



AGENDA

Finance Committee

November 5, 2025

11:00 AM

512 W. Aten Rd., Imperial, CA 92251

All supporting documentation is available for public review at <https://chpiv.org>

Microsoft Teams

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Meeting ID: 265 712 356 749

Passcode: 9LJkjb

Committee Members	Representing	Present
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair, CEO of Innercare and CCIPA	
Lee Hindman	LHA Chair-Joint Chamber of Commerce representing the public	
Dr. Carlos Ramirez	Finance Committee Chair-CEO/Senior Consultant DCRC	
Pablo Velez Alternate	LHA Commissioner-ECRMC CEO	
Mayra Widmann	Deputy CEO-Budget Fiscal	

1. CALL TO ORDER

Dr. Carlos Ramirez, Chair

A. Roll Call

Donna Ponce, Commission Clerk

B. Approval of Agenda

1. Items to be pulled or added from the Information/Action/Closed Session Calendar
2. Approval of the order of the agenda

2. PUBLIC COMMENT

Dr. Carlos Ramirez, Chair

Public Comment is limited to items NOT listed on the agenda. This is an opportunity for members of the public to address the Commission on any matter within the Commission's jurisdiction. Any action taken as a result of public comment shall be limited to the direction of staff. When addressing the Commission, state your name for the record prior to providing your comments. Please address the Commission as a whole, through the Chairperson. Individuals will be given three (3) minutes to address the board.



3. CONSENT CALENDAR

All items appearing on the consent calendar are recommended for approval and will be acted upon by one motion, without discussion. Should any Commissioner or other person express their preference to consider an item separately, that item will be addressed at a time as determined by the Chair.

- A. Approval of Minutes from 10/7/2025 pg. 5-7

4. ACTION

- A. Motion to recommend to the full commission the acceptance of monthly financial reports as presented. *(David Wilson, Chief Financial Officer)*

1. Executive Summary.....pg. 9-10
2. Enrollment Report pg. 11
3. Statement of Revenues, Expenses, and Changes in Net Position..... pg. 12
4. Product Profit & Loss Statement..... pg. 13
5. Statement of Net Position pg. 14
6. Summarized TNE Calculation pg. 15
7. Cash Transaction Report pg. 16-17

- B. Motion to approve the new Purchasing Policy, as outlined in the draft attachment, replacing the current policy adopted in 2023. *(David Wilson, Chief Financial Officer) ...pg. 18-25*
- C. Motion to approve the Wakely Statement of Work for CY 27 Medicare Bid preparation, not to exceed \$265,000. *(David Wilson, Chief Financial Officer) ...pg.26-27*

5. INFORMATION

No information items.

6. CLOSED SESSION

Pursuant to Welfare and Institutions Code § 14087.38 (n) Report Involving Trade Secret new product discussion (estimated date of disclosure, 10/2025)
No closed session items.



7. RECONVENE OPEN SESSION

- A. Report on actions taken in closed session.

8. COMMISSIONER REMARKS

Dr. Carlos Ramirez, Chair

9. ADJOURNMENT

Next meeting: December 3, 2025



Consent Agenda



MINUTES

Finance Committee

October 7, 2025

11:00 AM

512 W. Aten Rd., Imperial, CA 92251

All supporting documentation is available for public review at <https://chpiv.org>

Microsoft Teams

[Join the meeting now](#)

Meeting ID: 265 712 356 749

Passcode: 9LJkjb

Committee Members	Representing	Present
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair, CEO of Innercare and CCIPA	A
Lee Hindman	LHA Chair-Joint Chamber of Commerce representing the public	✓
Dr. Carlos Ramirez	Finance Committee Chair-CEO/Senior Consultant DCRC	✓
Pablo Velez Alternate	LHA Commissioner-ECRMC CEO	--
Mayra Widmann	Deputy CEO-Budget Fiscal	A

1. CALL TO ORDER

Dr. Carlos Ramirez, Chair

Meeting called to order at 11:05 a.m. A quorum was not present. No official business was conducted.

A. Roll Call

Donna Ponce, Commission Clerk

Members present held an information discussion only.

B. Approval of Agenda

1. Items to be pulled or added from the Information/Action/Closed Session Calendar
2. Approval of the order of the agenda

2. PUBLIC COMMENT

Dr. Carlos Ramirez, Chair

Public Comment is limited to items NOT listed on the agenda. This is an opportunity for members of the public to address the Commission on any matter within the Commission's jurisdiction. Any action taken as a result of public comment shall be limited to the direction of staff. When addressing the Commission, state your name for the record prior to providing your comments. Please address the Commission as a whole, through the Chairperson. Individuals will be given three (3) minutes to address the board. **None.**



3. CONSENT CALENDAR

All items appearing on the consent calendar are recommended for approval and will be acted upon by one motion, without discussion. Should any Commissioner or other person express their preference to consider an item separately, that item will be addressed at a time as determined by the Chair.

- A. Approval of Minutes from 9/3/2025 pg. 5-7

4. ACTION

- A. Motion to recommend to the full commission the acceptance of monthly financial reports as presented.

David Wilson, Chief Financial Officer

Chief Financial Officer (CFO) David Wilson presented the financial reports.

- 1. Executive Summary.....pg. 9-10
- 2. Enrollment Report pg. 11
- 3. Statement of Revenues, Expenses, and Changes in Net Position..... pg. 12
- 4. Product Profit & Loss Statement..... pg. 13
- 5. Statement of Net Position pg. 14
- 6. Summarized TNE Calculation pg. 15
- 7. Cash Transaction Report pg. 16-17

5. INFORMATION

- A. 2025 Annual Audit Planning by Baker Tilly.... pg. 19-38

2025 Annual Audit Planning was presented by Stelian Damu and Kyle Rogers, Service Team at Baker Tilly.

6. CLOSED SESSION

Pursuant to Welfare and Institutions Code § 14087.38 (n) Report Involving Trade Secret new product discussion (estimated date of disclosure, 10/2025)

Chair Ramirez announces that the committee will enter into closed session.

- A. Budget Assumptions



7. RECONVENE OPEN SESSION

- A. Report on actions taken in closed session.

Chair Ramirez announces that the committee will reconvene into open session. Information provided with no action taken.

8. COMMISSIONER REMARKS

None.

Dr. Carlos Ramirez, Chair

9. ADJOURNMENT

Meeting was adjourned at 11:40 p.m.

