



**CalOptima
Health**

Financial Summary January 31, 2026

**Board of Directors Meeting
March 5, 2026**

Nancy Huang, Chief Financial Officer

Our Mission

To serve member health with excellence and dignity, respecting the value and needs of each person.

Our Vision

Provide all members with access to care and supports to achieve optimal health and well-being through an equitable and high-quality health care system.

Financial Highlights Notes:

January 2026

- Notable events/items in January 2026
 - \$20.3 million in funding was received for Calendar Year (CY) 2025 Skilled Nursing Facility (SNF) Workforce & Quality Incentive Program (WQIP).
 - Both revenue and estimated expenses were recognized in January, resulting in no direct impact on the bottom line.
 - \$5.6 million Community Reinvestment obligation accrual
 - \$1.0 million Provider Workforce Development grant payment

Financial Highlights

January 2026

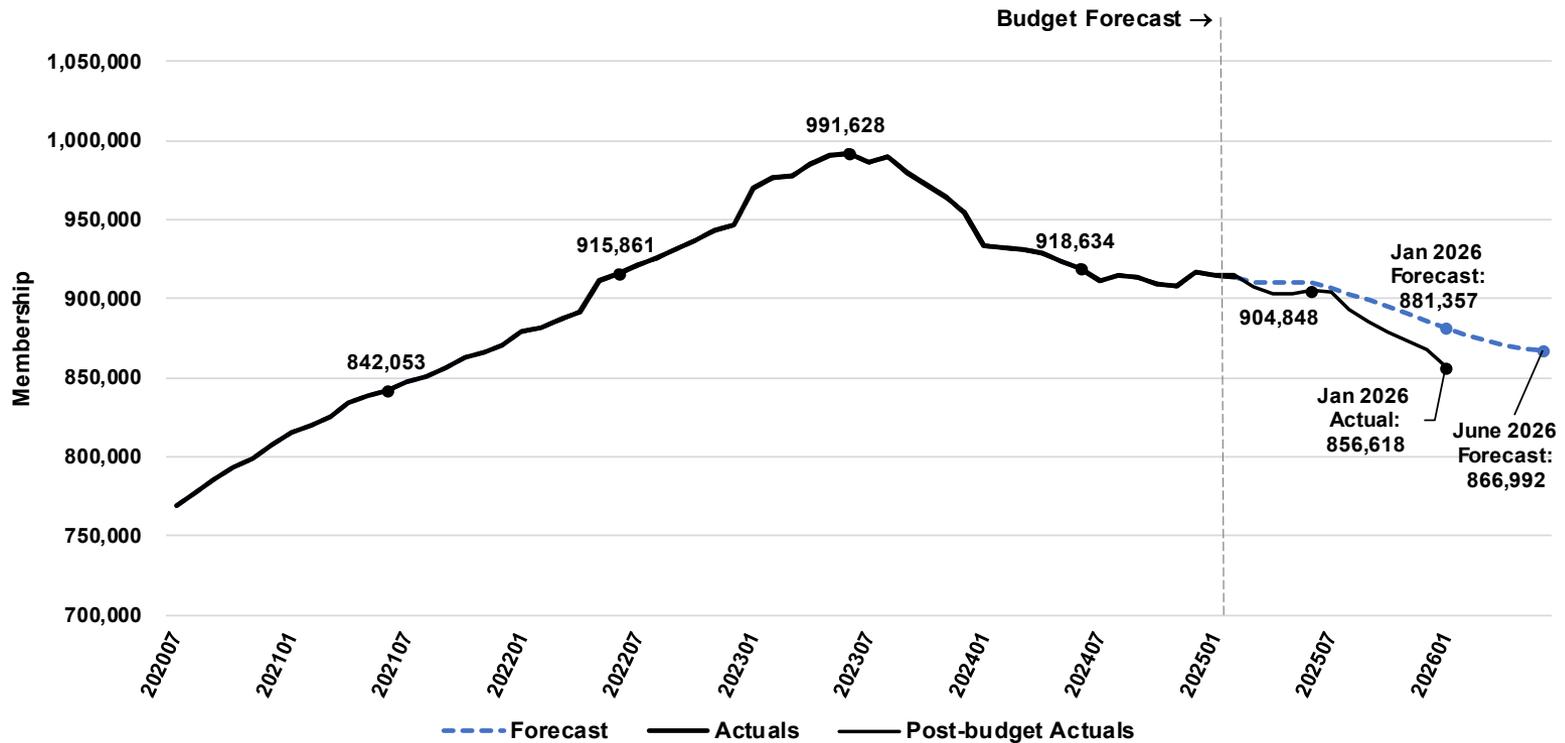
January 2026				July 2025 - January 2026				
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
857,663	881,357	(23,694)	(2.7%)	Member Months	6,159,886	6,259,726	(99,840)	(1.6%)
426,943,536	391,792,921	35,150,615	9.0%	Revenues	2,942,902,414	2,757,652,498	185,249,916	6.7%
377,771,989	368,599,043	(9,172,946)	(2.5%)	Medical Expenses	2,705,179,397	2,573,734,679	(131,444,718)	(5.1%)
22,608,356	25,603,272	2,994,916	11.7%	Administrative Expenses	151,014,716	177,925,841	26,911,124	15.1%
26,563,191	(2,409,394)	28,972,585	1,202.5%	Operating Margin	86,708,301	5,991,979	80,716,322	1,347.1%
				Non-Operating Income (Loss)				
11,716,939	8,333,341	3,383,597	40.6%	Net Investment Income/Expense	101,043,995	58,333,383	42,710,612	73.2%
(1,011,028)	-	(1,011,028)	(100.0%)	Grant Expense	(21,467,024)	-	(21,467,024)	(100.0%)
