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Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2005

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2005 calendar year, or tax year beginning 01-01-2005 and ending 12-31-2005

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
KAISER HEALTH PLAN ASSET MANAGEMENT INC

Number and street (or P O box if mail is not delivered to street address) | Room/suite
ONE KAISER PLAZA SUITE 1550L

City or town, state or country, and ZIP + 4
OAKLAND, CA 94612

D Employer identification number
94-3299124

E Telephone number
(510) 271-6611

F Accounting method ☐ Cash ☑ Accrual
☐ Other (specify) ▶

● **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) If "Yes" enter number of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list See instructions)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☑ No

I Group Exemption Number ▶

M Check ▶ ☑ if the organization is **not** required to attach Sch B (Form 990, 990-EZ, or 990-PF)

G Web site: ▶ N/A

J Organization type (check only one) ▶ ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

K Check here ▶ ☐ if the organization's gross receipts are normally not more than $25,000 The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data **Some states require a complete return.**

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 31,693,042

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a			
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	**Total** (add lines 1a through 1c) (cash $ ______ noncash $ ______)			1d	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	31,537,360
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	3,989
	5	Dividends and interest from securities			5	
	6a	Gross rents	6a			
	b	Less rental expenses	6b			
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c	
	7	Other investment income (describe ▶)			7	
	8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other		
			8a			
	b	Less cost or other basis and sales expenses	8b			
	c	Gain or (loss) (attach schedule)	8c			
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))			8d	
	9	Special events and activities (attach schedule) If any amount is from **gaming**, check here ▶ ☐				
	a	Gross revenue (not including $ ______ of contributions reported on line 1a)	9a			
	b	Less direct expenses other than fundraising expenses	9b			
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c	
	10a	Gross sales of inventory, less returns and allowances	10a			
	b	Less cost of goods sold	10b			
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	
	11	Other revenue (from Part VII, line 103)			11	151,693
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	31,693,042
Expenses	13	Program services (from line 44, column (B))			13	31,552,655
	14	Management and general (from line 44, column (C))			14	
	15	Fundraising (from line 44, column (D))			15	
	16	Payments to affiliates (attach schedule)			16	
	17	**Total expenses** (add lines 16 and 44, column (A))			17	31,552,655
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	140,387
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	130,330,741
	20	Other changes in net assets or fund balances (attach explanation)			20	8,000,000
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	138,471,128

Part II **Statement of Functional Expenses** All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See the instructions)

	Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash $0 noncash $0) If this amount includes foreign grants, check here ☐	22				
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25	Compensation of officers, directors, etc	25	0			
26	Other salaries and wages	26				
27	Pension plan contributions	27	0			
28	Other employee benefits	28				
29	Payroll taxes	29				
30	Professional fundraising fees	30				
31	Accounting fees	31				
32	Legal fees	32				
33	Supplies	33				
34	Telephone	34				
35	Postage and shipping	35				
36	Occupancy	36				
37	Equipment rental and maintenance	37				
38	Printing and publications	38				
39	Travel	39				
40	Conferences, conventions, and meetings	40				
41	Interest	41	38,459	38,459		
42	Depreciation, depletion, etc (attach schedule)	42	19,235,229	19,235,229		
43	Other expenses not covered above (itemize)					
a	LEASE SERVICE EXPENSES	43a	12,188,257	12,188,257		
b	AFFILIATES ALLOCATION	43b	529	529		
c	PROPERTY & OTHER TAXES	43c	90,181	90,181		
d		43d				
e		43e				
f		43f				
g		43g				
44	**Total functional expenses.** Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13–15)	44	31,552,655	31,552,655	0	0

Joint Costs. Check ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ☐ **Yes** ☑ **No**

If "Yes," enter **(i)** the aggregate amount of these joint costs $________, **(ii)** the amount allocated to Program services $________, **(iii)** the amount allocated to Management and general $, and **(iv)** the amount allocated to Fundraising $

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

What is the organization's primary exempt purpose? ▶ THE PRIMARY EXEMPT PURPOSE OF THIS ORGANIZATION IS TO ACQUIRE CAPITAL MEDICAL EQUIPMENT FOR LEASE TO ITS SOLE MEMBER, KAISER FOUNDATION HEALTH PLAN, INC FOR USE IN PROVIDING HEALTH CARE TO MEMBERS OF THE COMMUNITY AND TO MEMBERS OF THE KAISER PERMANENTE MEDICAL CARE PROGRAM THE ORGANIZATION INVESTS ITS SURPLUS FUNDS IN SHORT-TERM SECURITIES UNTIL NEEDED FOR CAPITAL EQUIPMENT ACQUISITION PROGRAMS AND REPORTS THE INCOME FROM SUCH INVESTED FUNDS All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	**Program Service Expenses** (Required for 501(c)(3) and (4) orgs , and 4947(a)(1) trusts, but optional for others)
a SEE STATEMENT 3 (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	31,552,655
b (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
c (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) . . . . ▶	31,552,655

Part IV Balance Sheets (See the instructions.)