Next meeting: November 5, 2025



Action Items



Financial Result

September 2025

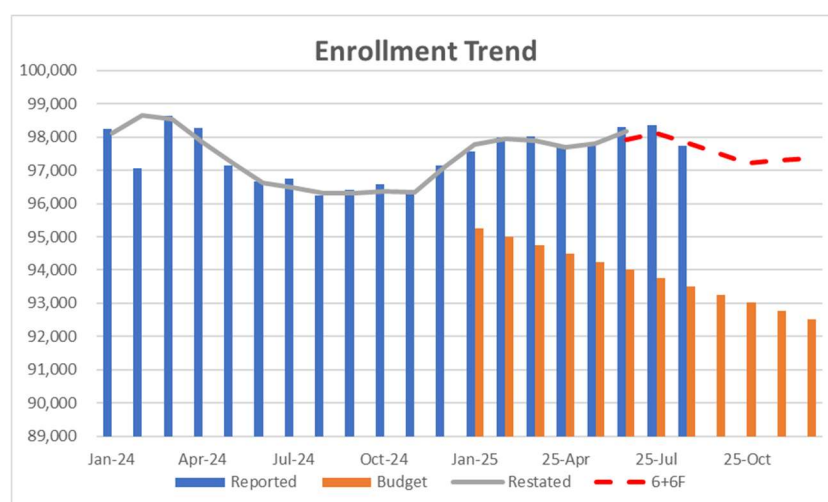
Executive Summary

Membership

September Medi-Cal reported membership was in-line with the 6+6 forecast expectations at 97.5K. On a restated basis, membership is underperforming by -0.3K.

Early reporting for October and November suggests membership will continue to decline slightly greater than the forecast.

Year-to-date, membership remains favorable to budget by 32.4K member months.



Gross Margin

September revenue was unfavorable to the forecast by (\$39.5k), but largely offset by favorable capitation payments to Health Net. The company booked \$120K of favorable prior period revenue in September.

Membership Mix & Rate: Rate variance was unfavorable to the 6+6F by (\$142K) and was concentrated in the Adult and Adult Expansion cost categories. Mix of UIS and SIS membership was the key driver of the variance at the COA level.

Volume: Overall volume adjustments for the current period were slightly below forecast, resulting in minor unfavorable revenue variance of (\$18K).

Category of Aid (COA)*	Revenue (Current Month Reported)						
	Current	Prior Period	Forecast	Variance	Vol	Rate	
Child	\$ 4,540,647	\$ 7,302	\$ 4,568,959	\$ (28,313)	\$ (21,890)	\$ (6,423)	
Adult	\$ 3,845,234	\$ 48,742	\$ 3,962,696	\$ (117,462)	\$ 3,879	\$ (121,340)	
Adult Expansion	\$ 7,370,944	\$ (38,557)	\$ 7,415,789	\$ (44,845)	\$ (29,108)	\$ (15,737)	
SPD	\$ 4,209,673	\$ 64,251	\$ 4,127,903	\$ 81,770	\$ 80,993	\$ 777	
SPD Dual	\$ 6,389,918	\$ 39,039	\$ 6,446,507	\$ (56,589)	\$ (57,301)	\$ 712	
LTC	\$ 16,566	\$ -	\$ 13,710	\$ 2,856	\$ 2,946	\$ (90)	
LTC Dual	\$ 40,364	\$ (384)	\$ 37,673	\$ 2,691	\$ 2,691	\$ (0)	
Total Medicaid	\$ 26,413,345	\$ 120,393	\$ 26,573,237	\$ (159,891)	\$ (17,789)	\$ (142,102)	

Overall, Gross margin was in line with forecast, unfavorable by less than (\$0.1K); gross margin was favorable to the budget by \$1.2M YTD.



Administrative Expenses

In aggregate, administrative expenses were unfavorable to forecast by (\$17.5K), or 2.7%. Unfavorable variance was driven by IT and office equipment costs for new employees (timing) and unplanned charitable contributions. Offsetting favorability was found in lower than expected consulting cost related to provider network contracting for the DSNP product.

On a YTD basis, administrative costs are favorable to the budget by \$132K, or 2.5%.

Other

Investment income was favorable by \$16K in September and is anticipated to run favorably for the remainder of the year. Year-to-date, investment income is \$187K above budget.

Tangible Net Equity (TNE)

For the month of September, TNE was \$23M, representing 485% of the required \$4.8M. On a restated basis, TNE stands at 494% of the required levels.

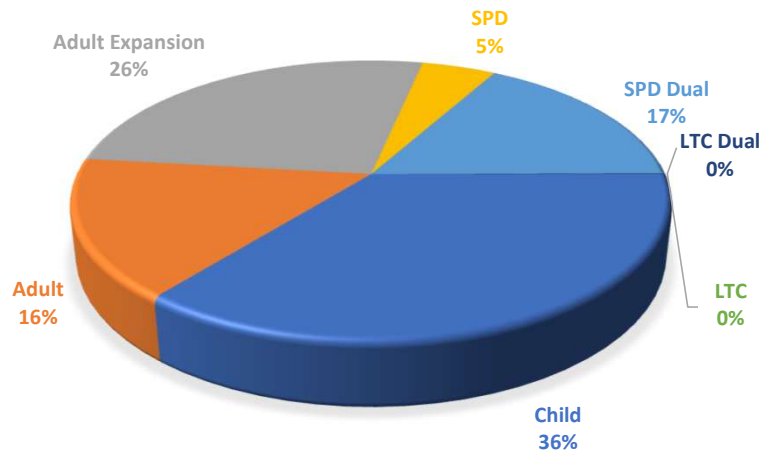


Imperial County Local Health Authority
DBA Community Health Plan of Imperial Valley
Reported Enrollment
For September 2025

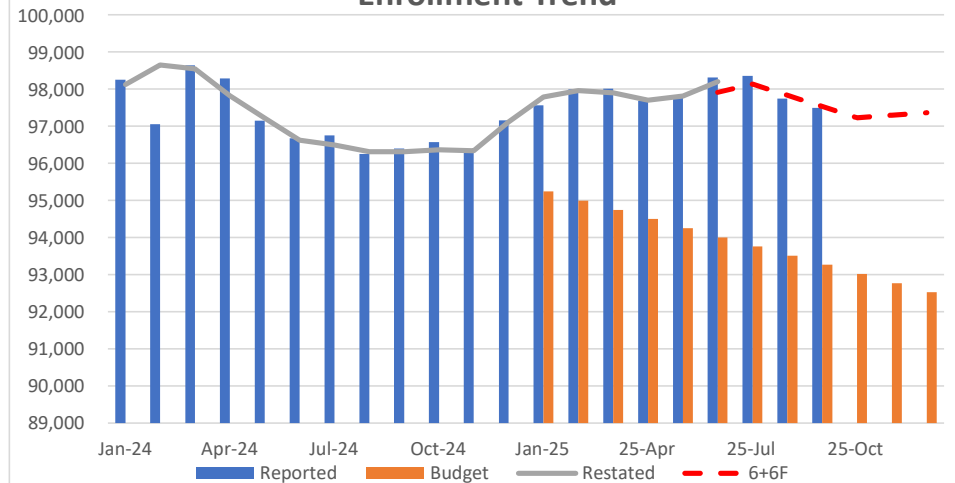
2024					2025									
Category of Aid (COA)*	Q1-24	Q2-24	Q3-24	Q4-24	Q1-25	Q2-25	September				September (YTD)			
							Actual		6+6F		B/(W)		Actual	
											#	%		
Child	34,607	34,589	34,424	34,551	35,139	35,129	34,728	34,857	(129)	0%	315,296	299,871	15,425	5%
Adult	16,997	15,767	15,675	15,768	15,801	15,754	15,471	15,324	147	1%	141,304	135,185	6,119	5%
Adult Expansion	26,579	25,784	25,733	26,019	25,995	26,028	25,808	25,986	(178)	-1%	233,430	227,230	6,201	3%
SPD	5,007	5,041	5,085	5,139	4,671	4,784	4,645	4,485	160	4%	42,162	45,419	(3,257)	-7%
SPD Dual	14,433	14,760	15,007	15,288	16,283	16,514	16,719	16,763	(44)	0%	147,706	139,347	8,359	6%
LTC	12	15	19	22	22	6	17	14	3	21%	157	275	(118)	-43%
LTC Dual	79	87	92	104	98	100	104	98	6	6%	876	950	(74)	-8%
Total Medicaid	97,714	96,043	96,035	96,891	98,009	98,315	97,492	97,527	(35)	0%	880,931	848,275	32,656	4%
Monthly/Quarterly Change		-1.7%	0.0%	0.9%	1.2%	0.3%	0.6%	0.7%						