(5,623,375)	-	(5,623,375)	(100.0%)	Community Reinvestment	(9,246,243)	-	(9,246,243)	(100.0%)
(94,784)	(138,610)	43,826	31.6%	Other Income/Expense	(6,161,935)	(970,270)	(5,191,665)	(535.1%)
4,987,752	8,194,731	(3,206,980)	(39.1%)	Total Non-Operating Income (Loss)	64,168,793	57,363,113	6,805,680	11.9%
31,550,942	5,785,337	25,765,605	445.4%	Change in Net Assets	150,877,094	63,355,091	87,522,002	138.1%
88.5%	94.1%	(5.6%)		Medical Loss Ratio	91.9%	93.3%	(1.4%)	
5.3%	6.5%	1.2%		Administrative Loss Ratio	5.1%	6.5%	1.3%	
6.2%	(0.6%)	6.8%		Operating Margin Ratio	2.9%	0.2%	2.7%	
100.0%	100.0%			Total Operating	100.0%	100.0%		
83.6%	89.6%	(6.0%)		*Adjusted MLR	86.7%	88.9%	(2.2%)	
5.6%	6.5%	1.0%		*Adjusted ALR	5.6%	6.5%	0.9%	

*Adjusted MLR/ALR excludes estimated Board-approved Provider Rate increases and Directed Payments, but includes costs associated with CalOptima Health's Digital Transformation Strategy (DTS) budget

Actuals v. Budget – Total Membership



Consolidated



Notes:

- Data included in this report are based on member eligibility months rather than booked enrollment (as used in the financials).
- Includes data as of February 9, 2026



FY 2025-26: Management Summary

- Change in Net Assets Surplus or (Deficit)
 - Month To Date (MTD) January 2026: \$31.6 million, favorable to budget \$25.8 million or 445.4% driven by:
 - Favorable CY 2026 capitation rates by the Department of Health Care Services (DHCS) and Net Investment Income
 - Offset by unfavorable Community Reinvestment expense and Grant Expense
- Change in Net Assets Surplus or (Deficit)
 - Year To Date (YTD) July 2025 – January 2026: \$150.9 million, favorable to budget \$87.5 million or 138.1% driven by Net Investment Income, favorable member mix and capitation rates

FY 2025-26: Management Summary (cont.)