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*

			(A) Beginning of year		(B) End of year
Assets 45 Cash—non-interest-bearing				45	
46 Savings and temporary cash investments			225,540	46	2,357,157
47a Accounts receivable	47a	40,878,732			
b Less allowance for doubtful accounts	47b		198,405,710	47c	40,878,732
48a Pledges receivable	48a				
b Less allowance for doubtful accounts	48b			48c	
49 Grants receivable				49	
50 Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
51a Other notes and loans receivable (attach schedule)	51a				
b Less allowance for doubtful accounts	51b			51c	
52 Inventories for sale or use				52	
53 Prepaid expenses and deferred charges			707	53	0
54 Investments—securities (attach schedule) ▶ ☐ Cost ☑ FMV				54	
55a Investments—land, buildings, and equipment basis	55a				
b Less accumulated depreciation (attach schedule)	55b			55c	
56 Investments—other (attach schedule)				56	
57a Land, buildings, and equipment basis	57a	159,867,959			
b Less accumulated depreciation (attach schedule)	57b	51,620,189	117,805,214	57c	108,247,770
58 Other assets (describe ▶)				58	
59 **Total assets** (must equal line 74) Add lines 45 through 58			316,437,171	59	151,483,659
Liabilities 60 Accounts payable and accrued expenses			16,245,146	60	12,460,394
61 Grants payable				61	
62 Deferred revenue				62	
63 Loans from officers, directors, trustees, and key employees (attach schedule)				63	
64a Tax-exempt bond liabilities (attach schedule)				64a	
b Mortgages and other notes payable (attach schedule)				64b	
65 Other liabilities (describe ▶)			169,861,284	65	552,137
66 **Total liabilities** Add lines 60 through 65			186,106,430	66	13,012,531
Net Assets or Fund Balances **Organizations that follow SFAS 117, check here** ▶ ☐ and complete lines 67 through 69 and lines 73 and 74					
67 Unrestricted				67	
68 Temporarily restricted				68	
69 Permanently restricted				69	
Organizations that do not follow SFAS 117, check here ▶ ☑ and complete lines 70 through 74					
70 Capital stock, trust principal, or current funds			130,154,849	70	138,154,849
71 Paid-in or capital surplus, or land, building, and equipment fund				71	
72 Retained earnings, endowment, accumulated income, or other funds			175,892	72	316,279
73 **Total net assets or fund balances** (add lines 67 through 69 **or** lines 70 through 72, column (A) **must** equal line 19, column (B) **must** equal line 21)			130,330,741	73	138,471,128
74 **Total liabilities and net assets / fund balances** Add lines 66 and 73			316,437,171	74	151,483,659

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	
b	Amounts included on line **a** but not on line 12				
1	Net unrealized gains on investments	b1			
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify) ______	b4			
	Add lines **b1** through **b4**			b	
c	Subtract line **b** from line **a**			c	
d	Amounts included on line 12, but not on line **a**				
1	Investment expenses not included on line 6b	d1			
2	Other (specify) ______	d2			
	Add lines **d1** and **d2**			d	
e	**Total revenue** (line 12) Add lines **c** and **d** ▶			e	

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements			a	
b	Amounts included on line **a** but not on line 17				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on line 20	b2			
3	Losses reported on line 20	b3			
4	Other (specify) ______	b4			
	Add lines **b1** through **b4**			b	
c	Subtract line **b** from line **a**			c	
d	Amounts included on line 17, but not on line **a:**				
1	Investment expenses not included on line 6b	d1			
2	Other (specify) ______	d2			
	Add lines **d1** and **d2**			d	
e	**Total expenses** (line 17) Add lines **c** and **d** ▶			e	

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	**(B)** Title and average hours per week devoted to position	**(C)** Compensation **(If not paid, enter -0-.)**	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
SEE STATEMENT 1 KAISER PLAZA OAKLAND, CA 94612	SEE STATEMENT 1	0	0	0

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

			Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 4			
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b	Yes	
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control?	75c	Yes	
	Note. Related organizations include section 509(a)(3) supporting organizations If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization			
d	Does the organization have a written conflict of interest policy?	75d	Yes	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances

Part VI Other Information *(See the instructions.)*

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		No
77	Were any changes made in the organizing or governing documents but not reported to the IRS?	77		No
	If "Yes," attach a conformed copy of the changes			
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		No
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization?	80a	Yes	
b	If "Yes," enter the name of the organization ▶ SEE ATTACHED RELATED AND AFFILIATED ENTITIES and check whether it is ☑ exempt **or** ☐ nonexempt			
81a	Enter direct or indirect political expenditures (See line 81 instructions) 81a: 0			
b	Did the organization file **Form 1120-POL** for this year?	81b		No

