

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

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
22a	Grants paid from donor advised funds (attach Schedule) (cash \$ ⁰ noncash \$ ⁰) If this amount includes foreign grants, check here <input type="checkbox"/>	22a			
22b	Other grants and allocations (attach schedule) (cash \$ ⁰ noncash \$ ⁰) If this amount includes foreign grants, check here <input type="checkbox"/>	22b			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25a	Compensation of current officers, directors, key employees etc. Listed in Part V-A (attach schedule)	25a	0		
b	Compensation of former officers, directors, key employees etc. listed in Part V-B (attach schedule)	25b			
c	Compensation and other distributions not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	25c			
26	Salaries and wages of employees not included on lines 25a, b and c	26			
27	Pension plan contributions not included on lines 25a, b and c	27			
28	Employee benefits not included on lines 25a - 27	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	139,187	139,187	
42	Depreciation, depletion, etc. (attach schedule)	42	21,509,325	21,509,325	
43	Other expenses not covered above (itemize)				
a	AFFILIATES ALLOCATION	43a	165,420	165,420	
b	BUSINESS TAX	43b	225	225	
c	LEASE SERVICES EXPENSES	43c	11,360,030	11,360,030	
d		43d			
e		43e			
f		43f			
g		43g			
44	Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	33,174,187	33,008,767	165,420

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 \$⁰, (ii) the amount allocated to Program services \$⁰, (iii) the amount allocated to Management and general \$0, and (iv) the amount allocated to Fundraising \$0

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.	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)
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.)		
a	SEE STATEMENT 1	
	(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	33,008,767
b		
	(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
c		
	(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
d		
	(Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
e	Other program services (attach schedule) (Grants and allocations \$) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services) . . . ▶	33,008,767

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	2,357,157	46	3,807,309
	47a	Accounts receivable	47a34,855,197		
	b	Less allowance for doubtful accounts	47b	40,878,732	47c34,855,197
	48a	Pledges receivable	48a		
	b	Less allowance for doubtful accounts	48b		48c
	49	Grants receivable		49	
	50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
	b	Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule)		50b	
	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	0	53	14,988
	54a	Investments—publicly-traded securities . <input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV	0	54a	0
	b	Investments—other securities (attach schedule) <input checked="" type="checkbox"/> Cost <input type="checkbox"/> FMV		54b	
	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	57a176,938,235			
b	Less accumulated depreciation (attach schedule)	57b62,627,281	108,247,770	57c114,310,954	
58	Other assets, including program-related investments (describe <input checked="" type="checkbox"/> _____)		58		
59	Total assets (must equal line 74) Add lines 45 through 58	151,483,659	59	152,988,448	
Liabilities	60	Accounts payable and accrued expenses	12,460,394	60	13,696,055
	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 <input checked="" type="checkbox"/> _____)	552,137	65	296,012
	66	Total liabilities Add lines 60 through 65	13,012,531	66	13,992,067
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> 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 <input checked="" type="checkbox"/> and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds	138,154,849	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 .	316,279	72	841,532
	73	Total net assets or fund balances Add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21)	138,471,128	73	138,996,381
74	Total liabilities and net assets / fund balances Add lines 66 and 73 . .	151,483,659	74	152,988,448	

a	Total revenue, gains, and other support per audited financial statements			a	
b	Amounts included on line a but not on Part I, 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 Part I, line 12, but not on line a				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify) _____	d2			
	Add lines d1 and d2			d	
e	Total revenue (Part I, line 12) Add lines c and d			e	

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

[illegible]

Part V-A		Current Officers, Directors, Trustees, and Key Employees <i>(continued)</i>		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 the organization? See the instructions for the definition of "related organization" If "Yes," attach a statement that includes the information described in the instructions	75c	Yes		
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 (If not paid enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances

Part VI		Other Information <i>(See the instructions.)</i>		Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76			No
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77			No
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 ► <u>SEE ATTACHED RELATED AND AFFILIATED ENTITIES - STATEMENT</u> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt				
81a	Enter direct or indirect political expenditures (See line 81 instructions) 81a 0	81b			No
b	Did the organization file Form 1120-POL for this year?				

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

88a

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.

88a

No

b

At any time during the year, did the organization directly or indirectly own a controlled entity within the meaning of section 512(b)(13)? If yes, complete Part XI.

88b

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.

89b

No

c

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.

89c

0

d

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

89d

0

e

All organizations. At any time during the tax year was the organization a party to a prohibited tax shelter transaction?

89e

No

f

All organizations. Did the organization acquire direct or indirect interest in any applicable insurance contract?

