

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

1999

Department of the Treasury
Internal Revenue Service

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

Note: The organization may have to use a copy of this return to satisfy state reporting requirements.

This Form is
Open to Public
Inspection

A For the 1999 calendar year, OR tax year period beginning 1999, and ending

B Check if:
☒ Change of
address
☒ Initial
return
☐ Final
returnPlease
use IRS
label or
print or
type.
See
Specific
Instruc-
tions.
Amended
return
(required
also for
state
reporting)

C Name of organization

KAISER FOUNDATION HEALTH PLAN OF
MASSACHUSETTS, INC.

Number and street (or P.O. box if mail is not delivered to street address)

C/O KAISER FOUNDATION HEALTH PLAN,
ONE KAISER PLAZA, 1550 ORDWAY

City or town, state or country, and ZIP + 4

OAKLAND, CA 94612

D Employer identification number

04-2583575

E Telephone number

(510) 271-6385

F Check ☐ if exemption application
is pendingG Type of organization ☒ Exempt under section 501(c) (3) (insert number) OR ☐ section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H (a) Is this a group return filed for affiliates? ☐ Yes ☒ NoI If either box in H is checked "Yes," enter four-digit
group exemption number (GEN)

(b) If "Yes," enter the number of affiliates for which this return is filed:

J Accounting method: ☐ Cash ☒ Accrual(c) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

Other (specify)

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 it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 15.)

1	Contributions, gifts, grants, and similar amounts received:		
a	Direct public support	1a	NONE
b	Indirect public support	1b	
c	Government contributions (grants)	1c	
d	Total (add lines 1a through 1c) (attach schedule of contributors) (cash \$ noncash \$)	1d	NONE
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	
3	Membership dues and assessments	3	
4	Interest on savings and temporary cash investments	4	
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
b	Less: cost or other basis and sales expenses	8a	
c	Gain or (loss) (attach schedule)	8b	
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	
8d		8d	
9	Special events and activities (attach schedule)		
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	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	NONE
13	Program services (from line 44, column (B))	13	NONE
14	Management and general (from line 44, column (C))	14	NONE
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	NONE
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	NONE
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	NONE
20	Other changes in net assets or fund balances (attach explanation)	20	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	NONE

ONE

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 Specific Instructions on page 19.)

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 \$ _____ noncash \$ _____)	22	NONE	NONE	
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			
26	Other salaries and wages	26			
27	Pension plan contributions	27			
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			
42	Depreciation, depletion, etc. (attach schedule)	42			
43	Other expenses (itemize): a	43a			
	b	43b			
	c	43c			
	d	43d			
	e	43e			
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	NONE	NONE	NONE

Reporting of Joint Costs. - Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? ☐ 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 Specific Instructions on page 22.)What is the organization's primary exempt purpose? SEE STATEMENT 1

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	NO PROGRAM SERVICE ACTIVITY DURING THE YEAR.			
	(Grants and allocations \$ _____)	NONE		NONE
b				
	(Grants and allocations \$ _____)			
c				
	(Grants and allocations \$ _____)			
d				
	(Grants and allocations \$ _____)			
e	Other program services (attach schedule)	(Grants and allocations \$ _____)		
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)			NONE

Part IV Balance Sheets (See Specific Instructions on page 22.)

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
45	Cash - non-interest-bearing	NONE	NONE
46	Savings and temporary cash investments		
47a	Accounts receivable		
b	Less: allowance for doubtful accounts		
48a	Pledges receivable		
b	Less: allowance for doubtful accounts		
49	Grants receivable		
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		
51a	Other notes and loans receivable (attach schedule)		
b	Less: allowance for doubtful accounts		
52	Inventories for sale or use		
53	Prepaid expenses and deferred charges		
54	Investments - securities (attach schedule)		
55a	Investments - land, buildings, and equipment: basis		
b	Less: accumulated depreciation (attach schedule)		
56	Investments - other (attach schedule)		
57a	Land, buildings, and equipment: basis		
b	Less: accumulated depreciation (attach schedule)		
58	Other assets (describe _____)		
59	Total assets (add lines 45 through 58) (must equal line 74)	NONE	NONE
60	Accounts payable and accrued expenses	NONE	NONE
61	Grants payable		
62	Deferred revenue		
63	Loans from officers, directors, trustees, and key employees (attach schedule)		
64a	Tax-exempt bond liabilities (attach schedule)		
b	Mortgages and other notes payable (attach schedule)		
65	Other liabilities (describe _____)		
66	Total liabilities (add lines 60 through 65)	NONE	NONE
Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
67	Unrestricted		
68	Temporarily restricted		
69	Permanently restricted		
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		
71	Paid-in or capital surplus, or land, building, and equipment fund		
72	Retained earnings, endowment, accumulated income, or other funds	NONE	NONE
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)	NONE	NONE
74	Total liabilities and net assets/fund balances (add lines 66 and 73)	NONE	NONE

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.

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

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 24.)

[illegible]Form **990** (1999)

Part VI Other Information (See Specific Instructions on page 25.)

	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	X
77 Were any changes made in the organizing or governing documents but not reported to the IRS? STMT. 2. If "Yes," attach a conformed copy of the changes.	77	X
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b If "Yes," has it filed a tax return on Form 990-T for this year?	78b	N/A
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement . STMT. 3.	79	X
80 a 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	X
b If "Yes," enter the name of the organization <u>SEE STATEMENT 6 AND 7</u> and check whether it is <input checked="" type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81 a Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81	81a	NONE
b Did the organization file Form 1120-POL for this year?	81b	N/A
82 a 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	X
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 for reporting in Part III.)	82b	NONE
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	N/A
84 a Did the organization solicit any contributions or gifts that were not tax deductible?	84a	N/A
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	N/A
b Did the organization make only in-house lobbying expenditures of \$2,000 or less? 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 for the prior year.	85b	N/A
c Dues, assessments, and similar amounts from members	85c	NONE
d Section 162(e) lobbying and political expenditures	85d	NONE
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	NONE
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	NONE
g Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g	N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87 501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	N/A
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
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	X
89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>NONE</u> ; section 4912 <u>NONE</u> ; section 4955 <u>NONE</u>		
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	X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		NONE
d Enter: Amount of tax on line 89c, above, reimbursed by the organization		NONE
90 a List the states with which a copy of this return is filed <u>MASSACHUSETTS</u>		
b Number of employees employed in the pay period that includes March 12, 1999 (See inst.)	90b	NONE
91 The books are in care of <u>NATIONAL TAX DIRECTOR</u> Telephone no. <u>510 271-6385</u> Located at <u>ONE KAISER PLAZA 1550 ORDWAY, OAKLAND CA</u> ZIP + 4 <u>94612</u>		
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	NONE

Date	Type or print name and title. CONTROLLER		
Date	Check if	Preparer's SSN or PTIN	

**SCHEDULE A
(Form 990)**

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)

OMB No. 1545-0047

1999

Department of the Treasury
Internal Revenue Service

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

Name of the organization **KAISER FOUNDATION HEALTH PLAN OF
MASSACHUSETTS, INC.**