* Source: DHCS 820 Remittance summary; includes retroactivity

Reported Enrollment by COA



Enrollment Trend





**Imperial County Local Health Authority
DBA Community Health Plan of Imperial Valley
Statement of Revenues, Expenses, and Changes in Net Position
For September 2025**

	September			September (YTD)			Current Month Explanations
	Actual	Forecast (6+6)	Variance - B/(W)	Actual	Budget	Variance - B/(W)	
REVENUE							
Premium	\$ 26,251,770	\$ 26,281,617	\$ (29,847)	\$ 246,014,927	\$ 205,129,262	\$ 40,885,665	- Premium Revenue was unfavorable by (\$39.5K) primarily driven by unfavorable membership mix, partially offset by favorable prior period adjustments.
Pass-Through	\$ 281,969	\$ 291,620	\$ (9,651)	\$ 8,364,309	\$ 3,099,038	\$ 5,265,271	
HN Settlements			\$ -			\$ -	
TOTAL REVENUE	\$ 26,533,739	\$ 26,573,237	\$ (39,498)	\$ 254,379,236	\$ 208,228,300	\$ 46,150,936	
HEALTH CARE COSTS	\$ 25,746,186	\$ 25,784,788	\$ 38,602	\$ 246,998,788	\$ 202,074,422	\$ (44,924,366)	
Gross Margin	\$ 787,553	\$ 788,449	\$ (895)	\$ 7,380,448	\$ 6,153,878	\$ 1,226,570	
ADMINISTRATIVE EXPENSE							
Salaries & Wages	\$ 451,359	\$ 445,000	\$ (6,358)	\$ 3,250,127	\$ 3,333,214	\$ 83,087	- Favorability driven by lower costs related to provider contract negotiations for DSNP
Benefits Expense	\$ 29,678	\$ 36,571	\$ 6,892	\$ 233,568	\$ 257,082	\$ 23,514	
Other Labor Expense	\$ 1,577	\$ 1,424	\$ (153)	\$ 13,638	\$ 11,451	\$ (2,187)	
Total Labor Costs	\$ 482,615	\$ 482,996	\$ 381	\$ 3,497,333	\$ 3,601,747	\$ 104,414	
Consulting, Legal, & Other Professional	\$ 46,654	\$ 69,000	\$ 22,346	\$ 598,754	\$ 726,283	\$ 127,530	- Unfavorable variance reflects the ramp in computers and hardware associated with new hires
Outside Services	\$ 42,360	\$ 30,450	\$ (11,910)	\$ 326,608	\$ 282,011	\$ (44,597)	
Advertising & Marketing	\$ 3,785	\$ 5,700	\$ 1,915	\$ 9,914	\$ 42,381	\$ 32,467	
Information Technology	\$ 16,481	\$ 3,200	\$ (13,281)	\$ 105,284	\$ 50,493	\$ (54,792)	- Unfavorable due to unplanned charitable contributions
Membership and Subscriptions	\$ 11,269	\$ 11,344	\$ 75	\$ 91,569	\$ 85,030	\$ (6,539)	
Regulatory Fees	\$ 25,339	\$ 25,339	\$ -	\$ 232,596	\$ 250,835	\$ 18,239	
Travel	\$ 5,667	\$ 11,618	\$ 5,951	\$ 58,090	\$ 75,100	\$ 17,010	- Favorable investment income due to higher portfolio balance relative to forecast.
Meals & Entertainment	\$ 2,812	\$ 1,850	\$ (962)	\$ 18,366	\$ 8,050	\$ (10,316)	
Occupancy & Facility	\$ 5,255	\$ 4,808	\$ (447)	\$ 67,725	\$ 42,454	\$ (25,271)	
Office Expense	\$ 13,504	\$ 4,015	\$ (9,489)	\$ 52,893	\$ 58,439	\$ 5,546	
Other Admin	\$ 20,462	\$ 8,403	\$ (12,059)	\$ 131,984	\$ 100,842	\$ (31,142)	
Total Administrative Expense	\$ 676,203	\$ 658,723	\$ (17,480)	\$ 5,191,117	\$ 5,323,665	\$ 132,548	
Non-Operating Income							
Dividend, Interest & Investment Income	\$ 123,451	\$ 107,764	\$ 15,687	\$ 973,301	\$ 786,521	\$ 186,780	- Favorable investment income due to higher portfolio balance relative to forecast.
Rental Income	\$ 1,494	\$ 1,494	\$ -	\$ 13,442	\$ 13,050	\$ (392)	
Total Non-Operating Income	\$ 124,945	\$ 109,258	\$ 15,687	\$ 986,742	\$ 799,571	\$ 187,171	
Depreciation & Amortization	\$ 10,729	\$ 11,000	\$ (271)	\$ 95,973	\$ 99,000	\$ (3,027)	
Change in Net Position	\$ 225,566	\$ 227,983	\$ (2,417)	\$ 3,080,100	\$ 1,530,784	\$ 1,549,316	
Key Metrics							
Enrollment	97,492	97,537	(45)	880,931	848,275	32,656	
Revenue PMPM	\$272.16	\$272.44	(\$0.28)	\$288.76	\$245.47	\$43.29	
MLR	97.03%	97.0%	0 bps	97.1%	97.0%	(5) bps	
Admin Ratio	2.5%	2.5%	(7) bps	2.0%	2.5%	51 bps	
FTEs	37	38	1	241	256	15	
Net Income PMPM	\$2.31	\$2.34	(\$0.02)	\$3.50	\$1.80	\$1.69	
Net Income %	0.8%	0.9%	(1) bps	1.2%	0.7%	47 bps	



Imperial County Local Health Authority
DBA Community Health Plan of Imperial Valley
Product P&L
For September 2025

