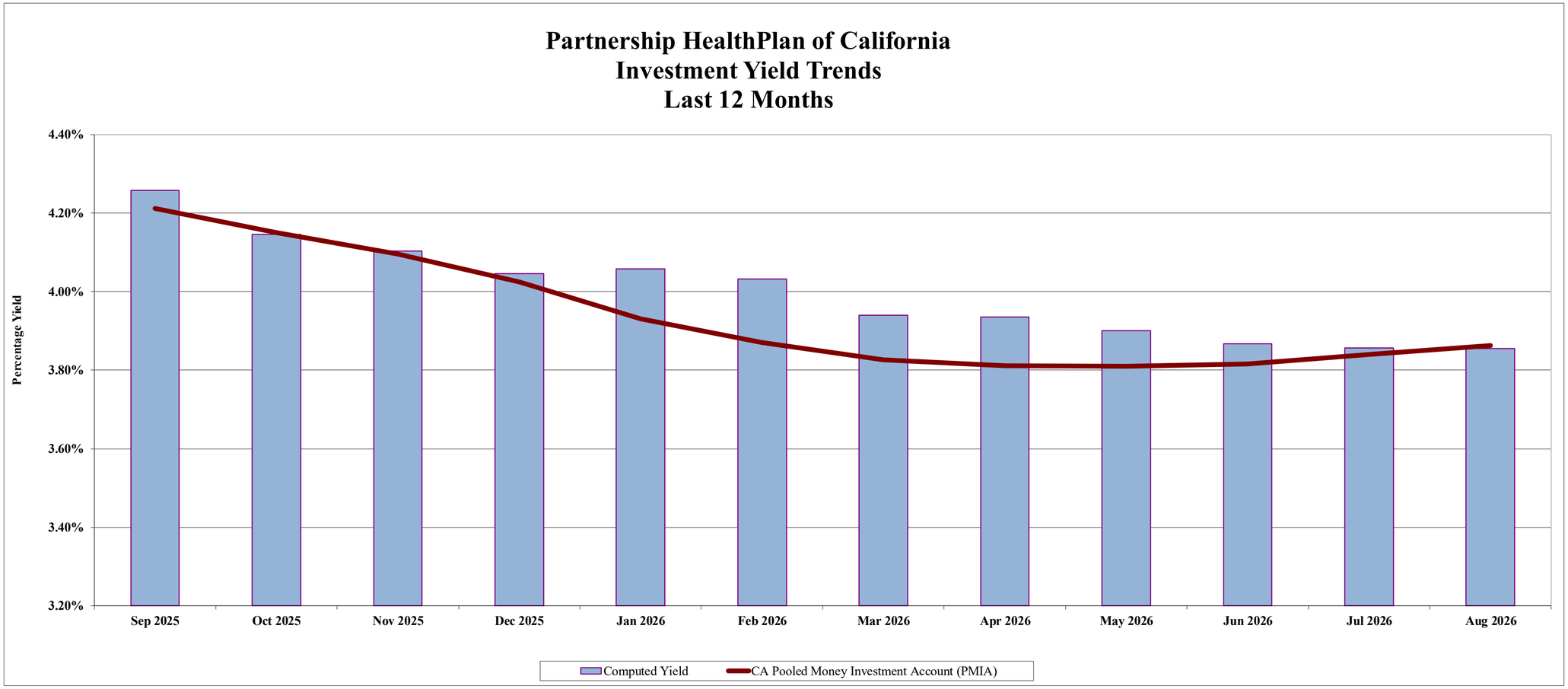
None noted.