Employer Identification number
04-2583575

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
NO EMPLOYEES IN 1999				
	NONE	NONE	NONE	NONE
Total number of other employees paid over \$50,000		▶ NONE		

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 1 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		▶ NONE

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990) 1999

Part III Statements About Activities

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including 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 ► \$ <u>NONE</u>	1	X
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 of its 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:		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.?	3	X
4a Do you have a section 403(b) annuity plan for your employees?	4a	X
b Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See page 2 of the instructions.)	STMT 4	

Part IV Reason for Non-Private Foundation Status (See pages 2 through 4 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, page 4.)
- 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 supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 4 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 4 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) 1998	(b) 1997	(c) 1996	(d) 1995	(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 not a business unrelated to the organization's charitable, etc., purpose	NONE	79810189.	77565318.	74295780.	231671287.
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	NONE	544,242.	23,681.	76,555.	644,478.
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	NONE	80354431.	77588999.	74372335.	232315765.
24 Line 23 minus line 17	NONE	544,242.	23,681.	76,555.	644,478.
25 Enter 1% of line 23	NONE	803,544.	775,890.	743,723.	
26 Organizations described in lines 10 or 11: a Enter 2% of amount in column (e), line 24 NOT APPLICABLE. ▶ 26a					
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1995 through 1998 exceeded the amount shown in line 26a. Enter the sum 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," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year: (1998) _____ NONE _____ (1997) _____ NONE _____ (1996) _____ NONE _____ (1995) _____ NONE _____					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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.) 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: (1998) _____ NONE _____ (1997) _____ NONE _____ (1996) _____ NONE _____ (1995) _____ NONE _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 231671287. 20 _____ 21 _____ ▶ 27c 231671287.					
d Add: Line 27a total _____ NONE _____ and line 27b total _____ NONE _____ ▶ 27d NONE					
e Public support (line 27c total minus line 27d total) ▶ 27e 231671287.					
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f 232315765.					
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶ 27g 99.7226 %					
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶ 27h 0.2774 %					
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1995 through 1998, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See page 4 of the instructions.)					

Part V**Private School Questionnaire** (See page 4 of the instructions.)

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

NOT APPLICABLE

	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? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	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 a 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 6 of the instructions.)(To be completed **ONLY** by an eligible organization that filed Form 5768)**NOT APPLICABLE**

Check here **a** if the organization belongs to an affiliated group.
 Check here **b** if you checked "a" above 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		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
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	41		
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			
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		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

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 7 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ►	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(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 8 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		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		X	
c Media advertisements		X	NONE
d Mailings to members, legislators, or the public		X	NONE
e Publications, or published or broadcast statements		X	NONE
f Grants to other organizations for lobbying purposes		X	NONE
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	NONE
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	NONE
i Total lobbying expenditures (add lines c through h)			NONE

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

**Application for Extension of Time To File
Certain Excise, Income, Information, and Other Returns**

OMB No. 1545-0148

► File a separate application for each return.

Please type or print. File the original and one copy by the due date for filing your return. See instructions.

Name

KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.

Employer identification number

04-2583575

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)

ONE KAISER PLAZA, 1550 ORDWAY

City, town or post office, state, and ZIP code. For a foreign address, see instructions.

OAKLAND, CA 94612

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

1 I request an extension of time until **AUGUST 15**, **2000**, to file (check only one):

☐ Form 706-GS(D)

☐ Form 990-T (sec. 401(a) or 408(a) trust)

☐ Form 1120-ND (sec. 4951 taxes)

☐ Form 8612

☐ Form 706-GS(T)

☐ Form 990-T (trust other than above)

☐ Form 3520-A

☐ Form 8613

☒ Form 990 or 990-EZ

☐ Form 1041 (estate) (see instructions)

☐ Form 4720

☐ Form 8725

☐ Form 990-BL

☐ Form 1041-A

☐ Form 5227

☐ Form 8804

☐ Form 990-PF

☐ Form 1042

☐ Form 6069

☐ Form 8831

If the organization does not have an office or place of business in the United States, check this box ☐

2a For calendar year **1999**, or other tax year beginning _____ and ending _____

b If this tax year is for less than 12 months, check reason: ☐ Initial return ☒ Final return ☐ Change in accounting period

3 Has an extension of time to file been previously granted for this tax year? ☐ Yes ☒ No

4 State in detail why you need the extension **THIS ENTITY IS A MEMBER OF AN AFFILIATED GROUP COMPRISING A NATIONAL MANAGED HEALTH CARE DELIVERY PROGRAM AND IT MUST DEFER RETURN FILING UNTIL DATA FOR EACH MEMBER'S RETURN IS COMPLETE.**

5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ **N/A**

b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ **N/A**

c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions \$ **0**

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 *Richard A. Steiner*

Title **VICE PRESIDENT/CONTROLLER**

Date **05/04/2000**

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant — To Be Completed by the IRS

☒ We HAVE approved your application. Please attach this form to your return.

☐ We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your 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 your return.

☐ We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.

☐ We cannot consider your application because it was filed after the due date of the return for which an extension was requested.

☐ Other: _____

EXTENSION APPROVED

RECEIVE

Director

By: _____

JUN 21 2000

JUN 28 2000

If you want a copy of this form to be returned to an address other than that shown above, please enter that address below.

Please Type or Print

Name

N/A

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)

City, town, or post office, state, and ZIP code. For a foreign address, see instructions

**RICHAIR DREASER DIRECTOR ACCOUNTING
OGDEN SUBMISSION PROCESSING CENTER**

COPY

Form **2758**

(Rev. June 1998)

Department of the Treasury
Internal Revenue Service**Application for Extension of Time To File
Certain Excise, Income, Information, and Other Returns**

OMB No. 1545-0148

► **File a separate application for each return.**Please type or
print. File the
original and one
copy by the due
date for filing
your return. See
instructions.

Name

KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC

Employer identification number

04-2583575

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)

ONE KAISER PLAZA, 1550 ORDWAY

City, town or post office, state, and ZIP code. For a foreign address, see instructions.