	September								September (YTD)				
	Medi-Cal				Medicare				% of Total				
	Actual	6+6F	Variance B/(W)	% Var	Actual	6+6F	Variance B/(W)	% Var	Medi-Cal	Medicare	Total	Medi-Cal	Medicare
REVENUE													
Premium	\$ 26,251,770	\$ 26,281,617	\$ (29,847)	0%	\$ -	\$ -	\$ -	N/A	\$ 246,014,927	\$ -	\$ 246,014,927	100%	0%
Pass-Through	\$ 281,969	\$ 291,620	\$ (9,651)	-3%	\$ -	\$ -	\$ -	N/A	\$ 8,364,309	\$ -	\$ 8,364,309	100%	0%
TOTAL REVENUE	\$ 26,533,739	\$ 26,573,237	\$ (39,498)	0%	\$ -	\$ -	\$ -	N/A	\$ 254,379,236	\$ -	\$ 254,379,236	100%	0%
HEALTH CARE COSTS	\$ 25,746,186	\$ 25,784,788	\$ 38,602	0%	\$ -	\$ -	\$ -	N/A	\$ 246,998,788	\$ -	\$ 246,998,788	100%	0%
Gross Margin	\$ 787,553	\$ 788,449	\$ (895)	0%	\$ -	\$ -	\$ -	N/A	\$ 7,380,448	\$ -	\$ 7,380,448	100%	0%
ADMINISTRATIVE EXPENSE													
Healthcare Services	\$ 46,101	\$ 47,612	\$ 1,511	3.2%	\$ 51,987	\$ 53,690	\$ 1,704	3.2%	\$ 494,541	\$ 590,673	\$ 1,085,214	45.6%	54.4%
Care Management	\$ -	\$ -	\$ -	N/A	\$ 64,443	\$ 36,157	\$ (28,286)	-78.2%	\$ -	\$ 255,579	\$ 255,579	0.0%	100.0%
Compliance	\$ 117,451	\$ 119,193	\$ 1,743	1.5%	\$ 18,563	\$ 19,404	\$ 840	4.3%	\$ 659,446	\$ 106,795	\$ 766,241	86.1%	13.9%
Operations	\$ 5,637	\$ 4,847	\$ (790)	-16.3%	\$ 53,275	\$ 43,621	\$ (9,654)	-22.1%	\$ 47,110	\$ 426,534	\$ 473,644	9.9%	90.1%
Member & Provider Services	\$ 5,671	\$ 19,163	\$ 13,492	70.4%	\$ 5,671	\$ 19,163	\$ 13,492	70.4%	\$ 81,221	\$ 81,221	\$ 162,442	50.0%	50.0%
Sales & Marketing	\$ 11,486	\$ 2,563	\$ (8,923)	-348.1%	\$ 46,944	\$ 48,696	\$ 1,752	3.6%	\$ 17,742	\$ 165,816	\$ 183,559	9.7%	90.3%
Executive	\$ 59,624	\$ 51,112	\$ (8,512)	-16.7%	\$ 19,875	\$ 16,739	\$ (3,135)	-18.7%	\$ 451,353	\$ 150,451	\$ 601,803	75.0%	25.0%
Finance	\$ 50,359	\$ 72,320	\$ 21,961	30.4%	\$ 16,786	\$ 24,107	\$ 7,320	30.4%	\$ 558,763	\$ 317,381	\$ 876,144	63.8%	36.2%
Corporate	\$ 48,252	\$ 43,656	\$ (4,597)	-10.5%	\$ 11,938	\$ 7,594	\$ (4,344)	-57.2%	\$ 434,086	\$ 96,574	\$ 530,660	81.8%	18.2%
Information Technology	\$ 14,696	\$ 10,063	\$ (4,634)	-46.1%	\$ 14,933	\$ 10,685	\$ (4,248)	-39.8%	\$ 91,358	\$ 75,654	\$ 167,012	54.7%	45.3%
Human Resources	\$ 6,205	\$ 4,045	\$ (2,161)	-53.4%	\$ 6,306	\$ 4,295	\$ (2,010)	-46.8%	\$ 48,989	\$ 39,829	\$ 88,819	55.2%	44.8%
Total Administrative Expense	\$ 365,483	\$ 374,573	\$ 9,090	2%	\$ 310,720	\$ 284,151	\$ (26,570)	-9%	\$ 2,884,609	\$ 2,306,508	\$ 5,191,117	56%	44%
Non-Operating Income													
Dividend & Interest Income	\$ 123,451	\$ 107,764	\$ 15,687	15%	\$ -	\$ -	\$ -	N/A	\$ 973,301	\$ -	\$ 973,301	100%	0%
Rental Income	\$ 1,494	\$ 1,494	\$ -	0%	\$ -	\$ -	\$ -	N/A	\$ 13,442	\$ -	\$ 13,442	100%	0%
Total Non-Operating Income	\$ 124,945	\$ 109,258	\$ 15,687	14%	\$ -	\$ -	\$ -	N/A	\$ 986,742	\$ -	\$ 986,742	100%	0%
Depreciation & Amortization	\$ 5,322	\$ 11,000	\$ 5,678	52%	\$ 5,407	\$ -	\$ (5,407)	N/A	\$ 80,049	\$ 15,924	\$ 95,973	83%	17%
Change in Net Position	\$ 541,694	\$ 512,134	\$ 29,560	6%	\$ (316,128)	\$ (284,151)	\$ (31,977)	-11%	\$ 5,402,533	\$ (2,322,433)	\$ 3,080,100	175%	-75%
Key Metrics													
Enrollment	97,492	97,537	(45)		-	-	-		880,931	-	880,931	100%	0%
Revenue PMPM	\$272.16	\$272.44	(\$0.28)		N/A	N/A	N/A		\$288.76	N/A	\$288.76		
MLR	97.03%	97.03%	0 bps		N/A	N/A	N/A		97.10%	N/A	97.10%		
Admin Ratio	1.4%	1.4%	3 bps		N/A	N/A	N/A		1.1%	N/A	2.0%		
Net Income PMPM	\$5.56	\$5.25	\$0.31		N/A	N/A	N/A		\$6.13	N/A	\$3.50		
Net Income %	2.0%	1.9%	11 bps		N/A	N/A	N/A		2.1%	N/A	1.2%		