Part VI Other Information *(continued)*

			Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	**82a**		No
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) **82b**			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	**83a**	Yes	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	**83b**	Yes	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	**84a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	**84b**		
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members?	**85a**		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	**85b**		
	If "Yes," was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed the prior year			
c	Dues assessments, and similar amounts from members **85c**			
d	Section 162(e) lobbying and political expenditures **85d**			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices **85e**			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) **85f**			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	**85g**		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	**85h**		
86	*501(c)(7) orgs.* Enter **a** Initiation fees and capital contributions included on line 12 **86a** 0			
b	Gross receipts, included on line 12, for public use of club facilities **86b** 0			
87	*501(c)(12) orgs.* Enter **a** Gross income from members or shareholders **87a** 0			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) **87b** 0			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX	**88**		No
89a	*501(c)(3) organizations* Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0 , section 4912 ▶ 0 , section 4955 ▶ 0			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	**89b**		No

c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0

d Enter Amount of tax on line 89c, above, reimbursed by the organization ▶

90a List the states with which a copy of this return is filed ▶ CA

b Number of employees employed in the pay period that includes March 12, 2005 (See instructions) **90b**

91a The books are in care of ▶ NATIONAL DIRECTOR OF TAX Telephone no ▶ (510) 271-6385

Located at ▶ ONE KAISER PLAZA 1550L OAKLAND, CA ZIP + 4 ▶ 94612

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	**91b**		No
	If "Yes," enter the name of the foreign country ▶			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**, Report of Foreign Bank and Financial Accounts			
c	At any time during the calendar year, did the organization maintain an office outside of the United States?	**91c**		No
	If "Yes," enter the name of the foreign country ▶			

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* ***Form 1041***—Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the tax year ▶ **92**

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: *Enter gross amounts unless otherwise indicated.*

	Unrelated business income (A) Business code	Unrelated business income (B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	Excluded by section 512, 513, or 514 (D) Amount	(E) Related or exempt function income
93 Program service revenue					
a RENTAL INCOME					31,537,360
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments	621400	3,989			
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b non debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue **a** INTEREST REVENUE			14	151,693	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		3,989		151,693	31,537,360

105 Total (add line 104, columns (B), (D), and (E)) ▶ 31,693,042

Note: *Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93A	DURABLE MEDICAL EQUIPMENT LEASE REVENUE FROM SOLE-MEMBER
0	EXEMPT ORGANIZATION ON CAPITAL LEASES FOR EQUIPMENT USED IN
0	ITS EXEMPT ACTIVITIES

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ **Yes** ☑ **No**

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ **Yes** ☑ **No**

NOTE: *If "Yes" to **(b)**, file Form 8870 **and** Form 4720 (see instructions).*

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Signature of officer — Date: 2006-11-13

DEBORAH STOKES VP & CONTROLLER
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-empolyed ▶ ☐	Preparer's SSN or PTIN (See Gen Inst W)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶	KPMG LLP 55 SECOND STREET SAN FRANCISCO, CA 94105		EIN ▶ Phone no ▶

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2005

Name of the organization
KAISER HEALTH PLAN ASSET MANAGEMENT INC

Employer identification number
94-3299124

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	**(b)** Title and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans & deferred compensation	**(e)** Expense account and other allowances
None				
Total number of other employees paid over $50,000 ▶				

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individual or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	**(b)** Type of service	**(c)** Compensation
None		
Total number of others receiving over $50,000 for professional services ▶		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individual or firms. If there are none, enter "None". See page X for instructions.)

(a) Name and address of each independent contractor paid more than $50,000	**(b)** Type of service	**(c)** Compensation
None		
Total number of other contractors receiving over $50,000 for other services ▶		

Part III **Statements About Activities** (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, include any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶$ ________ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)	1		No
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing property?	2a	Yes	
b	Lending of money or other extension of credit?	2b	Yes	
c	Furnishing of goods, services, or facilities?	2c	Yes	
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	Yes	
e	Transfer of any part of its income or assets?	2e		No
3a	Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)	3a		No
b	Do you have a section 403(b) annuity plan for your employees?	3b		No
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c		No
4a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a		No
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b		No

Part IV **Reason for Non-Private Foundation Status** (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is (Please check only **ONE** applicable box)

5 ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)

6 ☐ A school Section 170(b)(1)(A)(ii) (Also complete Part V)

7 ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)

8 ☐ A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)

9 ☐ A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ▶ ________

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)

11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

11b ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

12 ☐ An organization that normally receives **(1) more than 331/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions—subject to certain exceptions, and **(2) no more than 331/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)

13 ☑ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization ▶ ☑ Type 1 ☐ Type 2 ☐ Type 3

Provide the following information about the supported organizations (see page 5 of the instructions)

(a) Name(s) of supported organization(s)	**(b)** Line number from above
KAISER FOUNDATION HEALTH PLAN INC	12

14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

Part IV-A **Support Schedule** (Complete only if you checked a box on line 10, 11, or 12) ***Use cash method of accounting.***

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

	Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15	Gifts, grants, and contributions received (Do not include unusual grants See line 28)					
16	Membership fees received					
17	Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose					
18	Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19	Net income from unrelated business activities not included in line 18					
20	Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21	The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22	Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					
23	Total of lines 15 through 22					
24	Line 23 minus line 17					
25	Enter 1% of line 23					

26 **Organizations described on lines 10 or 11:** **a** Enter 2% of amount in column (e), line 24 ▶ **26a**