○ Enrollment

- MTD: 857,663 members, unfavorable to budget 23,694 or 2.7% due to freeze of enrollment for members 19 years or older with Unsatisfactory Immigration Status (UIS) and asset test reinstatement
- YTD: 6,159,886 member months, unfavorable to budget 99,840 or 1.6%

FY 2025-26: Management Summary (cont.)

○ Revenue

- MTD: \$426.9 million, favorable to budget \$35.2 million or 9.0% driven by Medi-Cal (MC) Line of Business (LOB) due primarily to favorable CY 2026 capitation rates
- YTD: \$2,942.9 million, favorable to budget \$185.2 million or 6.7% due primarily to:
 - MC LOB due to CY 2023 Hospital Directed Payments (DP), CY 2024 Quality Incentive Program (QIP), CY 2025 WQIP, favorable member mix and capitation rates
 - Offset by OneCare (OC) LOB lower than anticipated Risk Adjustment Factor (RAF)

FY 2025-26: Management Summary (cont.)

○ Medical Expenses

- MTD: \$377.8 million, unfavorable to budget \$9.2 million or 2.5% driven by unfavorable variances in:
 - Other Medical Expenses of \$20.9 million due to CY 2025 SNF WQIP accruals
 - Offset by \$11.7 million net favorable variances to budget in Provider Capitation expense, Professional Claims, Managed Long-Term Services and Supports (MLTSS) expense, Prescription Drugs expense and Medical Management expense due to lower utilization

FY 2025-26: Management Summary (cont.)

○ Medical Expenses

- YTD: \$2,705.2 million, unfavorable to budget \$131.4 million or 5.1% due to:
 - \$244.8 million in Other Medical expenses primarily due to CY 2023 Hospital DP, CY 2024 QIP and CY 2025 SNF WQIP
 - \$16.2 million in Facilities Claims
 - Offset by favorable variances to budget:
 - \$41.5 million in Incentive Payments primarily due to release of accrual for MC Pay-for-Value (P4V) Incentive Payments
 - \$30.3 million in MLTSS expense
 - \$29.3 million in Professional Claims expense
 - \$28.4 million in all other expense categories

FY 2025-26: Management Summary (cont.)

○ Administrative Expenses

- MTD: \$22.6 million, favorable to budget \$3.0 million or 11.7% due to the timing of administrative expense activities
- YTD: \$151.0 million, favorable to budget \$26.9 million or 15.1% due to the timing of administrative expense activities

FY 2025-26: Management Summary (cont.)

- Non-Operating Income (Loss)
 - MTD: \$5.0 million, unfavorable to budget \$3.2 million or 39.1% due to:
 - \$5.6 million unfavorable variance in Community Reinvestment
 - \$1.0 million unfavorable variance in Grant Expense
 - Offset by favorable variance in Net Investment Income of \$3.4 million

FY 2025-26: Management Summary (cont.)

- Non-Operating Income (Loss)
 - YTD: \$64.2 million, favorable to budget \$6.8 million or 11.9% due to:
 - \$42.7 million favorable Net Investment Income
 - Offset by:
 - \$21.5 million unfavorable variance in Grant Expense
 - \$9.2 million unfavorable variance in Community Reinvestment expense
 - \$5.7 million unfavorable variance in Other Income/Expense

FY 2025-26: Key Financial Ratios

○ Medical Loss Ratio (MLR)

		Actual	Budget	Variance (%)
MTD	MLR	88.5%	94.1%	(5.6%)
	Adjusted MLR*	83.6%	89.6%	(6.0%)
YTD	MLR	91.9%	93.3%	(1.4%)
	Adjusted MLR*	86.7%	88.9%	(2.2%)

○ Administrative Loss Ratio (ALR)

		Actual	Budget	Variance (%)
MTD	ALR	5.3%	6.5%	1.2%
	Adjusted ALR*	5.6%	6.5%	1.0%
YTD	ALR	5.1%	6.5%	1.3%
	Adjusted ALR*	5.6%	6.5%	0.9%

* Adjusted MLR/ALR excludes estimated Board-approved Provider Rate Increases and Directed Payments, but includes costs associated with DTS.