	August 2025	September 2025	Change
ASSETS			
Current Assets			
Cash and Investments			
Chase - Checking	\$ 200,000	\$ 200,000	\$ -
Chase - Money Market	\$ 2,834,537	\$ 2,396,255	\$ (438,283)
JPMorgan Securities	\$ 16,044,176	\$ 16,814,052	\$ 769,876
First Foundation Bank	\$ 152,913	\$ 142,177	\$ (10,735)
Receivables			
Dividend Receivable	\$ 9,227	\$ 6,491	\$ (2,736)
Interest Receivable	\$ 100,270	\$ 115,493	\$ 15,224
Capitation Receivable	\$ 27,317,750	\$ 26,251,770	\$ (1,065,981)
Pass-Through Receivable	\$ 4,832,156	\$ 281,969	\$ (4,550,187)
Pass-Through Receivable - Other	\$ 0	\$ 0	\$ -
Other Current Assets			
Prepaid Expenses	\$ 406,404	\$ 386,227	\$ (20,177)
Total Current Assets	\$ 51,897,433	\$ 46,594,434	\$ (5,302,998)
Noncurrent Assets			
Restricted Deposit			
First Foundation Bank - Restricted	\$ 300,000	\$ 300,000	\$ -
Capital Assets			
Buildings - Net	\$ 2,883,212	\$ 2,874,383	\$ (8,829)
Computer Equipment / Software - Net	\$ 6,387	\$ 6,219	\$ (168)
Improvements - Net	\$ 42,730	\$ 68,689	\$ 25,959
Intangible Assets	\$ 58,959	\$ 57,708	\$ (1,250)
Operating ROU Asset (Copier) - Net	\$ 10,134	\$ 10,134	\$ -
Total Noncurrent Assets	\$ 3,301,422	\$ 3,317,133	\$ 15,711
Total Assets	\$ 55,198,854	\$ 49,911,567	\$ (5,287,287)
LIABILITIES			
CURRENT LIABILITIES			
Payables			
Accounts Payable	\$ 368,277	\$ 366,836	\$ (1,441)
Capitation Payable	\$ 26,498,218	\$ 25,464,217	\$ (1,034,001)
Pass-Through Payable	\$ 4,832,156	\$ 281,969	\$ (4,550,187)
Pass-Through Payable - Other	\$ 0	\$ 0	\$ -
Credit Card Payable	\$ 3,711	\$ 0	\$ (3,711)
Other Current Liabilities			
Short Term Lease Liability - Copier	\$ 3,516	\$ 3,533	\$ 16
Bonus Accrual	\$ 140,943	\$ 158,560	\$ 17,618
Salaries Accrual	\$ 202,569	\$ 247,981	\$ 45,412
Vacation Accrual	\$ 187,678	\$ 201,421	\$ 13,743
Total Current Liabilities	\$ 32,237,069	\$ 26,724,517	\$ (5,512,551)
NON-CURRENT LIABILITIES			
Long Term Lease Liability - Copier	\$ 910	\$ 608	\$ (302)
Total Noncurrent Liabilities	\$ 910	\$ 608	\$ (302)
Total Liabilities	\$ 32,237,978	\$ 26,725,125	\$ (5,512,853)
NET POSITION			
Restricted by Legislative Authority	\$ 300,000	\$ 300,000	\$ -
Unrestricted	\$ 19,806,342	\$ 19,806,342	\$ -
YTD Net Revenue	\$ 2,854,534	\$ 3,080,100	\$ 225,566
Total Net Position	\$ 22,960,876	\$ 23,186,442	\$ 225,566
Total Liabilities and Net Position	\$ 55,198,854	\$ 49,911,567	\$ (5,287,287)



Imperial County Local Health Authority dba
Community Health Plan of Imperial Valley
Summarized Tangible Net Equity Calculation
As of September 2025

Net Equity	\$ 23,186,442
Add: Subordinated Debt and Accrued Subordinated Interest	\$ 0
Less: Report 1, Column B, Line 27 including: Unsecured Receivables from officers, directors, and affiliates; Intangibles	\$ 0
Tangible Net Equity (TNE)	\$ 23,186,442
Required Tangible Net Equity *	\$ 4,780,199
TNE Excess (Deficiency)	\$ 18,406,242

Full Service Plan		* Calculated Required Tangible Net Equity	
A. Minimum TNE Requirement	1	\$ 328,019,903	- Q1
	\$ 1,000,000	\$ 328,019,903	- Annualized
B. REVENUES:		\$ 150,000,000	←
		x 2%	
	\$ 3,000,000	\$ 3,000,000	
		\$ 178,019,903	←
		x 1%	
2% of the first \$150 million of annualized premium revenues (lines 1, 2, 4, 5, 7, 9 from Income Statement) Plus		\$ 1,780,199	
1% of annualized premium revenues in excess of \$150 million	\$ 1,780,199	\$ 1,780,199	
Total	\$ 4,780,199	\$ 4,780,199	- Required TNE