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts ▶ **26b**

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ **26c**

d Add Amounts from column (e) for lines 18 ______ 19 ______ 22 ______ 26b ______ ▶ **26d**

e Public support (line 26c minus line 26d total) ▶ **26e**

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ **26f**

27 **Organizations described on line 12:** **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " **Do not file this list with your return.** Enter the sum of such amounts for each year

(2004) ______ (2003) ______ (2002) ______ (2001) ______

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year

(2004) ______ (2003) ______ (2002) ______ (2001) ______

c Add Amounts from column (e) for lines 15 ______ 16 ______ 17 ______ 20 ______ 21 ______ ▶ **27c**

d Add Line 27a total ______ and line 27b total ______ ▶ **27d**

e Public support (line 27c total minus line 27d total) ▶ **27e**

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ **27f**

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27g**

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ **27h**

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)			
32	Does the organization maintain the following			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)			
33	Does the organization discriminate by race in any way with respect to			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement			
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)
(To be completed ONLY by an eligible organization that filed Form 5768)

Check ▶ **a** ☐ if the organization belongs to an affiliated group Check ▶ **b** ☐ if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	**36**		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	**37**		
38 Total lobbying expenditures (add lines 36 and 37)	**38**		
39 Other exempt purpose expenditures	**39**		
40 Total exempt purpose expenditures (add lines 38 and 39)	**40**		0
41 Lobbying nontaxable amount Enter the amount from the following table—	**41**		
42 Grassroots nontaxable amount (enter 25% of line 41)	**42**		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	**43**		0
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	**44**		0

If the amount on line 40 is—	The lobbying nontaxable amount is—
Not over $500,000	20% of the amount on line 40
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50 on page 11 of the instructions)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2005	**(b)** 2004	**(c)** 2003	**(d)** 2002	**(e)** Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines **c** through **h.**)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 11 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	51a(i)		No
(ii) Other assets	a(ii)		No
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		No
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		No
(iii) Rental of facilities, equipment, or other assets	b(iii)		No
(iv) Reimbursement arrangements	b(iv)		No
(v) Loans or loan guarantees	b(v)		No
(vi) Performance of services or membership or fundraising solicitations	b(vi)		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		No

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

KAISER HEALTH PLAN ASSET MANAGEMENT, INC. 94-3299124
FORM 990 TAX YEAR 2005

STATEMENT OF FIXED ASSETS AND DEPRECIATION

**FORM 990 PART IV, LINE 57 - LAND, BUILDING AND EQUIPMENT,
LESS ACCUMULATED DEPRECIATION AND AMORTIZATION; AND
PART II, LINE 42, COLUMN (B) - DEPRECIATION AND AMORTIZATION EXPENSE**

	COST		ACCUMULATED DEPREC/AMORT		2005
	BEGINNING OF YEAR	END OF YEAR	BEGINNING OF YEAR	END OF YEAR	DEP/AMORT EXPENSE
LAND	0		0	0	0
LAND IMPROVEMENTS	0		0	0	0
BUILDINGS	0		0	0	0
LEASEHOLD IMPROVEMENTS	0		0	0	0
EQUIPMENT	150,441,076	157,883,012	33,759,493	50,251,303	18,615,127
CAPITALIZED SOFTWARE	1,872,412	1,984,947	748,781	1,368,886	620,102
CAPITALIZED LEASES	0		0		0
CONSTRUCTION IN PROGRESS	0		0		0
TOTALS TO					
PART IV, LINE 57(A)	152,313,488	159,867,959			
PART IV, LINE 57(B)			34,508,274	51,620,189	
PART IV, LINE 57(C)	117,805,214	108,247,770			
PART II, LINE 42(A) DEPRECIATION, DEPLETION, ETC.					19,235,229

KAISER HEALTH PLAN ASSET MANAGEMENT, INC.
94-3299124
12/31/05

STATEMENT FORM 990 PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE/ HOURS	(C1) COMPENSATION PRE-2005	(C2) COMPENSATION 2005	(D1) BENEFIT 2005	(D2) BENEFIT PAID 2006	(E) OTHER PAYMENTS
	See note 7	See Notes 3 & 4	See Notes 3 & 4	See Notes 3, 4 & 5	See Notes 3, 4 & 5	See notes 3, 4 & 6
DIRECTORS:						
THOMAS R MEIER	DIRECTOR & CHAIR	0	0	0	0	0
ROBERT E BRIGGS	DIRECTOR to Feb 2005	0	0	0	0	0
KATHYRN LANCASTER	DIRECTOR from Feb 2005	0	0	0	0	0
HONG-SZE YU	DIRECTOR	0	0	0	0	0
OFFICERS AND KEY EMPLOYEES:						
THOMAS R MEIER	PRESIDENT	0	0	0	0	0
ROBERT E BRIGGS	SVP & CFO to Feb. 2005	0	0	0	0	0
KATHYRN LANCASTER	SVP & CFO from Feb. 2005	0	0	0	0	0
STEVEN ZATKIN	SECRETARY	0	0	0	0	0
VICTORIA B ZATKIN	ASST SECRETARY	0	0	0	0	0

NOTES: See following page for notes applicable to the above reporting.