89f

No

g

For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?

89g

No

90a

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

90b

b

Number of employees employed in the pay period that includes March 12, 2006. (See instructions.)

90b

91a

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

ONE KAISER PLAZA 1550L

Located at: OAKLAND, CA ZIP + 4: 94612

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.

Part VI Other Information <i>(continued)</i>		Yes	No
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 ▶ <input type="checkbox"/>			
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		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a RENTAL INCOME					33,171,081
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			14	3,855	
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			18	372,787	
101 Net income or (loss) from special events . .					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a INT-AFFILIATE LOAN			14	136,224	
b MISCELLANEOUS			01	15,493	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E)) . .				528,359	33,171,081
105 Total (add line 104, columns (B), (D), and (E)) ▶					33,699,440

Note: Line 105 plus line 1e, 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
NOTE: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).	

Part XI

Information Regarding Transfers To and From Controlled Entities

Complete only if the organization is a controlling organization as defined in section 512(b)(13)

106	Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity	Yes	No
			No

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
Totals				

107	Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity	Yes	No
			No

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
Totals				

108	Did the organization have a binding written contract in effect on August 17, 2006 covering the interests, rents, royalties and annuities described in question 107 above?	Yes	No

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.		
	<div>Signature of officer</div>		<div>2007-11-04</div> <div>Date</div>
	<div>DEBORAH STOKES VP, CONTROLLER, CAO</div> <div>Type or print name and title</div>		

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input checked="" type="checkbox"/>	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.

SCHEDULE A
(Form 990 or
990EZ)

Department of the
Treasury
Internal Revenue
Service

Name of the organization
KAISER HEALTH PLAN ASSET MANAGEMENT INC

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

2006

Employer identification number

94-3299124

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 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 individuals 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 individuals or firms. If there are none, enter "None". See page 2 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 1 of Part VI-B)	1		No
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	Did the organization make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments)	3a		No
b	Did the organization have a section 403(b) annuity plan for its employees?	3b		No
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment , historic land areas or structures? If "Yes" attach a detailed statement	3c		No
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		No
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g	4a		No
b	Did the organization make any taxable distributions under section 4966?	4b		No
c	Did the organization make a distribution to a donor, donor advisor, or related person?	4c		No
d	Enter the total number of donor advised funds owned at the end of the tax year	►		
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year	►		
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts	►0		
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year	►0		

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions.)

I certify that 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 33 1/3%** 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 33 1/3%** 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 otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization
- ☒ Type I

☐ Type II

☐ Type III - Functionally Integrated

☐ Type III - Other

Provide the following information about the supported organizations. (see page 7 of the instructions.)					
(a) Name(s) of supported organization(s)	(b) Employer identification number	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support?
			Yes	No	
KAISER FOUNDATION HEALTH PLAN INC	941340523	12	X		11664862
Total ▶					11,664,862

- 14
- ☐
- An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 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) 2005	(b) 2004	(c) 2003	(d) 2002	(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 2002 through 2005 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 (2005) (2004) (2003) (2002)					
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 11b, 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 (2005) (2004) (2003) (2002)						
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 2002 through 2005, 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)

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?		Yes	No
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? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)			
31				
31				
31				
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? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b		
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 10 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		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term "expenditures" means amounts paid or incurred)			
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	
41	Lobbying nontaxable amount Enter the amount from the following table— <div><div>If the amount on line 40 is—</div><div>The lobbying nontaxable amount is—</div><div>Not over \$500,00020% of the amount on line 40</div><div>Over \$500,000 but not over \$1,000,000\$100,000 plus 15% of the excess over \$500,000</div><div>Over \$1,000,000 but not over \$1,500,000\$175,000 plus 10% of the excess over \$1,000,000</div><div>Over \$1,500,000 but not over \$17,000,000\$225,000 plus 5% of the excess over \$1,500,000</div><div>Over \$17,000,000\$1,000,000</div></div>	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
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 13 of the instructions)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ➤	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(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 13 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 13 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?

a Transfers from the reporting organization to a noncharitable exempt organization of

- (i) Cash
 - (ii) Other assets
- Other transactions
- (i) Sales or exchanges of assets with a noncharitable exempt organization
 - (ii) Purchases of assets from a noncharitable exempt organization
 - (iii) Rental of facilities, equipment, or other assets
 - (iv) Reimbursement arrangements
 - (v) Loans or loan guarantees
 - (vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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.