OAKLAND CA 94612**Note:** Corporate income tax return filers must use **Form 7004** to request an extension of time to file. Partnerships, REMICs, and trusts must use **Form 8736** to request an extension of time to file **Form 1065, 1066, or 1041**.**1** I request an extension of time until **NOVEMBER 15, 2000**, to file (check only one):☐ Form 706-GS(D)☐ Form 990-T (sec. 401(a) or 408(a) trust)☐ Form 1120-ND (sec. 4951 taxes)☐ Form 8612☐ Form 706-GS(T)☐ Form 990-T (trust other than above)☐ Form 3520-A☐ Form 8613☒ Form 990 or 990-EZ☐ Form 1041 (estate) (see instructions)☐ Form 4720☐ Form 8725☐ Form 990-BL☐ Form 1041-A☐ Form 5227☐ Form 8804☐ Form 990-PF☐ Form 1042☐ Form 6069☐ Form 8831If the organization does not have an office or place of business in the United States, check this box ☐**2a** For calendar year **1999**, or other tax year beginning _____, and ending _____**b** If this tax year is for less than 12 months, check reason: ☐ Initial return ☒ Final return ☐ Change in accounting period**3** Has an extension of time to file been previously granted for this tax year? ☒ Yes ☐ No**4** State in detail why you need the extension **THIS ENTITY IS A MEMBER OF AN AFFILIATED GROUP
COMPRISING A NATIONAL MANAGED HEALTH CARE DELIVERY PROGRAM AND IT MUST
DEFER RETURN FILING UNTIL DATA FOR EACH MEMBER'S RETURN IS COMPLETE.****5a** If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ **NONE****b** If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ **NONE****c** Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions \$ **0****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 ► *D. A. Ruhl* Title ► **VICE PRESIDENT/CONTROLLER** Date ► **08/8/2000****FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.****Notice to Applicant — To Be Completed by the IRS**

- ☐ We HAVE approved your application. Please attach this form to your return.
- ☐ We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your 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 your return.
- ☐ We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- ☐ We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- ☐ Other: _____

Director

By: _____

Date

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please
Type
or
Print

Name

KAISER FOUNDATION HEALTH PLAN, INC.

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)

ONE KAISER PLAZA, 1550 ORDWAY, PO CONTROLLERS DEPT. ATT: D.A. RUHL

City, town, or post office, state, and ZIP code. For a foreign address, see instructions.

OAKLAND CA 94612

For Paperwork Reduction Act Notice, see back of form.

Form **2758** (Rev. 6-98)ISA
STF FED4663F**FILE COPY**

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
=====

THE PRIMARY EXEMPT PURPOSE OF KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC., A MASSACHUSETTS NOT-FOR-PROFIT CORPORATION ORGANIZED FOR THE PUBLIC BENEFIT AND EXEMPT FROM INCOME TAX UNDER THE PROVISIONS OF INTERNAL REVENUE CODE SECTION 501(C)(3), HAS BEEN TO PROVIDE A PROGRAM OF HEALTH CARE SERVICES AS A FEDERALLY QUALIFIED PREPAID DIRECT CARE GROUP PRACTICE HEALTH MAINTENANCE ORGANIZATION.

AS OF THE CLOSE OF BUSINESS DECEMBER 31, 1997, ALL OF THE HEALTH CARE SERVICE PROGRAM, ADMINISTRATIVE AND OTHER RELATED SUPPORT ASSETS OF THE ORGANIZATION WERE TRANSFERRED TO COMMUNITY HEALTH PLAN, AN ORGANIZATION EXEMPT FROM TAX UNDER THE PROVISIONS OF INTERNAL REVENUE CODE SECTION 501(C)(3). THIS DISTRIBUTION IS PART OF A PLAN OF REORGANIZATION OF THE AFFILIATED MEMBERS OF THE KAISER PERMANENTE MEDICAL CARE PROGRAM IN THE REGION.

AS PART OF THIS REORGANIZATION, COMMUNITY HEALTH PLAN RECEIVED ALL OF THE OPERATING ASSETS OF THIS ORGANIZATION AND ASSUMED RESPONSIBILITY FOR THE LIABILITIES INCURRED BY THIS ORGANIZATION AND FOR THE CONTINUATION OF PROVIDING SERVICES TO THE APPROXIMATELY 45,000 MEMBERS OF THIS ORGANIZATION'S HEALTH PLAN AND TO MEMBERS OF THE COMMUNITY.

THIS ORGANIZATION RECEIVED NO CONTRIBUTIONS, DONATIONS, REVENUE OR OTHER FORM OF INCOME OR COMPENSATION FOR SERVICES DURING 1999. THE ORGANIZATION FURTHER INCURRED NO COSTS OR EXPENSES RELATED TO CHARITABLE, PROGRAM SERVICE, ADMINISTRATIVE OR OTHER ACTIVITY DURING THE YEAR. DURING 1999 THE ORGANIZATION WAS DORMANT WITHOUT ASSETS OR ACTIVITY OF ANY TYPE. THE ORGANIZATION'S STATE CORPORATE AUTHORITY WAS TERMINATED EFFECTIVE WITH THE MERGER DECEMBER 31, 1997. THIS IS THE FINAL RETURN BEING FILED FOR THIS ORGANIZATION.

FORM 990, PART VI - CHANGES TO ORGANIZING OR GOVERNING DOCUMENT
=====

PLEASE SEE THE ATTACHED DOCUMENTS INCLUDED AND MADE A PART OF THIS RETURN:

COMMONWEALTH OF MASSACHUSETTS INTERLOCUTORY ORDER APPROVING THE
TRANSFER OF ALL FUNDS, PROPERTY AND ASSETS TO COMMUNITY HEALTH
PLAN ON THE ASSUMPTION BY COMMUNITY HEALTH PLAN OF THE
INDEBTEDNESS, OBLIGATIONS AND OTHER LIABILITIES OF THIS
ORGANIZATION.

REPORT REGARDING PURCHASE OF CERTAIN ASSETS OF KAISER FOUNDATION
HEALTH PLAN OF MASSACHUSETTS, INC. BY COMMUNITY HEALTH PLAN.

WRITTEN CONSENT OF MEMBERS OF THE BOARD OF DIRECTORS OF KAISER
FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC. GRANTING APPROVAL
OF THE ACQUISITION OF THE ORGANIZATION'S ASSETS AND PROGRAM
SERVICE OBLIGATIONS BY COMMUNITY HEALTH PLAN, A NEW YORK
NOT-FOR-PROFIT CORPORATION ORGANIZED FOR THE PUBLIC BENEFIT AND
ALSO EXEMPT FROM INCOME TAX UNDER THE PROVISIONS OF INTERNAL
REVENUE CODE SECTION 501(C)(3).

FORM 990, PART VI - LIQUIDATION, DISSOLUTION, TERMINATION
=====

PLEASE REFER TO QUESTION 77, PART VI, FORM 990 REGARDING CHANGES TO
THE ORGANIZATION'S GOVERNING DOCUMENTS WHICH EXPLAIN THE DISPOSITION OF
THE ORGANIZATION'S ASSETS AND ASSUMPTION OF THE LIABILITIES AND PROGRAM
SERVICE OBLIGATIONS BY COMMUNITY HEALTH PLAN AS OF DECEMBER 31, 1997.

SCHEDULE A, PART III - EXPLANATION FOR LINE 4

=====

THE ORGANIZATION IS NOT A GRANT MAKING ORGANIZATION AND AS SUCH DID
NOT MAKE ANY CHARITABLE DISBURSEMENTS DURING 1999.