STATEMENT 11
PAGE 1/4

KAISER HEALTH PLAN ASSET MANAGEMENT, INC.
94-3299124
12/31/05

STATEMENT FORM 990 PART V, LINE 75 - LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE/ HOURS See note 7		(C1) COMPENSATION PRE-2005 See Notes 3 & 4	(C2) COMPENSATION 2005 See Notes 3 & 4	(D1) BENEFIT PAID 2006 See Notes 3, 4 & 5	(D2) BENEFIT PAYMENTS See Notes 3, 4 & 5	(E) OTHER PAYMENTS See notes 3, 4 & 6
DIRECTORS:							
THOMAS R MEIER	DIRECTOR & CHAIR		See Below	See Below	See Below	See Below	See Below
ROBERT E BRIGGS	DIRECTOR to Feb 2005		See Below	See Below	See Below	See Below	See Below
KATHYRN LANCASTER	DIRECTOR from Feb. 2005		See Below	See Below	See Below	See Below	See Below
HONG-SZE YU	DIRECTOR		0	0	0	0	0
OFFICERS AND KEY EMPLOYEES:							
THOMAS R MEIER	PRESIDENT	40	166,555	330,101	123,589	154,818	0
ROBERT E BRIGGS	SVP & CFO to Feb 2005	40	3,798,344	3,893,545	114,996	3,334	0
KATHYRN LANCASTER	SVP & CFO from Feb. 2005	40	156,539	577,854	240,701	323,499	0
STEVEN ZATKIN	SECRETARY	40	512,031	815,098	657,832	333,189	0
VICTORIA B ZATKIN	ASST SECRETARY	40	33,467	225,589	60,622	66,581	0

NOTES: See following page for notes applicable to the above reporting.

KAISER HEALTH PLAN ASSET MANAGEMENT, INC.
TIN: 94-3299124
DECEMBER 31, 2005

ATTACHMENT FOR:

FORM 990 PART VI, QUESTION 80 - RELATED AND AFFILIATED ENTITIES

KAISER FOUNDATION HEALTH PLAN, INC. AND KAISER FOUNDATION HOSPITALS, CALIFORNIA NOT-FOR PROFIT CORPORATIONS, EXEMPT FROM INCOME TAX UNDER INTERNAL REVENUE CODE SECTION 501(C)(3), HAVE A CONTROLLING OR AFFILIATED INTEREST IN THE FOLLOWING CORPORATIONS AS OF DECEMBER 31, 2005:

EMPLOYER ID #	ENTITY NAME		DIRECT & INDIRECT % CONTROLLED BY KFHP, INC.
SUBSIDIARY ENTITIES THAT ARE OWNED DIRECTLY OR INDIRECTLY BY KAISER FOUNDATION HEALTH PLAN, INC., THAT ARE ALSO EXEMPT FROM FEDERAL INCOME TAX UNDER IRC 501(C)(3):			
93-0798039	KAISER FOUNDATION HEALTH PLAN OF THE NORTHWEST		100%
84-0591617	KAISER FOUNDATION HEALTH PLAN OF COLORADO		100%
58-1592076	KAISER FOUNDATION HEALTH PLAN OF GEORGIA, INC		100%
52-0954463	KAISER FOUNDATION HEALTH PLAN OF THE MID-ATLANTIC STATES, INC.		100%
34-0922268	KAISER FOUNDATION HEALTH PLAN OF OHIO		100%
23-7425486	COMMUNITY HEALTH PLAN		100%
94-3299124	**KAISER HEALTH PLAN ASSET MANAGEMENT, INC.**		**100%**
93-0954562	KAISER HEALTH ALTERNATIVES		100%
94-3299123	CAMP BOWIE SERVICE CENTER		100%
93-0480268	OHP		100%
91-2171891	LOKAHI ASSURANCE, LTD		100%
SUBSIDIARY ENTITIES THAT ARE OWNED DIRECTLY OR INDIRECTLY BY KAISER FOUNDATION HEALTH PLAN, INC. THAT ARE TAXABLE FOR FEDERAL AND STATE INCOME TAX PURPOSES:			
03-0329760	OAK TREE ASSURANCE, LTD		100%
94-3113684	KAISER PERMANENTE HEALTH ALTERNATIVES, INC		100%
94-3259432	KAISER PROPERTIES SERVICES, INC		100%
91-1814507	CHP COMPANIES, INC		100%
KAISER FOUNDATION HEALTH PLAN, INC. IS AFFILIATED WITH THE FOLLOWING ENTITIES EXEMPT FROM FEDERAL INCOME TAX UNDER IRC SECTION 501(C)(3):			
94-1105628	KAISER FOUNDATION HOSPITALS	*(1)	N/A
94-3299125	KAISER HOSPITALS ASSET MANAGEMENT, INC	*(2)	N/A
KAISER FOUNDATION HEALTH PLAN, INC. IS AFFILIATED WITH THE FOLLOWING ENTITIES THAT ARE NOT EXEMPT FROM FEDERAL INCOME TAX.			
94-3245176	KAISER PERMANENTE INTERNATIONAL	*(2)	N/A
94-3292262	KAISER PERMANENTE VENTURES	*(2)	N/A
68-0444615	CARETOUCH, INC	*(2)	N/A
91-2166347	KP ONCALL, LLC (elected to be treated as a disregarded entity for tax purposes)	*(2)	N/A
94-3203402	KAISER PERMANENTE INSURANCE COMPANY	*(3)	50%
N/A	HAMI - COLORADO, LLC (elected to be treated as a disregarded entity for tax purposes)	*(4)	N/A
20-2961620	KP CAL		100%
20-2712661	KPCAL, LLC (elected to be treated as a disregarded entity for tax purposes)		100%