	Yes	No
51a(i)		No
a(ii)		No
b(i)		No
b(ii)		No
b(iii)		No
b(iv)		No
b(v)		No
b(vi)		No
c		No

[illegible]

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

[illegible]

Form

4797

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

► Attach to your tax return. ► See separate instructions.

OMB No 1545-0184

2006

Attachment Sequence No 27

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return
KAISER HEALTH PLAN ASSET MANAGEMENT INC

Identifying number
94-3299124

1

Enter the gross proceeds from sales or exchanges reported to you for 2006 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) .

1

Part I

Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

(a) Description of property	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)						
2												
3	Gain, if any, from Form 4684, line 42					3						
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37					4						
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824					5						
6	Gain, if any, from line 32, from other than casualty or theft					6	372,787					
7	Combine lines 2 through 6 Enter the gain or (loss) here and on the appropriate line as follows					7	372,787					
Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9 Skip lines 8, 9, 11, and 12 below												
Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9 If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below												
8	Nonrecaptured net section 1231 losses from prior years (see instructions)					8						
9	Subtract line 8 from line 7 If zero or less, enter -0- If line 9 is zero, enter the gain from line 7 on line 12 below If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)					9						

Part II

Ordinary Gains and Losses (see instructions)

10

Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less)

11	Loss, if any, from line 7	11	()
12	Gain, if any, from line 7, or amount from line 8, if applicable	12	
13	Gain, if any, from line 31	13	
14	Net gain or (loss) from Form 4684, lines 34 and 41a	14	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17	Combine lines 10 through 16	17	
18	For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below For individual returns, complete lines a and b below		
a	If the loss on line 11 includes a loss from Form 4684, line 38, column (b)(ii), enter that part of the loss here Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 27, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 22 Identify as from "Form 4797, line 18a " See instructions		
b	Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a Enter here and on Form 1040, line 14		

Part III

Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19	(a) Description of section 1245, 1250, 1252, 1254, or 1255 property	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)
A	STATEMENT 8		
B			
C			
D			

These columns relate to the properties on lines 19A through 19D		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing)	20	420,378		
21	Cost or other basis plus expense of sale . . .	21	47,591		
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis Subtract line 22 from line 21 .	23	47,591		
24	Total gain Subtract line 23 from line 20 . .	24	372,787		
25	If section 1245 property:				
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
26	If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291				
a	Additional depreciation after 1975 (see instructions)	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c	Subtract line 26a from line 24 If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Sections 291 amount (corporations only) . . .	26f			
g	Add lines 26b, 26e, and 26f	26g			
27	If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership)				
a	Soil, water, and land clearing expenses . . .	27a			
b	Line 27a multiplied by applicable percentage (see instructions)	27b			
c	Enter the smaller of line 24 or 27b	27c			
28	If section 1254 property:				
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	28a			
b	Enter the smaller of line 24 or 28a	28b			
29	If section 1255 property:				
a	Applicable percentage of payments excluded from income under section 126 (see instructions) .	29a			
b	Enter the smaller of line 24 or 29a (see instructions) .	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.			
30	Total gains for all properties Add property columns A through D, line 24	30	372,787
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b Enter here and on line 13 .	31	
32	Subtract line 31 from line 30 Enter the portion from casualty or theft on Form 4684, line 36 Enter the portion from other than casualty or theft on Form 4797, line 6	32	372,787

Part IV

Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

		(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years . . .	33	
34	Recomputed depreciation (see instructions)	34	
35	Recapture amount Subtract line 34 from line 33 See the instructions for where to report . .	35	

TY 2006 Other Liabilities Schedule

Name: KAISER HEALTH PLAN ASSET MANAGEMENT INC

EIN: 94- 3299124

Description	Beginning of Year Amount	End of Year Amount
INTERREGIONAL PAYABLES	552,137	223,835
DEFERRED RENT LIABILITY	0	72,177

TY 2006 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, INC. 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

Form **8453-EO****Exempt Organization Declaration and Signature for
Electronic Filing**

OMB No 1545-1879

For calendar year 2006, or tax year beginning _____, 2006, and ending _____, 20

2006Department of the Treasury
Internal Revenue Service

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

▶ See instructions on back.

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 (that is, 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 ▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, line 12)	1b 33699440.
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance Due (Form 8868, line 3c)	5b _____

Part II Declaration of Officer

6 ☐ I authorize the US 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 US 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(ies) 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(ies).