COMPENSATION, BENEFITS AND REIMBURSEMENTS OF DIRECTORS AND OFFICERS

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

(A) NAME	(B) TITLE	(C) COMPENSATION		(D) BENEFITS		(E) REIMBURSEMENTS	
		TOTAL	ALLOCATE KFHP MA	TOTAL	ALLOCATE KFHP MA	TOTAL	ALLOCATE KFHP MA
DIRECTORS OF THE ORGANIZATION							
DAVID M LAWRENCE, MD	* DIRECTOR & CHAIRMAN	1,153,774	0	32,207	0	72,030	0
RICHARD G BARNABY	* DIRECTOR	1,667,371	0	34,849	0	65,971	0
SUBTOTAL FOR DIRECTORS		2,821,144	0	67,056	0	138,001	0
OFFICERS AND KEY EMPLOYEES OF THE ORGANIZATION							
DAVID M LAWRENCE, MD	* CHIEF EXECUTIVE OFFICER	SEE ABOVE	SEE ABOVE	SEE ABOVE	SEE ABOVE	SEE ABOVE	SEE ABOVE
MARILYN J KAWAMURA	* REGIONAL PRESIDENT	332,136	0	20,810	0	5,748	0
WILLIAM A GILLESPIE, MD	* EXECUTIVE VICE PRESIDENT	492,055	0	32,688	0	126,135	0
L DALE CRANDALL	* SENIOR VICE PRESIDENT	676,685	0	26,941	0	69,214	0
KIRK E MILLER	* SENIOR VICE PRESIDENT	421,589	0	24,390	0	11,743	0
SUBTOTAL FOR OFFICERS & KEY EMPLOYEES		1,922,445	0	104,809	0	212,840	0
TOTAL FOR DIRECTORS, OFFICERS & KEY EMPLOYEES		4,743,589	0	171,865	0	350,841	0

NOTE - THIS ORGANIZATION WAS INACTIVE DURING 1999 AND HAD NO ACTIVE DIRECTORS OR OFFICERS. THOSE LISTED COMPRISED THE SENIOR MANAGEMENT TEAM OF THE NORTHEAST REGION SERVICE AREA FOR THE KAISER PERMANENTE MEDICAL CARE PROGRAM.

NOTE 1: THIS ORGANIZATION IS ONE OF THE ORGANIZATIONS LISTED ON THE STATEMENT IN THIS RETURN HEADED "RELATED AND CONTROLLED ENTITIES." THIS ORGANIZATION PARTICIPATES IN THE DIRECT SERVICE PREPAID HEALTH CARE PROGRAM COMMONLY REFERRED TO AS "THE KAISER PERMANENTE MEDICAL CARE PROGRAM" (MEDICAL CARE PROGRAM).

NOTE 2: COMPENSATION, BENEFIT CONTRIBUTIONS AND REIMBURSEMENT FOR CERTAIN EXPENSES OF DIRECTORS, OFFICERS AND KEY EMPLOYEES ARE PAID BY KAISER FOUNDATION HEALTH PLAN, INC. (KAISER) AND ARE ALLOCATED TO THE SPECIFIC MEMBER ORGANIZATIONS FOR WHICH THE INDIVIDUAL PERFORMS SERVICES. CERTAIN DIRECTORS, OFFICERS AND KEY EMPLOYEES PERFORM SERVICES FOR SEVERAL OF THE MEDICAL CARE PROGRAM MEMBER ORGANIZATIONS. BASED ON MANAGEMENT ANALYSIS AND IN A MANNER CONSISTED WITH THE ALLOCATION OF OTHER COMMON EXPENSES A COMPOSITE ALLOCATION OF APPROXIMATELY 24% OF COMPENSATION, BENEFIT CONTRIBUTIONS AND REIMBURSEMENT OF EXPENSES IS ALLOCATED TO KAISER FOUNDATION HOSPITALS. THE BALANCE OF COMPENSATION, ETC IS THEN ALLOCATED TO KAISER FOUNDATION HEALTH PLAN, INC. AND ITS SUBSIDIARY GROUP MEMBERS BASED ON THE PERCENTAGE OF HEALTH PLAN MEMBERSHIP TO THE TOTAL MEMBERSHIP OF ALL KAISER PERMANENTE ORGANIZATIONS. FOR THOSE INDIVIDUALS ASSIGNED TO A SPECIFIC ENTITY OR GROUP OF ENTITIES, THEIR COMPENSATION, BENEFIT CONTRIBUTIONS AND REIMBURSEMENT OF EXPENSE ARE ALLOCATED DIRECTLY TO THE ENTITY BASED ON A RATIO OF THE MEMBERSHIP OF THE ENTITY TO THE TOTAL MEMBERSHIP OF THE GROUP OF ENTITIES TO WHICH THEY ARE ASSIGNED.

NOTE 3: THE AMOUNTS REPORTED ABOVE FOR REIMBURSEMENT OF EXPENSE INCLUDE SUCH ORDINARY AND NECESSARY EXPENSES AS TRAVEL, TRANSPORTATION, LODGING, MEALS, BUSINESS MEETINGS, CONFERENCES AND OTHER ROUTINE EXPENDITURES FOR WHICH THE INDIVIDUAL ACCOUNTS TO THE EMPLOYER ORGANIZATION AND IS REIMBURSED ON A SPECIFIC EXPENDITURE BASIS.

NOTE 4: THE ABOVE LISTED INDIVIDUAL OFFICERS AND KEY EMPLOYEES ARE SCHEDULED TO WORK A MINIMUM OF 40 HOURS PER WEEK IN THEIR RESPECTIVE POSITIONS.

NOTE 5: THE ABOVE LISTED DIRECTORS, OFFICERS AND KEY EMPLOYEES CAN BE CONTACTED C/O:
KAISER FOUNDATION HEALTH PLAN, INC.
ONE KAISER PLAZA, 1550 ORDWAY
OAKLAND, CALIFORNIA 94612

ATTACHMENT FOR:
FORM 990 PART VI, QUESTION 80 - RELATED AND AFFILIATED ENTITIES
AND/OR
FORM 1120, SCHEDULE K, QUESTIONS 3, 4 AND 5

KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC., EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE SECTION 501(C)(3), IS A WHOLLY OWNED SUBSIDIARY OF KAISER FOUNDATION HEALTH PLAN, INC., A CALIFORNIA NOT-FOR PROFIT CORPORATION EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE SECTION 501(C)(3).