NOTE *(1) **KAISER FOUNDATION HOSPITALS**, A CALIFORNIA NOT-FOR-PROFIT CORPORATION, EXEMPT FROM INCOME TAX UNDER THE PROVISIONS OF INTERNAL REVENUE CODE SECTION 501(C)(3), SHARES A COMMON BOARD OF DIRECTORS WITH KAISER FOUNDATION HEALTH PLAN, INC

NOTE *(2) THESE ENTITIES ARE SUBSIDIARIES OF KAISER FOUNDATION HOSPITALS

NOTE *(3) **KAISER PERMANENTE INSURANCE COMPANY** IS A NON-EXEMPT LIFE, ACCIDENT AND HEALTH INSURANCE COMPANY OF WHICH 100% OF THE PREFERRED STOCK AND 50% OF THE COMMON STOCK ARE OWNED BY KAISER FOUNDATION HEALTH PLAN, INC THE REMAINING 50% OF COMMON STOCK IS OWNED BY NON-AFFILIATED PHYSICIANS PRACTICE GROUPS

NOTE *(4) **HAMI - COLORADO, LLC** - THE SOLE MEMBER OF THIS LIMITED LIABILITY COMPANY IS KAISER HOSPITALS ASSET MANAGEMENT, INC

THE COMMON ADDRESS FOR ALL ENTITIES LISTED ABOVE IS:

C/O KAISER FOUNDATION HEALTH PLAN, INC.
PROGRAM OFFICE CONTROLLER'S DEPARTMENT - TAX
ONE KAISER PLAZA, 1550 ORDWAY
OAKLAND, CA 94612

TY 2005 Other Changes in Net Assets Schedule

Name: KAISER HEALTH PLAN ASSET MANAGEMENT INC

EIN: 94-3299124

Description	Amount
CAPITAL CONTRIBUTION	8,000,000

TY 2005 Other Liabilities Schedule

Name: KAISER HEALTH PLAN ASSET MANAGEMENT INC

EIN: 94-3299124

Description	Beginning of Year Amount	End of Year Amount
INTERREGIONAL PAYABLES	169,861,284	552,137

TY 2005 Self Dealing Statement

Name: KAISER HEALTH PLAN ASSET MANAGEMENT INC

EIN: 94-3299124

Line Number	Explanation
2a	AS REFLECTED IN STATEMENT LINE 80, KAISER HEALTH PLAN ASSET MANAGEMENT IS RELATED TO OTHER ORGANIZATIONS, EXEMPT AND NON-EXEMPT. DURING THE YEAR IN THE NORMAL COURSE OF BUSINESS IN CARRYING OUT THE EXEMPT PURPOSE OF THE ORGANIZATION, KAISER HEALTH PLAN ASSET MANAGEMENT, INC MAY HAVE ENTERED INTO LEASES, THE EXTENSION OF CREDIT, AND/OR THE FURNISHING OF SERVICES, GOODS, OR FACILITIES WITH THESE ORGANIZATIONS. KAISER HEALTH PLAN ASSET MANAGEMENT, INC. MAY ALSO HAVE ENTERED INTO THESE TYPES OF TRANSACTION WITH ORGANIZATIONS WHOSE OFFICERS ARE BOARD MEMBERS OF KAISER HEALTH PLAN ASSET MANAGEMENT, INC. SUCH TRANSACTIONS WOULD HAVE BEEN AT A PRICE WHICH IS NOT LESS THAN COST OR MORE THAN FAIR MARKET VALUE.

Line Number	Explanation
2b	SEE STATEMENT FOR SCHEDULE A, PART III, LINE 2A

Line Number	Explanation
2c	SEE STATEMENT FOR SCHEDULE A, PART III, LINE 2A

Line Number	Explanation
2d	FORM 990, PART V

NOTES for current and future compensation, benefits and other reimbursements.

Note #1 - This Organization is one of the corporate entities listed on Part VI, Line 80 "Related and Controlled Entities" which is included as a part of this return. This Organization is a participating member of a vertically integrated direct service prepaid health care program.