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 2006 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▶ Delores Steiner
Signature of officer11/6/2007
Date▶ VP, CONTROLLER, CAO
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 of 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
OnlyERO's
signatureFirm's name (or
yours if self-employed),
address, and ZIP codeCYNTHIA LARSEN, CPA KFHP, INCONE KAISER PLAZA, 1550LOAKLANDCA 94612

Date

6 NOV 2007Check if
also paid
preparer ☐Check
if self-
employed ☐

ERO's SSN or PTIN

P00297006

EIN

SID: 271-6385
Phone no

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 OnlyPreparer's
signatureFirm's name (or
yours if self-employed),
address, and ZIP codeKPMG LLP55 SECOND STREETSAN FRANCISCOCA 94105

Date

10/3/07Check
if self-
employed ☐

Preparer's SSN or PTIN

P00576936

EIN

13-5565207415.963.5100
Phone no

For Privacy Act and Paperwork Reduction Act Notice, see back of form.

Form **8453-EO** (2006)

JSA

6E1675 2 000

62009C 646A 11/05/2007 15:44:00 V06-7.1

3

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

▶ File a separate application for each return.

- 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).Section 501(c)(3) corporations required to file Form 990-T and requesting an automatic 6-month extension - check this box ☐ and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c)(3) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on e-file for Charities & Nonprofits.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization	Employer identification number
	KAISER HEALTH PLAN ASSET MANAGEMENT, INC.	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)

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- 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 will cover

1 I request an automatic 3-month (6 months for a section 501(c)(3) corporation required to file Form 990-T) extension of time until **08/15, 2007**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ ☒ calendar year **2006** 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.	3a	\$
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.	3b	\$
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.	3c	\$

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. 12-2006)

KAISER HEALTH PLAN ASSET MANAGEMENT, INC.
94-3299124
12/31/06

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

NAME AND ADDRESS	TITLE/ HOURS	(C1) COMPENSATION PRE-2006		(C2) COMPENSATION 2006	(D1) BENEFIT 2006	(D2) BENEFIT PAID 2007	(E) OTHER PAYMENTS
		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	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
KATHYRN LANCASTER	DIRECTOR	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
HONG-SZE YU	DIRECTOR	40	0	0	0	0	0
OFFICERS AND KEY EMPLOYEES:							
THOMAS R MEIER	PRESIDENT & TREASURER	40	0	0	0	0	0
KATHYRN LANCASTER	SVP & CFO	40	0	0	0	0	0
STEVEN ZATKIN	SECRETARY	40	0	0	0	0	0
DEBORAH STOKES	VP & CONTROLLER	40	0	0	0	0	0
VICTORIA B ZATKIN	ASST SECRETARY	40	0	0	0	0	0

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

KAISER HEALTH PLAN ASSET MANAGEMENT, INC.
94-3299124
12/31/06

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

NAME AND ADDRESS	(C1) COMPENSATION PRE-2006 See Notes 3 & 4	(C2) COMPENSATION 2006 See Notes 3 & 4	(D1). BENEFIT PAID 2007 See Notes 3, 4 & 5	(D2) BENEFIT PAYMENTS See Notes 3, 4 & 5	(E) OTHER PAYMENTS See notes 3, 4 & 6
HONG-SZE YU	0	179,175	44,922	50,743	0
THOMAS R MEIER	229,630	337,939	118,013	211,978	0
KATHYRN LANCASTER	181,081	835,249	223,860	600,279	0
STEVEN ZATKIN	609,081	780,787	547,768	595,664	0
DEBORAH STOKES	74,678	385,377	107,626	219,492	0
VICTORIA B ZATKIN	3,768	209,383	67,343	70,718	0

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

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 2006. 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 2005 and 2006. For instance, column C1 includes distributions from retirement, savings and deferred compensation plans that were earned in prior years, and column D2 includes incentive payments scheduled for 2007 for performance goals achieved in 2006.

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 2006 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 2006 (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 2006 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.