Partnership HealthPlan of California
Investment Schedule
August 31, 2026

Name of Investment	Investment Type	Yield to Maturity	Trade Date	Maturity Date	Call Date	Face Value	Purchase Price	Market Value	Credit Rating Agency	Credit Rating
FUNDS HELD FOR INVESTMENT:										
Highmark Money Market	Cash & Cash Equiv	NA	Various	NA	NA	NA	$ 1,856,259	$ 1,856,259	NA	NR
Certificate of Deposit for Knox Keene	Cash & Cash Equiv	0.0405	1/31/2025	1/30/2030	NA	$ 300,000	$ 300,000	$ 300,000	NA	NR
FUNDS HELD FOR OPERATIONS:										
Merrill Lynch Institutional	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 82,305,880		
Merrill Lynch MMA - Checking	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 1,037,435		
US Bank - General, MMA, and Sweeps	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 1,755,899,676		
Government Investment Pools (LAIF)	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 75,000,000		
Government Investment Pools (County)	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 47,054,631		
West America Payroll	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 148,094		
Petty Cash	Cash for Operations	NA	NA	NA	NA	NA	NA	$ 3,300		
GRAND TOTAL:								$ 1,963,605,275		

Partnership HealthPlan of California
Investment Yield Trends

PERIOD		Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026
Interest Income		7,941,176	8,116,523	6,918,278	7,880,097	8,365,738	6,897,186	7,765,472	8,154,675	7,103,154	6,978,324	7,074,733	6,393,651
Cash & Investments at Historical Cost	(1)	2,474,845,534	2,254,168,286	2,239,590,881	2,602,840,892	2,355,098,087	2,373,599,880	2,777,427,432	2,252,683,455	2,285,165,168	2,221,243,398	2,085,539,930	1,963,605,275
Computed Yield	(2)	4.26%	4.15%	4.10%	4.05%	4.06%	4.03%	3.94%	3.94%	3.90%	3.87%	3.86%	3.86%
CA Pooled Money Investment Account (PMIA)	(3)	4.21%	4.15%	4.10%	4.03%	3.93%	3.87%	3.83%	3.81%	3.81%	3.82%	3.84%	3.86%



NOTES:

(1) Investment balances include Restricted Cash and Board Designated Reserves

(2) Computed yield is calculated by dividing the past 12 months of interest by the average cash balance for the past 12 months.

(3) LAIF limits the amount a single government entity can deposit into LAIF; currently that amount is set at $75 million.

AGENDA REQUEST FOR RATIFICATION
for
PARTNERSHIP HEALTHPLAN OF CALIFORNIA

Board / Finance Committee (when applicable) **Agenda Item Number:**
Meeting Date: November 18, 2026 2.3
Board Meeting Date: December 2, 2026

Resolution Sponsor:
Sonja Bjork, CEO, Partnership HealthPlan of CA

Recommendation by:
The Finance Committee and Partnership Staff

Topic Description:
Partnership Board Commissioner Alicia Hardy, Solano County Representative, has resigned from the Finance Committee.

Reason for Resolution:
To obtain Board approval to accept the resignation of Solano County Representative, Alicia Hardy, from the Finance Committee.

Financial Impact:
There is no financial impact to the HealthPlan.

Requested Action of the Board:
Based on the recommendation of the Finance Committee and Partnership staff, the Board is asked to accept the resignation of Solano County Representative, Alicia Hardy, from the Finance Committee.

AGENDA REQUEST FOR RATIFICATION
for
PARTNERSHIP HEALTHPLAN OF CALIFORNIA

Board / Finance Committee (when applicable) **Agenda Item Number:**
Meeting Date: November 18, 2026 2.3
Board Meeting Date: December 2, 2026

Resolution Number:
26-

IN THE MATTER OF: ACCEPTING THE RESIGNATION OF ALICIA HARDY FROM THE FINANCE COMMITTEE

Recital: Whereas,

A. The Board has authority to accept committee membership changes.

B. Commissioner Hardy has resigned from the Finance Committee.

Now, Therefore, It Is Hereby Resolved As Follows:

1. To accept Alicia Hardy's resignation from the Finance Committee.

PASSED, APPROVED, AND ADOPTED by the Partnership HealthPlan of California this 2nd day of December 2026 by motion of Commissioner seconded by Commissioner and by the following votes:

AYES: Commissioners:

NOES: Commissioners:

ABSTAINED: Commissioners:

ABSENT: Commissioners:

EXCUSED: Commissioners:

_____
Dean Germano, Chair

_____
Date

ATTEST:

BY: _____
Ashlyn Scott, Clerk