FY 2025-26: Key Financials Ratios (cont.)

- Balance Sheet Ratios
 - Current ratio*: 1.8
 - Board Designated Reserve level: 3.71
 - Statutory Designated Reserve level: 1.02
 - Net-position: \$3.0 billion, including required TNE of \$133.3 million

*Current ratio compares current assets to current liabilities. It measures CalOptima Health's ability to pay short-term obligations.

Enrollment Summary: January 2026

January 2026				Enrollment (by Aid Category)	July 2025 - January 2026			
Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance
118,620	125,763	(7,143)	(5.7%)	FAM	867,841	897,189	(29,348)	(3.3%)
245,378	256,423	(11,045)	(4.3%)	CHD	1,758,136	1,807,994	(49,858)	(2.8%)
310,542	320,419	(9,877)	(3.1%)	MCE	2,254,629	2,309,476	(54,847)	(2.4%)
3,148	2,510	638	25.4%	LTC	20,944	17,581	3,363	19.1%
152,071	148,641	3,430	2.3%	SPD	1,064,582	1,035,334	29,248	2.8%
8,750	9,056	(306)	(3.4%)	WCM	62,208	63,610	(1,402)	(2.2%)
838,509	862,812	(24,303)	(2.8%)	Medi-Cal Total	6,028,340	6,131,184	(102,844)	(1.7%)
18,617	17,992	625	3.5%	OneCare	127,800	124,755	3,045	2.4%
537	553	(16)	(2.9%)	PACE	3,746	3,787	(41)	(1.1%)
573	558	15	2.7%	MSSP*	3,968	3,906	62	1.6%
857,663	881,357	(23,694)	(2.7%)	CalOptima Health Total	6,159,886	6,259,726	(99,840)	(1.6%)

*MSSP enrollment is included in Medi-Cal total

Consolidated Revenue & Expenses: January 2026 MTD

	Medi-Cal	OneCare	PACE	MSSP	Covered CA	Consolidated
MEMBER MONTHS	838,509	18,617	537	573		857,663
REVENUES						
Capitation Revenue	\$ 384,388,035	\$ 37,404,901	\$ 4,902,771	\$ 247,830	\$ -	\$ 426,943,536
Total Operating Revenue	384,388,035	37,404,901	4,902,771	247,830	-	426,943,536
MEDICAL EXPENSES						
Provider Capitation	110,641,754	15,670,188				126,311,941
Facility and Professional Claims	136,427,815	8,580,591	1,383,225			146,391,631
MLTSS	47,265,105		36,222	22,802		47,324,129
Prescription Drugs		8,772,456	569,205			9,341,661
Case Mgmt & Other Medical	44,783,711	1,771,728	1,623,750	223,437		48,402,627
Total Medical Expenses	339,118,385	34,794,963	3,612,403	246,239	-	377,771,989
Medical Loss Ratio	88.2%	93.0%	73.7%	99.4%	0.0%	88.5%
GROSS MARGIN	45,269,650	2,609,937	1,290,369	1,591	-	49,171,547
ADMINISTRATIVE EXPENSES						
Salaries & Benefits	12,578,247	1,151,574	200,265	96,622	105,003	14,131,711
Non-Salary Operating Expenses	2,754,653	650,262	63,516	1,459	38,642	3,508,533
Depreciation & Amortization	902,555		882			903,437
Other Operating Expenses	3,519,985	75,302	17,468	6,718		3,619,474
Indirect Cost Allocation, Occupancy	(654,480)	1,075,275	17,018	7,388		445,202
Total Administrative Expenses	19,100,961	2,952,413	299,149	112,188	143,645	22,608,356
Administrative Loss Ratio	5.0%	7.9%	6.1%	45.3%	0.0%	5.3%
Operating Income/(Loss)	26,168,689	(342,476)	991,219	(110,596)	(143,645)	26,563,191
Investments and Other Non-Operating	(5,649,030)					4,987,752
CHANGE IN NET ASSETS	\$ 20,519,659	\$ (342,476)	\$ 991,219	\$ (110,596)	\$ (143,645)	\$ 31,550,942
BUDGETED CHANGE IN NET ASSETS	(1,585,660)	(157,942)	389,189	(122,505)	(932,476)	5,785,337
Variance to Budget - Fav/(Unfav)	\$ 22,105,319	\$ (184,534)	\$ 602,030	\$ 11,909	\$ 788,831	\$ 25,765,605