EMPLOYER		DIRECT & INDIRECT % CONTROLLED BY KFHP, INC.
ID #	ENTITY NAME	

SUBSIDIARY ENTITIES THAT ARE OWNED DIRECTLY OR INDIRECTLY BY KAISER FOUNDATION HEALTH PLAN, INC. THAT ARE EXEMPT FROM FEDERAL INCOME TAX UNDER IRC SECTION 501(C)(3):

94-1340523	KAISER FOUNDATION HEALTH PLAN, INC.	100%
93-0798039	KAISER FOUNDATION HEALTH PLAN OF THE NORTHWEST	100%
84-0591617	KAISER FOUNDATION HEALTH PLAN OF COLORADO	100%
48-0924402	KAISER FOUNDATION HEALTH PLAN OF KANSAS CITY, INC.	100%
75-1607081	KAISER FOUNDATION HEALTH PLAN OF TEXAS	100%
58-1592076	KAISER FOUNDATION HEALTH PLAN OF GEORGIA, INC.	100%
56-1421313	KAISER FOUNDATION HEALTH PLAN OF NORTH CAROLINA	100%
52-0954463	KAISER FOUNDATION HEALTH PLAN OF THE MID-ATLANTIC STATES, I	100%
34-0922268	KAISER FOUNDATION HEALTH PLAN OF OHIO	100%
23-7425486	COMMUNITY HEALTH PLAN	100%
06-0943948	KAISER FOUNDATION HEALTH PLAN OF CONNECTICUT, INC.	100%
13-2847437	KAISER FOUNDATION HEALTH PLAN OF NEW YORK	100%
04-2583575	KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.	100%
31-1573811	KAISER/GROUP HEALTH	100%
94-3299123	CAMP BOWIE SERVICE CENTER	100%
94-3299124	KAISER HEALTH PLAN ASSET MANAGEMENT, INC.	100%
93-0954562	KAISER HEALTH ALTERNATIVES	100%
94-1616359	KAISER FOUNDATION INTERNATIONAL	100%
93-0480268	OHP	100%
94-1265039	KAISER PERMANENTE ADVISORY SERVICES	100%
22-3038896	RIVERVIEW DAYCARE, INC.	100%

SUBSIDIARY ENTITIES THAT ARE OWNED DIRECTLY OR INDIRECTLY BY KAISER FOUNDATION HEALTH PLAN, INC. THAT ARE TAXABLE FOR FEDERAL INCOME TAX PURPOSES:

03-0329760	OAK TREE ASSURANCE, LTD.	100%
95-4237200	KAISER FOUNDATION ADDED CHOICE HEALTH PLAN, INC.	100%
94-3113684	KAISER PERMANENTE HEALTH ALTERNATIVES, INC.	100%
94-3259432	KAISER PROPERTIES SERVICES, INC.	100%
99-0242151	PERMANENTE SERVICES OF HAWAII, INC.	100%
91-1814507	CHP COMPANIES, INC.	100%
94-3295378	CHP INSURANCE AGENCY, INC.	100%
14-1688501	CHPS CORPORATION	100%
14-1685128	CAMPUS PLAZA 7, INC.	100%
22-2751724	HUDSON VALLEY COMMUNITY SERVICES CORP.	100%
22-2973489	UPSTATE COMMUNITY SERVICES, INC.	100%

ATTACHMENT FOR:
FORM 990 PART VI, QUESTION 80 - RELATED AND AFFILIATED ENTITIES
AND/OR
FORM 1120, SCHEDULE K, QUESTIONS 3, 4 AND 5

KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC., EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE SECTION 501(C)(3), IS A WHOLLY OWNED SUBSIDIARY OF KAISER FOUNDATION HEALTH PLAN, INC., A CALIFORNIA NOT-FOR PROFIT CORPORATION EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE SECTION 501(C)(3).

EMPLOYER ID #	ENTITY NAME	DIRECT & INDIRECT % CONTROLLED BY KFHP, INC.
------------------	-------------	---

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
94-3203402	KAISER PERMANENTE INSURANCE COMPANY	*(3)	50%

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 PROPERTY AND CASUALTY INSURANCE COMPANY OF WHICH 100% OF THE PREFERRED STOCK AND 50% OF THE COMMON STOCK IS OWNED BY KAISER FOUNDATION HEALTH PLAN, INC. THE REMAINING 50% OF COMMON STOCK IS OWNED BY NON-AFFILIATED PHYSICIANS PRACTICE GROUPS.

THE COMMON ADDRESS FOR ALL ENTITIES LISTED ABOVE IS:

C/O KAISER FOUNDATION HEALTH PLAN, INC.
ONE KAISER PLAZA, 1550 ORDMAN
OAKLAND, CA 94612

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPREME JUDICIAL COURT
FOR SUFFOLK COUNTY
SJ-97-0710

KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS

vs.

SCOTT HARSHBARGER, AS HE IS THE ATTORNEY GENERAL OF THE
COMMONWEALTH OF MASSACHUSETTS AND
COMMUNITY HEALTH PLAN

INTERLOCUTORY ORDER

On the Plaintiff's Motion for Entry of Interlocutory Order, it appearing that the Defendant Scott Harshbarger, Attorney General of the Commonwealth, by and through Assistant Attorney General Richard C. Allen, and Community Health Plan have assented thereto,

NOW THEREFORE, it is adjudged and ordered:

That the Plaintiff transfer to Community Health Plan the Plaintiff's funds, property, and assets, conditioned upon the assumption by Community Health Plan of the Plaintiff's indebtedness, obligations, and other liabilities. Community Health Plan shall use said assets of the Plaintiff for the same business and charitable purposes as the Plaintiff as set forth in paragraph 10 of the Plaintiff's Complaint.

BY THE COURT, (Abrams, J.)


Maura S. Doyle, Clerk

Entered: 31 December 1997

DWT
12/3/97

**REPORT REGARDING PURCHASE OF CERTAIN ASSETS
OF KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.
BY COMMUNITY HEALTH PLAN**

Community Health Plan ("CHP") and Kaiser Foundation Health Plan of Massachusetts, Inc. ("Massachusetts Health Plan") propose to enter into a formal purchase agreement pursuant to which certain assets and the liabilities of Massachusetts Health Plan will be transferred to CHP. Massachusetts Health Plan would not be dissolved. Like CHP, Massachusetts Health Plan is tax exempt under Section 501(c)(3) of the Internal Revenue Code. Kaiser Foundation Health Plan, Inc., is the sole member of Massachusetts Health Plan and CHP Companies, Inc. ("CHP Co.") is the sole member of CHP. In addition to this corporation's approval, the transaction must be approved by each corporation's sole member. The sale of the assets of Massachusetts Health Plan to CHP would benefit current and future members by consolidating resources and reducing unnecessary or duplicate costs. It is recommended that the following resolutions be approved.

PROPOSED RESOLUTIONS

RESOLVED, that Community Health Plan ("CHP") is hereby authorized to enter into a purchase agreement ("Agreement") with Kaiser Foundation Health Plan of Massachusetts, Inc. ("Massachusetts Health Plan") pursuant to which CHP shall purchase the Acquired Assets (as defined in the Agreement) of Massachusetts Health Plan including without limitation the assets listed on Schedule A, attached hereto as Attachment 2, Schedule A, and shall assume the liabilities of Massachusetts Health Plan, all subject to the terms and conditions set forth therein, the Agreement to be substantially in the form made available to CHP, with such additions or changes thereto as the officer or officers executing the same may in his or their discretion, deem to be in the best interest of CHP; and

RESOLVED FURTHER, that CHP is hereby authorized to execute and deliver the Agreement, and the officers of CHP are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that CHP is hereby authorized to execute and deliver the Agreement and the officers of CHP are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that the Chairman of the Board or the President of CHP be, and each of them acting singly hereby is, authorized in the name and acting on behalf of the corporation to execute and deliver the Agreement and any other instruments authorized in the preceding resolutions, and that the several officers of the corporation, be, and each of them acting singly hereby is, authorized and directed to do or cause to be done all such acts or things and to make, execute and deliver, or cause to be made, executed and delivered, all such instruments, agreements, certificates and other documents, in the name and on behalf of the corporation as they may deem necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions; and

RESOLVED FURTHER, that the execution and delivery by any officer of this corporation of the aforesaid instruments, agreements, certificates and other documents authorized in the preceding resolutions, and the taking by any such officer of any acts in any way relating to the transactions contemplated by the Agreement, shall be conclusive evidence of the approval by the Board of Directors thereof and of his or her authority to execute and deliver and take the same in the name and on behalf of CHP; and

RESOLVED FURTHER, that the election of the Directors of this corporation and their committee assignments, as presented at this meeting, are approved; and

RESOLVED FURTHER, that the transaction, under the terms and conditions set forth in the Agreement, is approved, and will be effective upon the approval by each corporation's sole member, the closing of the transaction, and receipt of all necessary regulatory approvals.