Community Health Plan of Imperial Valley
September 2025 Cash Transactions

Date	Account	Vendor	Memo/Description	Amount
Chase Checking				
09/02/25	Chase Checking	Zamosky Communication	Inv 0000045	\$ (8,000.00)
09/02/25	Chase Checking	PMH Foundation	Inv PMH 2025-- bill.com Check Number: 79984620	(900.00)
09/02/25	Chase Checking	Vic's Air Conditioning & Electrical	Inv 102507-- bill.com Check Number: 79983915	(237.50)
09/02/25	Chase Checking	Imperial Irrigation District	Inv IID August2025-- bill.com Check Number: 79984597	(2,011.09)
09/02/25	Chase Checking	Imperial Desert Landscape	Inv 25-338-- bill.com Check Number: 79984239	(250.00)
09/03/25	Chase Checking	America's Finest Fire Pro	Void Of Bill Payment #P25081401 - 9814760	860.30
09/05/25	Chase Checking	Carlos Ramirez	Inv AUGUST2025	(300.00)
09/05/25	Chase Checking	Bushra Ahmad	Inv AUGUST2025	(100.00)
09/05/25	Chase Checking	Allan Wu	Inv AUGUST2025-- bill.com Check Number: 80007699	(100.00)
09/05/25	Chase Checking	Pablo Velez	Inv AUGUST2025-- bill.com Check Number: 80008486	(100.00)
09/05/25	Chase Checking	Mayra Widmann	Inv AUGUST2025-- bill.com Check Number: 80008588	(100.00)
09/05/25	Chase Checking	Lee Hindman	Inv AUGUST2025-- bill.com Check Number: 80007968	(300.00)
09/05/25	Chase Checking	Ryan Kelley	Inv AUGUST2025-- bill.com Check Number: 80007971	(100.00)
09/05/25	Chase Checking	Brawley Rotary Club	Inv INV 19413-- bill.com Check Number: 80010467	(50.00)
09/05/25	Chase Checking	Inerglo Creative	Inv INV-00637	(3,000.00)
09/05/25	Chase Checking	Law Office of William S. Smerdon	Inv 2813	(1,430.00)
09/05/25	Chase Checking	Shannon Long	Inv 18	(6,000.00)
09/05/25	Chase Checking	City of Imperial	Acct 80683 - Inv 1463093-- bill.com Check Number: 80008846	(229.57)
09/05/25	Chase Checking	PandanAI, Inc.	Inv 0010	(12,000.00)
09/07/25	Chase Checking	360 Business Products	Void Check	242.44
09/07/25	Chase Checking	JPMorgan Chase	Dividend Income - August 2025	9,226.69
09/07/25	Chase Checking	JPMorgan Chase	Service Charges Investment Sweep - September 2025	(609.31)
09/11/25	Chase Checking	Republic Services	Inv 0467-001756087	(146.82)
09/11/25	Chase Checking	Employers Preferred Ins. Co.	Inv Invoice 2 PN: EIG 5696223 01-- bill.com Check Number: 80036062	(153.00)
09/11/25	Chase Checking	Imperial Valley Food Bank	Inv Harvest Bowl 2025-- bill.com Check Number: 80034996	(600.00)
09/11/25	Chase Checking	360 Business Products	Inv OE-QT-35078-1-- bill.com Check Number: 80037061	(1,156.10)
09/12/25	Chase Checking	Zamosky Communication	Inv 0000047	(2,925.00)
09/14/25	Chase Checking	Department of Health Care Services	Receipt - DHCS (August 2025 Revenue)	31,177,865.07
09/14/25	Chase Checking	Department of Health Care Services	Receipt - DHCS (August 2025 Revenue)	865,689.54
09/14/25	Chase Checking	Department of Health Care Services	Receipt - DHCS (August 2025 Revenue)	58,719.05
09/14/25	Chase Checking	Department of Health Care Services	Receipt - DHCS (August 2025 Revenue)	46,220.23
09/14/25	Chase Checking	Department of Health Care Services	Receipt - DHCS (August 2025 Revenue)	1,412.27
09/14/25	Chase Checking	Mid Atlantic Trust Company	Payroll Date: 09/05/25 Retirement Contribution:	(10,198.29)
09/14/25	Chase Checking	JPMorgan Chase	Credit Card Payment	(206.82)
09/14/25	Chase Checking	JPMorgan Chase	Credit Card Payment	(3,482.13)
09/14/25	Chase Checking	JPMorgan Chase	Dividend Receivable	1,467.15
09/15/25	Chase Checking	ECG Management Consultants	Multiple invoices	(7,321.13)
09/15/25	Chase Checking	Pillsbury Winthrop Shaw Pittman LLP	Inv 8672671	(4,759.50)
09/16/25	Chase Checking	Bonde & Associates, LLC	Inv 1004	(6,290.97)
09/16/25	Chase Checking	Wakely consulting Group	Inv 211734 - 0000009-- bill.com Check Number: 80057804	(10,528.75)
09/17/25	Chase Checking	Epstein Becker & Green, P.C.	Inv #1208836	(4,181.00)
09/17/25	Chase Checking	MAK Solutions	Inv CHPIV-01	(10,000.00)
09/18/25	Chase Checking	Health Management Associates, Inc.	Inv 206100 - 000027R	(5,373.75)
09/19/25	Chase Checking	AM Copiers Inc.	Inv IN8195	(285.13)
09/19/25	Chase Checking	Rippling	[Rippling] Employee net pay for check date 09/19/2025	(121,497.81)
09/19/25	Chase Checking	Rippling	[Rippling] Payroll taxes paid via Rippling for check date 09/19/2025	(58,446.34)
09/21/25	Chase Checking	State Compensation Insurance Fund	9/16/25 - Workers Compensation Payment	(1,424.41)
09/21/25	Chase Checking	JPMorgan Chase	Account Analysis Settlement Charge	(413.85)
09/21/25	Chase Checking	JPMorgan Chase	Credit Card Payment	(13,343.19)
09/22/25	Chase Checking	Sparkling Clean	Inv September 2025	(900.00)
09/22/25	Chase Checking	Junior's Cafe	Inv 13-18729-- bill.com Check Number: 80087116	(398.60)
09/22/25	Chase Checking	F.T. Specialist Inc.	Inv HP-447716	(3,270.00)
09/22/25	Chase Checking	Employment Development Departme	Inv L0822746064-- bill.com Check Number: 80087100	(183.28)
09/23/25	Chase Checking	Quench USA	Inv INV09443667	(129.30)
09/24/25	Chase Checking	Epstein Becker & Green, P.C.	Inv #1210919	(2,543.00)
09/24/25	Chase Checking	Oracle America, Inc.	Multiple invoices	(15,786.44)
09/24/25	Chase Checking	Smith-Kandal Insurance	Inv 6126-- bill.com Check Number: 80099225	(14,459.46)
09/24/25	Chase Checking	I.V. Termite & Pest Control	Inv 0355450-- bill.com Check Number: 80099990	(120.00)
09/24/25	Chase Checking	Shalom Events Professionals	Inv Invoice 092125-- bill.com Check Number: 80099398	(129.00)
09/29/25	Chase Checking	Derma's Floor Covering	Inv 14575-- bill.com Check Number: 80122267	(26,440.00)
09/29/25	Chase Checking	Cancer Resource Center of the Deser	Inv OCT172025-- bill.com Check Number: 80122472	(2,500.00)
09/30/25	Chase Checking	Mid Atlantic Trust Company	Payroll Date: 09/19/25 Retirement Contribution	(10,011.03)
09/30/25	Chase Checking	JPMorgan Chase	Credit Card Payment - 9/30/25	(25,397.39)
09/30/25	Chase Checking	Rippling	Reimbursement C. Hardy	(60.00)
09/30/25	Chase Checking	Rippling	Reimbursement C. Hardy & D. Pasillas	(94.68)
09/30/25	Chase Checking	Rippling	Reimbursement E. Tarabola & D. Pasillas	(505.45)
09/30/25	Chase Checking	Health Net	Rental Income - September 2025	1,493.50

First Foundation Bank				
09/05/25	FFB Payroll	Rippling	Employee net pay for check date 09/05/2025	(4,180.18)
09/05/25	FFB Payroll	Rippling	Payroll taxes paid via Rippling for check date 09/05/2025	(3,310.81)
09/15/25	FFB Payroll	Blue Shield of California	Blue Shield Insurance	(23,273.60)
09/15/25	FFB Payroll	Rippling	People Center Bill	(1,297.60)
09/15/25	FFB Payroll	Rippling	People Center Check	(451.88)
09/15/25	FFB Payroll	Rippling	Employee Reimbursement - D. O'campo	(75.44)
09/15/25	FFB Payroll	Rippling	Employee Reimbursement - E. Torres & L. Gutierrez	(157.23)
09/15/25	FFB Payroll	Rippling	Payroll Date: 09/05/25 Accrued Taxes	(55,925.30)
09/15/25	FFB Payroll	Rippling	Payroll Date: 09/05/25 Accrued Wages	(116,507.88)
09/15/25	FFB Payroll	First Foundation Bank	Wire Fee	(10.00)
09/15/25	FFB Payroll	Rippling	Employee Reimbursement - D. Wilson	(451.99)
09/15/25	FFB Payroll	Rippling	Employee Reimbursement - D. Wilson	(861.76)
09/15/25	FFB Payroll	Rippling	Employee Reimbursement - E. Tarabola & L. Lewis	(363.69)
09/15/25	FFB Payroll	Rippling	Employee Reimbursement - E. Tarabola	(218.24)
09/15/25	FFB Payroll	Rippling	Employee Reimbursement - E. Tarabola, J. Hutchins, D. O'campo & J. C	(1,767.22)
09/15/25	FFB Payroll	UNUM	UNUM Invoice 08/01/25 - 08/31/25	(743.05)
09/30/25	FFB Payroll	Rippling	Employee Reimbursement - J. Hutchins & E. Torres	(1,002.80)
09/30/25	FFB Payroll	Rippling	Employee Reimbursement - D. Wilson	(525.90)
09/30/25	FFB Payroll	Rippling	Rippling Payment Refund	420.27
09/30/25	FFB Payroll	Rippling	Additional Employer Tax	(31.14)
J.P. Morgan Securities				
09/30/25	Chase Securities	Health Net	August Health Net Payment	(31,330,373.65)
09/30/25	Chase Securities	JPMorgan Chase	Accrued Investment Income - August 2025	100,269.80
09/30/25	Chase Securities	JPMorgan Chase	Bank Fee - August 2025 (Portfolio)	\$ (20.00)

Fact Sheet
Purchasing Policy
November 5, 2025

Recommendations

Motion to approve the new Purchasing Policy, as outlined in the draft attachment, replacing the current policy adopted in 2023.