Consolidated Revenue & Expenses: January 2026 YTD

	Medi-Cal	OneCare	PACE	MSSP	Covered CA	Consolidated
MEMBER MONTHS	6,028,340	127,800	3,746	3,968		6,159,886
REVENUES						
Capitation Revenue	\$ 2,651,031,305	\$ 255,981,179	\$ 34,140,273	\$ 1,749,658	\$ -	\$ 2,942,902,414
Total Operating Revenue	2,651,031,305	255,981,179	34,140,273	1,749,658	-	2,942,902,414
MEDICAL EXPENSES						
Provider Capitation	793,806,790	102,890,680				896,697,469
Facility and Professional Claims	977,985,431	51,103,697	14,724,167			1,043,813,295
MLTSS	319,597,001		363,483	242,726		320,203,210
Prescription Drugs		70,551,561	4,077,908			74,629,469
Case Mgmt & Other Medical	344,149,668	13,828,041	10,441,527	1,416,717		369,835,953
Total Medical Expenses	2,435,538,890	238,373,979	29,607,085	1,659,443	-	2,705,179,397
Medical Loss Ratio	91.9%	93.1%	86.7%	94.8%	0.0%	91.9%
GROSS MARGIN	215,492,414	17,607,200	4,533,188	90,215	-	237,723,017
ADMINISTRATIVE EXPENSES						
Salaries & Benefits	82,218,741	7,227,431	1,292,335	660,265	505,848	91,904,620
Non-Salary Operating Expenses	21,343,458	3,824,447	595,915	10,230	1,892,842	27,666,892
Depreciation & Amortization	6,287,772		6,195			6,293,967
Other Operating Expenses	21,357,101	804,419	81,545	54,459		22,297,525
Indirect Cost Allocation, Occupancy	(4,846,056)	7,526,924	119,127	51,717		2,851,712
Total Administrative Expenses	126,361,017	19,383,220	2,095,117	776,671	2,398,691	151,014,716
Administrative Loss Ratio	4.8%	7.6%	6.1%	44.4%	0.0%	5.1%
Operating Income/(Loss)	89,131,398	(1,776,020)	2,438,071	(686,457)	(2,398,691)	86,708,301
Investments and Other Non-Operating	(14,900,428)					64,168,793
CHANGE IN NET ASSETS	\$ 74,230,969	\$ (1,776,020)	\$ 2,438,071	\$ (686,457)	\$ (2,398,691)	\$ 150,877,094
BUDGETED CHANGE IN NET ASSETS	23,251,153	(12,339,855)	2,036,598	(840,224)	(6,115,693)	63,355,091
Variance to Budget - Fav/(Unfav)	\$ 50,979,817	\$ 10,563,835	\$ 401,473	\$ 153,767	\$ 3,717,002	\$ 87,522,002

Balance Sheet: As of January 2026

ASSETS

Current Assets

Operating Cash	\$515,869,586
Short-term Investments	1,465,241,311
Capitation Receivable	603,782,117
Receivables - Other	19,960,923
Prepaid Expenses	18,634,583
Total Current Assets	2,623,488,520