WRITTEN CONSENT OF MEMBERS OF THE
BOARD OF DIRECTORS OF
KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.

The undersigned, who are the members of the Board of Directors of Kaiser Foundation Health Plan of Massachusetts, Inc., hereby unanimously consent in writing, in signed counterparts, to the adoption of the following resolutions, with the same force and effect as though adopted at a duly called and held meeting of the Board of Directors on such date:

RESOLVED, that we, the undersigned, understand the special purpose of this Written Consent, and hereby waive any meeting notice requirements and direct the Secretary to enter a copy of this Written Consent into the minute book of this corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to enter into a purchase agreement ("Agreement") with Community Health Plan (CHP) pursuant to which CHP shall purchase the Acquired Assets (as defined in the Agreement) of this corporation including without limitation the assets listed on Schedule A, attached hereto, and shall assume the liabilities of the corporation, all subject to the terms and conditions set forth therein, the Agreement to be substantially in the form made available to this corporation's member, with such additions or changes thereto as the officer or officers executing the same may in his or their discretion, deem to be in the best interest of the corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to execute and deliver the Agreement, and the officers of this corporation are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that the Chairman of the Board, the President, and the Treasurer of this corporation (as set forth below) be, and each of them acting singly hereby is, authorized in the name and acting on behalf of the corporation to execute and deliver the Agreement and any other instruments authorized in the preceding resolutions, and that the several officers of the corporation, be, and each of them acting singly hereby is, authorized and directed to do or cause to be done all such acts or things and to make, execute and deliver, or cause to be made, executed and delivered, all such instruments, agreements, certificates and other documents, in the name and on behalf of the corporation as they may deem necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions; and

RESOLVED FURTHER, that the execution and delivery by any officer of the corporation of the aforesaid instruments, agreements, certificates and other documents authorized in the preceding resolutions, and the taking by any such officer of any acts in any way relating to the transactions contemplated by the Agreement, shall be conclusive evidence of the approval by the Board of Directors thereof and of his or her authority to execute and deliver and take the same in the name and on behalf of the corporation; and

RESOLVED FURTHER, that the following individuals hereby resign their position as Directors of this corporation, effective upon the closing of the transaction and receipt of all necessary regulatory approvals ("Effective Date"):

John Baackes
Richard G. Barnaby
Stephen Gehlbach, MD
Klaus Kroner
Cathy Schoen
Nancy Steeper; and

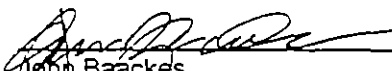
RESOLVED FURTHER, that all Committees of the Board of Directors of this corporation are dissolved as of the Effective Date; and

RESOLVED FURTHER, that the resignation of all officers of this corporation is approved; and

RESOLVED FURTHER, that the following individuals are elected as the only officers of this corporation.

Richard G. Barnaby, President and Chairman
Kirk Miller, Secretary, Clerk, and Treasurer; and

RESOLVED FURTHER, that the foregoing resolutions are effective immediately, subject to any necessary regulatory approval and approval by this corporation's member.


John Baackes
Date: 2/20/97

Richard G. Barnaby
Date: _____

Stephen Gehlbach, M.D.
Date: _____

Klaus Kroner
Date: _____

David M. Lawrence, M.D.
Date: _____

Cathy Schoen
Date: _____

Nancy Steeper
Date: _____

WRITTEN CONSENT OF MEMBERS OF THE
BOARD OF DIRECTORS OF
KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.

The undersigned, who are the members of the Board of Directors of Kaiser Foundation Health Plan of Massachusetts, Inc., hereby unanimously consent in writing, in signed counterparts, to the adoption of the following resolutions, with the same force and effect as though adopted at a duly called and held meeting of the Board of Directors on such date:

RESOLVED, that we, the undersigned, understand the special purpose of this Written Consent, and hereby waive any meeting notice requirements and direct the Secretary to enter a copy of this Written Consent into the minute book of this corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to enter into a purchase agreement ("Agreement") with Community Health Plan (CHP) pursuant to which CHP shall purchase the Acquired Assets (as defined in the Agreement) of this corporation including without limitation the assets listed on Schedule A, attached hereto, and shall assume the liabilities of the corporation, all subject to the terms and conditions set forth therein, the Agreement to be substantially in the form made available to this corporation's member, with such additions or changes thereto as the officer or officers executing the same may in his or their discretion, deem to be in the best interest of the corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to execute and deliver the Agreement, and the officers of this corporation are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that the Chairman of the Board, the President, and the Treasurer of this corporation (as set forth below) be, and each of them acting singly hereby is, authorized in the name and acting on behalf of the corporation to execute and deliver the Agreement and any other instruments authorized in the preceding resolutions, and that the several officers of the corporation, be, and each of them acting singly hereby is, authorized and directed to do or cause to be done all such acts or things and to make, execute and deliver, or cause to be made, executed and delivered, all such instruments, agreements, certificates and other documents, in the name and on behalf of the corporation as they may deem necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions; and

RESOLVED FURTHER, that the execution and delivery by any officer of the corporation of the aforesaid instruments, agreements, certificates and other documents authorized in the preceding resolutions, and the taking by any such officer of any acts in any way relating to the transactions contemplated by the Agreement, shall be conclusive evidence of the approval by the Board of Directors thereof and of his or her authority to execute and deliver and take the same in the name and on behalf of the corporation; and

RESOLVED FURTHER, that the following individuals hereby resign their position as Directors of this corporation, effective upon the closing of the transaction and receipt of all necessary regulatory approvals ("Effective Date"):

John Baackes
Richard G. Barnaby
Stephen Gehlbach, MD
Klaus Kroner
Cathy Schoen
Nancy Steeper; and

RESOLVED FURTHER, that all Committees of the Board of Directors of this corporation are dissolved as of the Effective Date; and

RESOLVED FURTHER, that the resignation of all officers of this corporation is approved; and

RESOLVED FURTHER, that the following individuals are elected as the only officers of this corporation.

Richard G. Barnaby, President and Chairman
Kirk Miller, Secretary, Clerk, and Treasurer; and

RESOLVED FURTHER, that the foregoing resolutions are effective immediately, subject to any necessary regulatory approval and approval by this corporation's member.