Entity/Region: Kaiser Health Plan Asset Management, Inc
TAX YEAR 2006

94-3299124

FORM 990 PART I, LINE 8.C, COLUMN (B)
GAIN OR (LOSS) FROM SALES OF ASSETS OTHER THAN INVENTORY

DESCRIPTION	HOW ACQUIRED	DATE ACQUIRED	DATE SOLD	SALES PRICE	COST/ EXPENSE OF SALE	ACCUM DEPREC	GAIN OR (LOSS)
(NOTE #1)							
<u>All Sales were to Kaiser Foundation Health Plan, Inc.</u>							
Sigmoidoscope Video	Purchase	10/01/00	12/31/06	14,661	157,194	157,194	14,661
Gastrovideoscope	Purchase	08/01/01	12/31/06	16,594	207,558	207,558	16,594
Colonovideoscope	Purchase	08/01/01	12/31/06	17,049	164,322	164,322	17,049
Video Gastroscope	Purchase	01/23/03	12/31/06	17,325	126,352	126,352	17,325
Video Colonoscope	Purchase	01/24/03	12/31/06	15,491	181,482	181,482	15,491
Video Colonoscope	Purchase	02/04/03	12/31/06	11,821	129,862	129,862	11,821
Flexible Sigmoidoscope	Purchase	07/28/03	12/31/06	20,893	228,041	228,041	20,893
Software - Duodenoscope	Purchase	11/13/03	12/31/06	21,239	215,586	215,586	21,239
Software - iSite Radiology Lic	Purchase	11/24/03	12/31/06	26,644	673,333	673,333	26,644
<u>Sales Price Less than \$10,000</u>							
Misc Equipment	Purchase	Various	12/31/06	241,103	1,726,949	1,726,949	241,103
Misc Software	Purchase	Various	12/31/06	17,558	945,968	945,968	17,558
<u>Equipment Write Offs</u>							
Misc Equip - Write Offs	Purchase	03/09/2002	01/31/06	0	11,000	5,156	(5,844)
Misc Equip - Write Offs	Purchase	04/22/2000	01/31/06	0	6,450	4,569	(1,881)
Misc Equip - Write Offs	Purchase	04/22/2000	01/31/06	0	6,450	4,569	(1,881)
Misc Equip - Write Offs	Purchase	04/22/2000	01/31/06	0	6,450	4,569	(1,881)
Misc Equip - Write Offs	Purchase	11/11/2000	01/31/06	0	7,920	5,032	(2,888)
Misc Equip - Write Offs	Purchase	Various	Various	-	88,641	55,425	(33,216)
TOTAL - NET GAIN				420,378	4,883,558	4,835,967	372,787

SALES SUMMARY

ORIGINAL COST AND EXPENSE OF SALE	4,883,558
DEPRECIATION	4,835,967
NET COST OR OTHER BASIS	47,591
LESS GROSS SALES PROCEEDS	420,378
NET GAIN	372,787

Note #1: All of the foregoing fixed assets and equipment were acquired by purchase by the organization for use in its tax-exempt purpose of providing health care to its enrolled members of the community.

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		2006 DEP/AMORT EXPENSE
	BEGINNING OF YEAR	END OF YEAR	BEGINNING OF YEAR	END OF YEAR	
LAND	0		0	0	0
LAND IMPROVEMENTS	0		0	0	0
BUILDINGS	0		0	0	0
LEASEHOLD IMPROVEMENTS	0		0	0	0
EQUIPMENT	157,883,012	172,697,192	50,251,303	61,510,194	20,298,579
CAPITALIZED SOFTWARE	1,984,947	4,241,043	1,368,886	1,117,087	1,210,746
CAPITALIZED LEASES	0		0		0
CONSTRUCTION IN PROGRESS	0		0		0
TOTALS TO					
PART IV, LINE 57(A)	<u>159,867,959</u>	<u>176,938,235</u>			
PART IV, LINE 57(B)			<u>51,620,189</u>	<u>62,627,281</u>	
PART IV, LINE 57(C)	<u>108,247,770</u>	<u>114,310,954</u>			
PART II, LINE 42(A) DEPRECIATION, DEPLETION, ETC					<u>21,509,325</u>

KAISER HEALTH PLAN ASSET MANAGEMENT, INC.
94-3299124
December 31, 2006

FAMILY AFFILIATIONS REPORTED

<u>NAME</u>	<u>FAMILY MEMBER AFFILIATION</u>
STEVE R ZATKIN	SPOUSE EMPLOYEE OF KFHP INC
VICTORIA B ZATKIN	SPOUSE, SR. VP, GENERAL COUNSEL AND SECRETARY OF KFHP, KFHP INC. AND REGIONAL HEALTH PLANS

KAISER HEALTH PLAN ASSET MANAGEMENT, INC.

94-3299124

DECEMBER 31, 2006

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, 2006

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
20-3774729	ARCHIMEDES, INC	*(2)	N/A
20-3924985	HEALTH CARE MANAGEMENT SOLUTIONS, LLC	*(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%
20-2396517	KAISER PERMANENTE OREGON PLUS, LLC	*(5)	
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		
NOTE *(5)	KAISER PERMANENTE OREGON PLUS, LLC - THE SOLE MEMBER OF THIS LIMITED LIABILITY COMPANY IS KAISER FOUNDATION HEALTH PLAN OF THE NORTHWEST		

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