Capital Assets

Capital Assets	207,396,434
Less: Accumulated Depreciation	(96,202,710)
Capital Assets, Net of Depreciation	111,193,724

Other Assets

Restricted Deposit & Other	300,000
Board Designated Reserves	1,627,699,797
Statutory Designated Reserves	136,029,813
Total Other Assets	1,764,029,611

TOTAL ASSETS	4,498,711,855
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Deferred Outflows	28,626,072
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TOTAL ASSETS & DEFERRED OUTFLOWS	\$4,527,337,927
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LIABILITIES & NET POSITION

Current Liabilities

Accounts Payable	\$109,066,011
Medical Claims Liability	1,118,440,447
Accrued Payroll Liabilities	25,386,026
Deferred Revenue	44,860,413
Other Current Liabilities	
Capitation and Withholds	128,609,736
Total Current Liabilities	1,426,362,633

Other Liabilities

GASB 96 Subscription Liabilities	24,446,899
Community Reinvestment	97,344,354
Capital Lease Payable	217,435
Post-Employment Health Care Plan	17,355,300
Net Pension Liabilities	5,840,992
Total Other Liabilities	145,204,980

TOTAL LIABILITIES	1,571,567,613
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Deferred Inflows	4,309,519
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Net Position

Required TNE	133,298,344
Funds in Excess of TNE	2,818,162,451
TOTAL NET POSITION	2,951,460,795

TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION	\$4,527,337,927
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Board Designated Reserve and TNE Analysis: As of January 2026

Board Designated Reserves

Investment Account Name	Market Value	CalOptima Policy Compliance Level		Variance	
		Low	High	Mkt - Low	Mkt - High
Payden & Rygel Tier One	813,586,279				
MetLife Tier One	814,113,519				
Board Designated Reserves	1,627,699,797	1,095,821,249	1,753,313,999	531,878,548	(125,614,201)
<i>Current Reserve Level (X months of average monthly revenue)¹</i>	<i>3.71</i>	<i>2.50</i>	<i>4.00</i>		

Statutory Designated Reserves

Investment Account Name	Market Value	CalOptima Policy Compliance Level		Variance	
		Low	High	Mkt - Low	Mkt - High
Payden & Rygel Tier Two	68,104,672				
MetLife Tier Two	67,925,141				
Statutory Designated Reserves	136,029,813	133,298,344	146,628,178	2,731,470	(10,598,365)
<i>Current Reserve Level (X min. TNE)¹</i>	<i>1.02</i>	<i>1.00</i>	<i>1.10</i>		

¹ See CalOptima Health Policy GA.3001: Statutory and Board-Designated Reserve Funds for more information.