John Baackes

Date: _____

Richard G. Barnaby

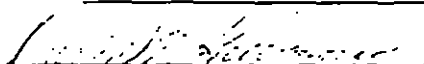
Date: _____

Stephen Gehlbach, M.D.

Date: _____

Klaus Kroner

Date: _____



David M. Lawrence, M.D.

Date: _____

Cathy Schoen

Date: _____

Nancy Steeper

Date: _____

WRITTEN CONSENT OF MEMBERS OF THE
BOARD OF DIRECTORS OF
KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.

The undersigned, who are the members of the Board of Directors of Kaiser Foundation Health Plan of Massachusetts, Inc., hereby unanimously consent in writing, in signed counterparts, to the adoption of the following resolutions, with the same force and effect as though adopted at a duly called and held meeting of the Board of Directors on such date:

RESOLVED, that we, the undersigned, understand the special purpose of this Written Consent, and hereby waive any meeting notice requirements and direct the Secretary to enter a copy of this Written Consent into the minute book of this corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to enter into a purchase agreement ("Agreement") with Community Health Plan (CHP) pursuant to which CHP shall purchase the Acquired Assets (as defined in the Agreement) of this corporation including without limitation the assets listed on Schedule A, attached hereto, and shall assume the liabilities of the corporation, all subject to the terms and conditions set forth therein, the Agreement to be substantially in the form made available to this corporation's member, with such additions or changes thereto as the officer or officers executing the same may in his or their discretion, deem to be in the best interest of the corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to execute and deliver the Agreement, and the officers of this corporation are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that the Chairman of the Board, the President, and the Treasurer of this corporation (as set forth below) be, and each of them acting singly hereby is, authorized in the name and acting on behalf of the corporation to execute and deliver the Agreement and any other instruments authorized in the preceding resolutions, and that the several officers of the corporation, be, and each of them acting singly hereby is, authorized and directed to do or cause to be done all such acts or things and to make, execute and deliver, or cause to be made, executed and delivered, all such instruments, agreements, certificates and other documents, in the name and on behalf of the corporation as they may deem necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions; and

RESOLVED FURTHER, that the execution and delivery by any officer of the corporation of the aforesaid instruments, agreements, certificates and other documents authorized in the preceding resolutions, and the taking by any such officer of any acts in any way relating to the transactions contemplated by the Agreement, shall be conclusive evidence of the approval by the Board of Directors thereof and of his or her authority to execute and deliver and take the same in the name and on behalf of the corporation; and

RESOLVED FURTHER, that the following individuals hereby resign their position as Directors of this corporation, effective upon the closing of the transaction and receipt of all necessary regulatory approvals ("Effective Date"):

John Baackes
Richard G. Barnaby
Stephen Gehlbach, MD
Klaus Kroner
Cathy Schoen
Nancy Steeper; and

RESOLVED FURTHER, that all Committees of the Board of Directors of this corporation are dissolved as of the Effective Date; and

RESOLVED FURTHER, that the resignation of all officers of this corporation is approved; and

RESOLVED FURTHER, that the following individuals are elected as the only officers of this corporation.

Richard G. Barnaby, President and Chairman
Kirk Miller, Secretary, Clerk, and Treasurer; and

RESOLVED FURTHER, that the foregoing resolutions are effective immediately, subject to any necessary regulatory approval and approval by this corporation's member.

John Baackes

Date: _____

Richard G. Barnaby

Date: _____

Stephen Gehlbach, M.D.

Date: 2/19/97

Stephen Gehlbach, M.D.
Klaus Kroner

Date: _____

David M. Lawrence, M.D.

Date: _____

Cathy Schoen

Date: _____

Nancy Steeper

Date: _____

WRITTEN CONSENT OF MEMBERS OF THE
BOARD OF DIRECTORS OF
KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.

The undersigned, who are the members of the Board of Directors of Kaiser Foundation Health Plan of Massachusetts, Inc., hereby unanimously consent in writing, in signed counterparts, to the adoption of the following resolutions, with the same force and effect as though adopted at a duly called and held meeting of the Board of Directors on such date:

RESOLVED, that we, the undersigned, understand the special purpose of this Written Consent, and hereby waive any meeting notice requirements and direct the Secretary to enter a copy of this Written Consent into the minute book of this corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to enter into a purchase agreement ("Agreement") with Community Health Plan (CHP) pursuant to which CHP shall purchase the Acquired Assets (as defined in the Agreement) of this corporation including without limitation the assets listed on Schedule A, attached hereto, and shall assume the liabilities of the corporation, all subject to the terms and conditions set forth therein, the Agreement to be substantially in the form made available to this corporation's member, with such additions or changes thereto as the officer or officers executing the same may in his or their discretion, deem to be in the best interest of the corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to execute and deliver the Agreement, and the officers of this corporation are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that the Chairman of the Board, the President, and the Treasurer of this corporation (as set forth below) be, and each of them acting singly hereby is, authorized in the name and acting on behalf of the corporation to execute and deliver the Agreement and any other instruments authorized in the preceding resolutions, and that the several officers of the corporation, be, and each of them acting singly hereby is, authorized and directed to do or cause to be done all such acts or things and to make, execute and deliver, or cause to be made, executed and delivered, all such instruments, agreements, certificates and other documents, in the name and on behalf of the corporation as they may deem necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions; and

RESOLVED FURTHER, that the execution and delivery by any officer of the corporation of the aforesaid instruments, agreements, certificates and other documents authorized in the preceding resolutions, and the taking by any such officer of any acts in any way relating to the transactions contemplated by the Agreement, shall be conclusive evidence of the approval by the Board of Directors thereof and of his or her authority to execute and deliver and take the same in the name and on behalf of the corporation; and

RESOLVED FURTHER, that the following individuals hereby resign their position as Directors of this corporation, effective upon the closing of the transaction and receipt of all necessary regulatory approvals ("Effective Date"):

John Baackes
Richard G. Barnaby
Stephen Gehlbach, MD
Klaus Kroner
Cathy Schoen
Nancy Steeper; and

RESOLVED FURTHER, that all Committees of the Board of Directors of this corporation are dissolved as of the Effective Date; and

RESOLVED FURTHER, that the resignation of all officers of this corporation is approved; and

RESOLVED FURTHER, that the following individuals are elected as the only officers of this corporation.

Richard G. Barnaby, President and Chairman
Kirk Miller, Secretary, Clerk, and Treasurer; and

RESOLVED FURTHER, that the foregoing resolutions are effective immediately, subject to any necessary regulatory approval and approval by this corporation's member.

John Baackes

Date: _____

Richard G. Barnaby

Date: _____

Stephen Gehlbach, M.D.

Date: _____

Klaus Kroner

Date: _____

David M. Lawrence, M.D.

Date: _____

Cathy Schoen

Date: _____

Nancy Steeper
Nancy Steeper

Date: 2/20/97

WRITTEN CONSENT OF MEMBERS OF THE
BOARD OF DIRECTORS OF
KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.