Background

Periodically, CHPIV is compelled to review its purchasing policy as the needs and demands of the business change. As the company has grown in size both from a financial and human capital perspective, the current policies have become outdated and limit the ability to remain nimble.

Key Highlights to Recommendation

Authority by Title:

CHPIV seeks to clarify spending authority by title and, in certain cases, by job function.

Minor spending (\$500 or less): The Office Manager or designee of the CEO and the IT manager, or designee of the CFO, will be given small spending authority limits. By adding this authority, CHPIV will remain compliant with financial policies and procedures.

Departmental Spending (up to \$2,000/purchase): In certain cases, frequent procurement of relatively small expenditures is required, which may exceed minor spending limits (e.g., Sales & Marketing). In these cases, the COO or designee may designate key departmental leaders to spend up to \$2,000/purchase, but will be limited to specific departmental budgets, as approved by the CFO.

Chief-Level Spend (up to \$10,000/purchase): The proposed policy grants spending authority to Chiefs up to \$10,000/purchase, but will be limited to the departments they manage AND purchases reasonable to the departmental function

(e.g., Chief of Compliance would not have the authority to purchase IT equipment, as that purchase would be the function of IT).

Increase in Spending Authority, CEO

The current spending authority of the CEO and designee(s) is \$50,000. When this policy was established, the revenue and expenses of CHPIV were materially lower than the current run rate and forecast. After an informal survey of other LHPC CEOs, it was determined that the CHPIV CEO is below average.

CHPIV is recommending the CEO's spending authority be set at \$100,000. CHPIV further requests a formal spending limit of the CFO be \$50,000.

CHPIV's intent is to always keep the Commission abreast of all spending, large and small. CHPIV has incorporated into the recommended policy a reporting mechanism whereby all expenses between \$50,000 and \$100,000 will be highlighted in the monthly financial reporting package.

100% Financial Review

Notwithstanding the proposed limits outlined above, CHPIV is committed to 100% financial review of all expenditures incurred within the organization by the CFO and finance staff.

	PURCHASING AND CONTRACTING POLICY		[Policy #]
	Department	All	
	Functional Area	Finance	
	Impacted Delegate	☐ Subcontractor ☒ NA	

DATES			
Policy Effective Date	10/1/2025	Last Revised Date	10/1/2025
Next Annual Review Due		Regulator Approval	NA

APPROVALS			
Internal		Regulator	
Name	Larry Lewis	☐ DHCS	☐ NA
Title	CEO	☐ DMHC	

ATTACHMENTS	

AUTHORITIES/REFERENCES	

HISTORY	
Revision Date	Description of Revision



PURCHASING AND CONTRACTING POLICY

[Policy #]

I. OVERVIEW

The purpose of this purchasing and contracting policy (policy) is to provide a guideline to employees of the Imperial County Local Health Authority, dba Community Health Plan of Imperial Valley ("Agency") for purchasing and contracting for goods, services, and projects to support, enhance and supplement agency operations. The policy will better enable the Chief Executive Officer ("CEO") to maintain a system of financial controls for the efficient use and expenditure of public funds in addition to providing consistency and promoting transparency and accountability.

This policy shall apply for the solicitation and selection of all purchases and contracts by the agency. Any exceptions to this policy must be approved by The Board of Commissioners ("Board"). The Board may, by majority vote and in accordance with its fiduciary responsibilities, approve expenditures of any amount, for any length of term, not otherwise inconsistent with any applicable law.

The following disbursements are exempt from purchase order requirements:

1. Utility services such as the telephone, water, electricity and gas.
2. Approved claims for liability under the agency's insurance program or as authorized by a Board action.
3. Renewal premiums for authorized insurance policies.
4. All expenditures for the agency's payroll and employee withholdings and other related or unrelated matters involving this unknown advance cost estimate.
5. Disbursements to public agencies for which the agency collects fees on behalf of that Agency.
6. Intergovernmental memorandums of understanding.
7. Debt or loan service payments.

General Guidelines

1. **Vendor Limit.** Combined purchases cannot exceed \$100,000 per vendor, per fiscal year except with Board approval. The Board, at its discretion, may require a formal bidding process. In addition, multiyear agreements in excess of \$100,000 as an aggregate total per vendor will require Board approval.
2. **Change Orders or Amendments.** A change order or amendment is a change in a contract term, other than as specifically provided for in the contract, that authorizes or necessitates any increase or decrease of the cost of the contract or in the time of completion. Change orders that alter the amount of the contract must be authorized by the Chief Executive Officer, or Board depending on the amount as referenced in section i expenditure categories of this policy. Examples of a valid request for a change order or amendment must meet the following criteria:
 - A. The change was not reasonably foreseeable at the time that the contract was signed.
 - B. The change must be relevant to the original contract; and



PURCHASING AND CONTRACTING POLICY

[Policy #]

- C. The change is authorized by the contract provisions and in the best interest of the agency.
3. **Conflict of interest.** No employee, Officer, Board of Commissioners member, or agent shall participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, Officer, Board of Commissioners member, agent, or any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated, herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. Nothing in this policy does or is to be construed as limiting the applicability of any other federal, state, or local laws and regulations governing prohibitions against financial conflicts of interest, including but not limited to the political reform act (government code section 81000 et seq.) And implementing regulations from the fair political practices commission (title 2, section 18110 et seq., of the California code of regulations), and government code sections 1090-1999 and 1126. All such laws and regulations shall apply to every employee, Officer, Board of Commissioners member, and agent of the Agency.
 4. **Local vendors.** Purchasing goods and services from local vendors which stimulate the local economy is encouraged but not required.
 5. **Payment terms.** The agency's standard payment terms are net 30, meaning a payment should be issued to the vendor no later than thirty days after the invoice date, unless the agency and vendor have agreed to alternate terms.
 6. **Split Purchases.** In no instance should purchases be split or divided in such a manner to circumvent policy processes and/or limits.
 7. **Violations.** Violations of this policy may result in disciplinary action up to and including dismissal.

II. POLICY

1. **Expenditures of minor office supplies, Commission meals, on-site staff meals of \$500 or less**

Authorization: Office Manager or designee

Procurement: No bids or PO necessary; accounts payable reimbursement (preferred) or corporate credit card

Documentation: Original itemized receipts be returned to the CFO along with any change for reconciliation and proper accounting of funds. The CFO will periodically audit expenditures as to form and regulations and may confirm purchases.