Spending Plan: As of January 2026

Item Description	Amount (millions)	Approved Initiative	Expense to Date	%
Total Net Position @ 1/31/2026	\$2,951.5			100.0%
Resources Assigned				
Board Designated Reserve ¹	\$1,627.7			55.1%
Statutory Designated Reserve ¹	\$136.0			4.6%
Capital Assets, net of Depreciation	\$111.2			3.8%
Resources Allocated³				
Homeless Health Initiative ²	\$17.1	\$65.8	\$48.7	0.6%
Housing and Homelessness Incentive Program ²	24.7	87.4	62.7	0.8%
Intergovernmental Transfers (IGT) ⁴	39.0	52.1	13.1	1.3%
Digital Transformation and Workplace Modernization ³	21.3	100.0	78.7	0.7%
CalFresh Outreach Strategy	0.0	2.0	2.0	0.0%
CalFresh and Redetermination Outreach Strategy	1.8	6.0	4.2	0.1%
Coalition of Orange County Community Health Centers Grant	10.7	50.0	39.3	0.4%
Mind OC Grant (Irvine)	0.0	15.0	15.0	0.0%
General Awareness Campaign	0.3	4.7	4.4	0.0%
Member Health Needs Assessment	0.6	1.3	0.7	0.0%
Five-Year Hospital Quality Program Beginning MY 2023	111.1	153.5	42.4	3.8%
Skilled Nursing Facility Access Program	10.0	10.0	0.0	0.3%
In-Home Care Pilot Program with the UCI Family Health Center	1.9	2.0	0.1	0.1%
National Alliance for Mental Illness Orange County Peer Support Program Grant	2.5	5.0	2.5	0.1%
Stipend Program for Master of Social Work Students Grant	0.0	5.0	5.0	0.0%
Wellness & Prevention Program Grant	1.3	2.7	1.4	0.0%
CalOptima Health Provider Workforce Development Fund Grant	40.4	50.0	9.6	1.4%
Distribution Event - Naloxone Grant	2.2	15.0	12.8	0.1%
Garden Grove Bldg. Improvement	16.7	17.5	0.9	0.6%
CalOptima Health Community Reinvestment Program	19.0	19.0	0.0	0.6%
Dyadic Services Program Academy	0.2	1.9	1.7	0.0%
Outreach Strategy for newly eligible Adult Expansion members	1.0	6.8	5.8	0.0%
Expansion of CalOptima Health OC Outreach and Engagement Strategy	0.0	1.0	1.0	0.0%
Medi-Cal Provider Rate Increases	192.9	526.2	333.3	6.5%
Homeless Prevention and Stabilization Pilot Program	0.2	0.3	0.1	0.0%
OneCare Member Engagement and Education	0.2	0.3	0.1	0.0%
Medi-Cal Eligibility Outreach Strategy	19.8	19.8	0.0	0.7%
Supplemental Food Support due to Gov't shutdown	0.9	8.0	7.1	0.0%
Orange County Community Health Assessment and Improvement Plan	1.0	1.0	0.0	0.0%
Subtotal:	\$536.4	\$1,229.1	\$692.6	18.2%
Resources Available for New Initiatives				
Unallocated/Unassigned ¹	\$540.1			18.3%

¹ Total Designated Reserves and unallocated reserve amount can support approximately 199 days of CalOptima Health's current operations.

² See HHI and HHIP summaries and Allocated Funds for list of Board Approved Initiatives. Amount reported includes only portion funded by reserves.

³ On June 6, 2024, the Board of Directors approved an update to the Digital Transformation Strategy which will impact these figures beginning July 2024.

⁴ On June 5, 2025, the Board of Directors approved the close out of Board-approved initiatives and transfer of remaining funds back to unallocated reserves.

Homeless Health Initiative and Allocated Funds: As of January 2026

Summary by Funding Source:	Total Funds	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funds Available for New Initiatives
HHI - IGT'S	64,033,726	64,033,726	48,727,673	15,306,053	-
HHI - Existing Reserves	1,800,000	1,800,000	-	1,800,000	-
HHIP	40,100,000	40,100,000	-	40,100,000	-
Total	105,933,726	105,933,726	48,727,673	57,206,053	-