Note #2 - The Officers and Directors can be contacted in care of:

Kaiser Foundation Health Plan, Inc.
Program Office Controller's Department
One Kaiser Plaza, Suite 15L Ordway
Oakland, CA 94612

Note #3 - The executive compensation program for Kaiser Foundation Health Plan, Inc. and Subsidiaries and Kaiser Foundation Hospitals and Subsidiaries (KFHP/H) is designed to recruit, retain and motivate qualified senior management personnel. Senior management personnel have a significant impact on the strategic and policy direction and results of the organization. Therefore, the executive compensation program is, to a significant degree, performance-based. The compensation program is reviewed annually by an independent committee of the Board of Directors of KFHP/H, which evaluates and approves all programs and payments to executives.

Base pay for executive positions is established at a level comparable to the relevant market. In addition, other components of the compensation program bear 'at-risk' features designed to focus on strategically important performance goals and to assist in attracting and retaining top performers. The executive compensation program is targeted at the median of the comparable external market in which the organization competes for executive leadership. The compensation program focuses on objectives in the areas of quality of member care and service, financial soundness, and the community and social mission of the organization.

Note #4 - Compensation, benefit plan contributions and reimbursement for certain expenses (collectively referred to as "compensation") of Directors, Officers and Key Employees are paid by Kaiser Foundation Health Plan, Inc. (Health Plan) as common paymaster and disbursement agent for the participating member organizations of KFHP/H. Certain Directors, Officers and/or Key Employees perform services for several of the KFHP/H member organizations.

Some of the amounts shown as Compensation were actually earned in years prior to 2005. This compensation is effectively reported in Part V twice – once in the year deferred and again in the year paid. However, the compensation is only paid once. The disclosure rules mandate that significant amounts of compensation are double-counted in both 2004 and 2005. For instance, column C1 includes amounts paid in 2005 for achievement of performance goals for prior years, and column D2 includes payments scheduled for 2006 for performance goals achieved in 2005.

Note #5 – The Organization offers various benefit plans, both qualified and non-qualified. Among the benefits offered to the officers listed on Form 990, Part V-A line 75 c are a qualified Defined Benefit Plan (Plan A), a qualified Defined Contribution Plan (Plan B), a Section 403(b) Tax Sheltered Annuity Plan (TSA), a Section 457(b) Deferred Compensation Plan (CAP), and health and welfare benefit plans. Included in Benefits reported for this purpose are the value of the annual contributions to Plan B, TSA, CAP and certain health and welfare benefit plans. Estimates for 2005 accruals for future benefits under Plan A are included in column D1. Individual values for post retirement health and welfare benefits are reported at the time of retirement.

For other benefit plans available to executives which provide future benefits earned during 2005 (where the specific amounts are available and determinable by the time this tax report is filed), the amount is included in the Benefits column D1 reported in this return. Amounts determinable at year-end under termination of employment arrangements calling for a stream-of-payments in a subsequent year are included in the D1 Benefit Plans column for this purpose. Individuals noted with (*) may have amounts included by reason of termination of employment and from benefit plan accounts that were previously earned.

Note #6 - The amounts reported as Expense Account/ Other Allowance include amounts for reimbursement of expenses. Under IRS rules, ordinary and necessary business expenditures such as travel, transportation, lodging, meals, business meetings and conferences are not included here. These items are reimbursed on an accountable plan basis, consistent with policies and procedures based on prudent fiduciary responsibilities and standards. The policies under which these individuals account to the payer meet the substantiation requirements of Internal Revenue Code Section 274. This reporting includes taxable moving and relocation reimbursements and allowances.

Note #7 – The average weekly time spent by individual Board members on the organization's affairs during 2005 is estimated to be one hour. This number was calculated by rounding up to the nearest whole number. Actual time spent by Board member may vary based on different responsibilities during the year. Key employees, who work full-time, may work in excess of the standard 40-hour work week.

KAISER HEALTH PLAN ASSET MANAGEMENT, INC.
FEIN: 94-3299124
12/31/2005

FAMILY AFFILIATIONS REPORTED

Name	Family Members Affiliation
Steven R. Zatkin	Spouse; employee of KFHP, Inc.
Victoria B. Zatkin	Spouse; Senior VP, General Counsel and Secretary of KFH, KFHP, Inc. and regional Health Plans

STATEMENT 12

Form **8453-EO**

Department of the Treasury
Internal Revenue Service

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2005, or tax year beginning _________ , 2005, and ending _________ , 20 ___

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

▶ See instructions on back.

OMB No 1545-1879

2005

Name of exempt organization: KAISER HEALTH PLAN ASSET MANAGEMENT, INC

Employer identification number: 94-3299124

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8453-EO and enter the applicable amount from the return if any If you check the box on line **1a, 2a, 3a, 4a, or 5a** below and the amount on that line for the return for which you are filing this form was blank, then leave line **1b, 2b, 3b, 4b, or 5b** whichever is applicable, blank (i e do not enter -0-) But, if you entered -0- on the return, then enter -0- on the applicable line below **Do not** complete more than 1 line in Part I

1a Form 990 check here ▶ [X]	**b Total revenue,** if any (Form 990, line 12)	1b	31693042.
2a Form 990-EZ check here ▶ [ ]	**b Total revenue,** if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here ▶ [ ]	**b Total tax** (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here ▶ [ ]	**b Tax based on investment Income** (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here ▶ [ ]	**b Balance Due** (Form 8868, line 3c)	5b	