2. **Expenditures of IT equipment of \$500 or less**

Authorization: Designated IT Point of Contact

Procurement: No bids or PO necessary; accounts payable reimbursement (preferred) or corporate credit card

	PURCHASING AND CONTRACTING POLICY	[Policy #]
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3. Expenditures up to \$2,500

Authorization: Director or departmental designee

Procurement: No bids or PO necessary; accounts payable reimbursement (preferred) or corporate credit card

4. Expenditures up to \$10,000

Authorization: All Chiefs

Procurement: Agency contract will be required. Three formal bids may be required depending on the nature of the goods or services to be obtained. Purchases are limited to spend relevant to departments managed.

5. Expenditures up to \$50,000

Authorization: CFO

Procurement: Agency contract will be required. Three formal bids may be required depending on the nature of the goods or services to be obtained.

6. Expenditures up to \$100,000

Authorization: CEO

Procurement: Agency contract will be required. Three formal bids may be required depending on the nature of the goods or services to be obtained. Disclosure of any contract over \$50,000 must be reported to the Commission in the monthly close package for which the expense was incurred.

7. Expenditures over \$100,000.00

Authorization: Commissioner meeting Action & Approval

Procurement: Contract will be required. A PO and three formal bids may be required depending on the nature of the goods or services to be obtained.

III. PROCEDURE

1. **Informal Bids or Proposals** - Intermediate, minor, and operational expenditure category projects, including procurement of supplies, goods, equipment and minor services are defined as projects having an actual or estimated value of fifty thousand dollars (\$50,000) or less. The solicitation and selection of bids and award of contracts shall comply with this policy, and shall be administered by the CEO or CFO or his or her delegate, according to the following procedures:
 - A. Informal bids shall be obtained as dictated by this policy from the open market and a written record of informal bids shall be kept with the related PO.
 - B. Execution and award of contracts. The Board of Commissioners, CEO or CFO may award contracts set forth in categories 4, 5, 6, and 7 above according to spending limit

	PURCHASING AND CONTRACTING POLICY	[Policy #]
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authority, and may waive competitive bidding requirements if in the best interest of the Agency.

2. **Major professional and technical services** - Major professional and technical services are defined as services having an actual or estimated value of greater than fifty thousand dollars and one cent (\$100,000.01). The solicitation and selection of proposals and award of contracts shall comply with this policy, and shall be administered by the CEO or his or her delegate, according to the following procedures:
 - A. The CEO shall approve the preparation and release of all requests for proposals (RFP), requests for qualifications (RFQ), and requests for information (RFI).
 - B. The CEO along with Agency staff shall determine, based on professional judgment, whether an RFP, RFQ or an RFI process best suits its needs and
 - C. Agency staff, or an agency-authorized consultant, shall prepare the RFP/RFQ/RFI document.
 - D. The CEO, agency staff, or an Agency-authorized consultant, or both shall prepare a list of suitable firms from known registries, professional organizations, and/or any other source. However, no interested firms shall be disqualified from participating in any bid process.
 - E. Agency staff shall issue the RFP/RFQ/RFI to suitable firms, and may also advertise for competitive proposals. The RFP/RFQ/RFI should be included in the final purchase order requisition.
 - F. Agency staff shall form a selection committee, which may include private consultants, to review the RFPs/RFQS/RFIS received, and the selection committee may conduct interviews and/or hold discussions with proposing firms.
 - G. The selection committee shall rank the proposing firms according to the criteria specified in the RFP/RFQ/RFI and agency staff shall notify firms of their position in the ranking.
 - H. The CEO, his or her delegate, or an agency-authorized consultant, shall negotiate with the top-ranked firm to arrive at mutually acceptable contract terms.
 - I. 9. The CEO, his or her delegate, or an agency-authorized consultant shall terminate negotiations and begin negotiations with the next-ranked firm if an agreement cannot be reached and continue this process until negotiations are successfully concluded or until the list of qualified firms submitting proposals is exhausted and an agreement cannot be reached.
 - J. 10. The Board of Commissioners shall award or reject the contract negotiated by agency staff.
3. The foregoing procedures may be modified by the CEO in consultation with the Board of Commissioners depending on the nature of the goods or services to be procured.

IV. DEFINITIONS

Whenever a word or term appears capitalized in this policy and procedure, the reader should refer to the "Definitions" below.

TERM	DEFINITION
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	PURCHASING AND CONTRACTING POLICY	[Policy #]
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Agency	Agency official shall mean every appointed official, officer, agent, and employee of the agency who is obligated to file an annual statement of economic interests (FPPC form 700) under state law.
Contract	Contract means a legal instrument by which a recipient purchases property or services needed to carry out the project or program.

Fact Sheet

Medicare Advantage and Part D Bid Preparation – CY 2027

November 5, 2025

Recommendations

Motion to approve the Wakely Statement of Work for CY 27 Medicare Bid preparation, not to exceed **\$265,000**.

Background

Pursuant to requirement of CMS, CHPIV will need to submit a bid for Medicare Advantage (Parts A & B), Part D, and supplemental benefits to be offered in 2027.

The Medicare Bid process is an annual event, typically kicking off in the late-Fall 14 months prior to the benefit year and extending to August of the following year. The process and corresponding Wakely proposal includes the following key activities:

- **Planning & Strategy (November 2025 – January 2026):** CHPIV and Wakely will develop a financial strategy and product/benefit goals for the DSNP product. This will include a competitor analysis, setting of high-level financial and enrollment targets, estimated profit margins, and product differentiation strategies.
- **Evaluation of Advanced Notice (late January):** Wakely will provide a detailed analysis of the Advanced Notice published by CMS which provides an early indication of the proposed 2027 rates, benefit requirements, risk adjustment methodologies, and other proposed policy changes contemplated by CMS for the 2027 benefit year (e.g., updates or elimination of policies made by the Inflation HR1, Part C or D policy changes, etc.)
- **Prepare Multiple Draft of Proposed DSNP Benefits:** Wakely will prepare no less than 3 drafts of CHPIV's proposed benefits and financial results of the DSNP product. Each draft will build on the overall product strategy, revised for updated assumptions, CMS policy revisions, and provide guidance on areas of improvement (e.g., membership projections, risk adjustment refinements, administrative cost assumptions, etc.) Each draft will be presented to CHPIV leadership for input and guidance.

- **Bid Pricing Tool (BPT) and Plan Benefit Package (PBP) submissions to CMS:** Wakely will prepare and submit all required BPT and PBP files to CMS subsequent to CHPIV and internal (Wakely) peer reviews. Wakely will validate consistency between the 2 submissions and perform tests to pass all CMS requirements.
- **Desk Review & Rebate Reallocation Process:** Subsequent to bid submission, CMS will lead Desk Review audits of all submissions (June 2026) and calculate Rebate Reallocations after publication of the National Average Bid Amount (NAMBA) made by CMS for Part D (July/August 2026).
- **Actuarial Certification:** Wakely will provide actuarial certification to all submitted bids and submit to CHPIV all relevant workpapers.

Current Situation

Wakely provided actuarial services to CHPIV for the 2026 Medicare Bid. Performance under last year's contract was exceptional and came in significantly under budget. While the new year will present additional workload for the actuarial team, CHPIV expects to leverage efficiencies executed in the 2026 Bid to come in at or below the SOW value.

Financial Impact (including Budget Reference)

\$265,000