Funds Allocation, approved initiatives:	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funding Source(s)
Enhanced Medi-Cal Services at the Be Well OC Regional Mental Health and Wellness Campus	11,400,000	11,400,000	-	IGT's
Recuperative Care	6,194,190	6,194,190	-	IGT's
Medical Respite	250,000	250,000	-	IGT's
Day Habilitation (County for HomeKey) ¹	2,500,000	-	2,500,000	IGT's
Clinical Field Team Start-up & Federally Qualified Health Center (FQHC)	1,600,000	1,600,000	-	IGT's
CalOptima Health Homeless Response Team	1,681,734	1,681,734	-	IGT's
Homeless Coordination at Hospitals	10,000,000	9,956,478	43,522	IGT's
CalOptima Health Days, Homeless Clinical Access Program (HCAP) and FQHC Administrative Support	963,261	925,540	37,721	IGT's
FQHC (Community Health Center) Expansion	21,902	21,902	-	IGT's
HCAP and CalOptima Health Days	9,888,914	4,866,921	5,021,993	IGT's
Vaccination Intervention and Member Incentive Strategy ³	54,649	54,649	-	IGT's
Street Medicine ²	14,279,077	9,500,245	4,778,832	IGT's & Existing Reserves
Outreach and Engagement	7,000,000	2,276,015	4,723,985	IGT's
Housing and Homelessness Incentive Program (HHIP) ⁴	40,100,000	-	40,100,000	IGT's & Existing Reserves
Subtotal of Approved Initiatives	105,933,726	48,727,673	57,206,053	
Transfer of funds to HHIP ⁴	(40,100,000)	-	(40,100,000)	
Program Total	65,833,726	48,727,673	17,106,053	

¹On February 5, 2026, CalOptima Health's Board of Directors approved the closeout of the Day Habilitation (County for HomeKey) and designated the remaining balance of \$2.5 million as available for allocation to deliver enhanced services for Medi-Cal members.

²On August 7, 2025, CalOptima Health's Board of Directors approved \$9.3 million to expand the Street Medicine Program - \$3.2 million remaining from Street Medicine Initiative (from the Homeless Health Initiatives Reserve), \$1.8 million from Existing Reserves, and \$4.3 million from Intergovernmental Transfer balance resulting from a June 5, 2025, Board of Director action, to fund 2-year grant agreements to Healthcare in Action (Anaheim), Celebrating Life Community Health Center (Costa Mesa), and AltaMed (Santa Ana).

³On June 5, 2025 the Board of Directors approved the close out of the Vaccination Intervention and Member Incentive Strategy program and transfer of the remaining funds of \$68,699 to unallocated reserves for new initiatives.

⁴On September 1, 2022, CalOptima Health's Board of Directors approved reallocation of \$40.1 million from HHI to HHIP.

Housing and Homelessness Incentive Program: As of January 2026

Summary by Funding Source:	Total Funds ¹	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funds Available for New Initiatives
DHCS HHIP Funds	65,931,189	65,931,189	32,995,535	32,935,654	-
Existing Reserves & HHI Transfer	87,384,530	87,384,530	62,711,475	24,673,055	-
Street Medicine Support Center - GGG Building	7,000,000	7,000,000	-	-	-
Total	160,315,719	160,315,719	95,707,010	64,608,709	-

Funds Allocation, approved initiatives:	Allocated Amount	Utilized Amount	Remaining Approved Amount	Funding Source(s)
Office of Care Coordination	2,200,000	2,200,000	-	HHI
Pulse For Good	1,400,000	894,250	505,750	HHI
Equity Grants for Programs Serving Underrepresented Populations	4,871,311	3,721,311	1,150,001	HHI & DHCS
Infrastructure Projects	5,832,314	5,765,644	66,670	HHI
Capital Projects	123,497,564	74,146,735	49,350,829	HHI, DHCS & Existing Reserves
System Change Projects	21,814,530	8,323,680	13,490,850	DHCS
Non-Profit Healthcare Academy	700,000	655,391	44,609	DHCS
Total of Approved Initiatives	\$160,315,719¹	\$95,707,010	\$64,608,709	
*Transfer of funds to Street Medicine Support Center-GG Building	(\$7,000,000)	\$0	(\$7,000,000)	
Program Total	\$153,315,719	\$95,707,010	\$57,608,709	

¹Total funding \$160.3 million: \$40.1 million Board-approved reallocation from HHI, \$47.2 million from CalOptima Health existing reserves and \$73.0 million from DHCS HHIP incentive payments

*On October 2, 2025, CalOptima Health's Board of Directors approved up to \$7.0 million for general contractor services & furniture, fixtures & equipment for Street Medicine Support Center 7900 Garden Grove Blvd, Garden Grove, CA.



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