Part II Declaration of Officer

6 [ ] I authorize the U S Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account To revoke a payment, I must contact the U S Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment

[ ] If a copy of this return is being filed with a state agency(s) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(s)

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2005 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund

Sign Here ▶ Deborah Setzer — Signature of officer | 11/13/2006 — Date | ▶ VP & CONTROLLER — Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return The organization officer will have signed this form before I submit the return I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in **Publication 4206**, Information for Authorized IRS *e-file* Providers for Exempt Organization Filings If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete This Paid Preparer declaration is based on all information of which I have any knowledge

ERO's Use Only

ERO's signature ▶ Cynthia Larsen | Date: 14 Nov. 2006 | Check if also paid preparer [ ] | Check if self-employed [ ] | ERO's SSN or PTIN: P00297006

Firm's name (or yours if self-employed), address, and ZIP code ▶ CYNTHIA LARSEN, CPA
KAISER FOUNDATION HEALTH PLAN INC
ONE KAISER PLAZA, OAKLAND, CA 94612

EIN

Phone no 510-271-6385

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete Declaration of preparer is based on all information of which the preparer has any knowledge

Paid Preparer's Use Only

Preparer's signature ▶ Regina L Primer CPA | Date: 11-10-06 | Check if self-employed [ ] | Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code ▶ KPMG LLP
55 SECOND STREET
SAN FRANCISCO CA 94105

EIN 13-5565207

Phone no 415-963-1500

Form **8868** (Rev. December 2004) Department of the Treasury Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . ▶ [X]
- If you are filing for an **Additional (not automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I **Automatic 3-Month Extension of Time** - Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only. . . . . ▶ [ ]

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868 For more details on the electronic filing of this form, visit *www.irs.gov/efile.*

Type or print File by the due date for filing your return. See instructions	Name of Exempt Organization KAISER HEALTH PLAN ASSET MANAGEMENT, INC.	Employer identification number 94-3299124
	Number, street, and room or suite no. If a P.O. box, see instructions. ONE KAISER PLAZA, SUITE 1550L	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. OAKLAND, CA 94612	

Check type of return to be filed (file a separate application for each return):

[X] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T(sec. 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[ ] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ▶ CYNTHIA LARSEN

Telephone No. ▶ 510 271-6385 FAX No. ▶ 510 271-2611

- If the organization does **not** have an office or place of business in the United States, check this box . . . . ▶ [ ]
- If this is for a **Group Return,** enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the **whole** group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until 08/15 , 2006 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ [X] calendar year 2005 or

▶ [ ] tax year beginning ______ , ____ , and ending ______ , ____ .

2 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions . . . . $

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit . . . . $

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions . . . . $

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions. Form **8868** (Rev. 12-2004)

● If you are filing for an **Additional (not automatic) 3-Month Extension, complete only Part II** and check this box . . . . ▶ [X]

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

● If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization KAISER HEALTH PLAN ASSET MANAGEMENT, INC.	Employer identification number 94-3299124
	Number, street, and room or suite no. If a P.O. box, see instructions. ONE KAISER PLAZA, SUITE 1550L	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. OAKLAND, CA 94612	

Check type of return to be filed (File a separate application for each return):

- [X] Form 990
- [ ] Form 990-BL
- [ ] Form 990-EZ
- [ ] Form 990-PF
- [ ] Form 990-T(sec. 401(a) or 408(a) trust)
- [ ] Form 990-T (trust other than above)
- [ ] Form 1041-A
- [ ] Form 4720
- [ ] Form 5227
- [ ] Form 6069
- [ ] Form 8870

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

● The books are in the care of ▶ NATIONAL DIRECTOR OF TAX

Telephone No. ▶ 510 271.6385 FAX No. ▶ 510 271.2611

● If the organization does **not** have an office or place of business in the United States, check this box . . . . ▶ [ ]

● If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) ________ . If this is for the **whole** group, check this box ▶ [ ] . If it is for **part** of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until 11/15/2006 .

5 For calendar year 2005 , or other tax year beginning ________ and ending ________.

6 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension THIS ENTITY IS A MEMBER OF A VERTICALLY INTEGRATED MANAGED HEALTH CARE DELIVERY PROGRAM AND REQUESTS ADDITIONAL TIME TO VERIFY THAT EACH MEMBER'S TAX RETURN DATA IS COMPLETE.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions . . . . $

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 . . . . $

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions . . . . $

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Deborah Stoker Title ▶ VP/CONTROLLER OF PARENT CO. Date ▶ 8-1-06

Notice to Applicant - To Be Completed by the IRS

- [X] We have approved this application. Please attach this form to the organization's return.
- [ ] We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- [ ] We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- [ ] We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
- [ ] Other ________

________ By: ________ ________

Director Date

EXTENSION APPROVED

AUG 22 2006

LINDA WEISKOPF, FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name
	Number and street (include suite, room, or apt. no.) or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)