The undersigned, who are the members of the Board of Directors of Kaiser Foundation Health Plan of Massachusetts, Inc., hereby unanimously consent in writing, in signed counterparts, to the adoption of the following resolutions, with the same force and effect as though adopted at a duly called and held meeting of the Board of Directors on such date:

RESOLVED, that we, the undersigned, understand the special purpose of this Written Consent, and hereby waive any meeting notice requirements and direct the Secretary to enter a copy of this Written Consent into the minute book of this corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to enter into a purchase agreement ("Agreement") with Community Health Plan (CHP) pursuant to which CHP shall purchase the Acquired Assets (as defined in the Agreement) of this corporation including without limitation the assets listed on Schedule A, attached hereto, and shall assume the liabilities of the corporation, all subject to the terms and conditions set forth therein, the Agreement to be substantially in the form made available to this corporation's member, with such additions or changes thereto as the officer or officers executing the same may in his or their discretion, deem to be in the best interest of the corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to execute and deliver the Agreement, and the officers of this corporation are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that the Chairman of the Board, the President, and the Treasurer of this corporation (as set forth below) be, and each of them acting singly hereby is, authorized in the name and acting on behalf of the corporation to execute and deliver the Agreement and any other instruments authorized in the preceding resolutions, and that the several officers of the corporation, be, and each of them acting singly hereby is, authorized and directed to do or cause to be done all such acts or things and to make, execute and deliver, or cause to be made, executed and delivered, all such instruments, agreements, certificates and other documents, in the name and on behalf of the corporation as they may deem necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions; and

RESOLVED FURTHER, that the execution and delivery by any officer of the corporation of the aforesaid instruments, agreements, certificates and other documents authorized in the preceding resolutions, and the taking by any such officer of any acts in any way relating to the transactions contemplated by the Agreement, shall be conclusive evidence of the approval by the Board of Directors thereof and of his or her authority to execute and deliver and take the same in the name and on behalf of the corporation; and

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John Baackes
Richard G. Barnaby
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Klaus Kroner
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Nancy Steeper; and

RESOLVED FURTHER, that all Committees of the Board of Directors of this corporation are dissolved as of the Effective Date; and

RESOLVED FURTHER, that the resignation of all officers of this corporation is approved; and

RESOLVED FURTHER, that the following individuals are elected as the only officers of this corporation.

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Kirk Miller, Secretary, Clerk, and Treasurer; and

RESOLVED FURTHER, that the foregoing resolutions are effective immediately, subject to any necessary regulatory approval and approval by this corporation's member.

John Baackes

Date: _____

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Date: _____

Cathy Schoen

Date: _____

Nancy Steeper

Date: _____

WRITTEN CONSENT OF MEMBERS OF THE
BOARD OF DIRECTORS OF
KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.

The undersigned, who are the members of the Board of Directors of Kaiser Foundation Health Plan of Massachusetts, Inc., hereby unanimously consent in writing, in signed counterparts, to the adoption of the following resolutions, with the same force and effect as though adopted at a duly called and held meeting of the Board of Directors on such date:

RESOLVED, that we, the undersigned, understand the special purpose of this Written Consent, and hereby waive any meeting notice requirements and direct the Secretary to enter a copy of this Written Consent into the minute book of this corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to enter into a purchase agreement ("Agreement") with Community Health Plan (CHP) pursuant to which CHP shall purchase the Acquired Assets (as defined in the Agreement) of this corporation including without limitation the assets listed on Schedule A, attached hereto, and shall assume the liabilities of the corporation, all subject to the terms and conditions set forth therein, the Agreement to be substantially in the form made available to this corporation's member, with such additions or changes thereto as the officer or officers executing the same may in his or their discretion, deem to be in the best interest of the corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to execute and deliver the Agreement, and the officers of this corporation are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that the Chairman of the Board, the President, and the Treasurer of this corporation (as set forth below) be, and each of them acting singly hereby is, authorized in the name and acting on behalf of the corporation to execute and deliver the Agreement and any other instruments authorized in the preceding resolutions, and that the several officers of the corporation, be, and each of them acting singly hereby is, authorized and directed to do or cause to be done all such acts or things and to make, execute and deliver, or cause to be made, executed and delivered, all such instruments, agreements, certificates and other documents, in the name and on behalf of the corporation as they may deem necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions; and

RESOLVED FURTHER, that the execution and delivery by any officer of the corporation of the aforesaid instruments, agreements, certificates and other documents authorized in the preceding resolutions, and the taking by any such officer of any acts in any way relating to the transactions contemplated by the Agreement, shall be conclusive evidence of the approval by the Board of Directors thereof and of his or her authority to execute and deliver and take the same in the name and on behalf of the corporation; and

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John Baackes
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Cathy Schoen
Nancy Steeper; and

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RESOLVED FURTHER, that the resignation of all officers of this corporation is approved; and

RESOLVED FURTHER, that the following individuals are elected as the only officers of this corporation.

Richard G. Barnaby, President and Chairman
Kirk Miller, Secretary, Clerk, and Treasurer; and

RESOLVED FURTHER, that the foregoing resolutions are effective immediately, subject to any necessary regulatory approval and approval by this corporation's member.

John Baackes

Date: _____

Richard G. Barnaby

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Date: _____

Stephen Gehlbach, M.D.

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David M. Lawrence, M.D.

Date: _____

Cathy Schoen

Date: _____

Nancy Steeper

Date: _____

WRITTEN CONSENT OF MEMBERS OF THE
BOARD OF DIRECTORS OF
KAISER FOUNDATION HEALTH PLAN OF MASSACHUSETTS, INC.

The undersigned, who are the members of the Board of Directors of Kaiser Foundation Health Plan of Massachusetts, Inc., hereby unanimously consent in writing, in signed counterparts, to the adoption of the following resolutions, with the same force and effect as though adopted at a duly called and held meeting of the Board of Directors on such date:

RESOLVED, that we, the undersigned, understand the special purpose of this Written Consent, and hereby waive any meeting notice requirements and direct the Secretary to enter a copy of this Written Consent into the minute book of this corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to enter into a purchase agreement ("Agreement") with Community Health Plan (CHP) pursuant to which CHP shall purchase the Acquired Assets (as defined in the Agreement) of this corporation including without limitation the assets listed on Schedule A, attached hereto, and shall assume the liabilities of the corporation, all subject to the terms and conditions set forth therein, the Agreement to be substantially in the form made available to this corporation's member, with such additions or changes thereto as the officer or officers executing the same may in his or their discretion, deem to be in the best interest of the corporation; and

RESOLVED FURTHER, that this corporation is hereby authorized to execute and deliver the Agreement, and the officers of this corporation are hereby authorized and directed to do any and all things and to execute and deliver any and all documents they deem to be necessary or advisable in connection therewith; and

RESOLVED FURTHER, that the Chairman of the Board, the President, and the Treasurer of this corporation (as set forth below) be, and each of them acting singly hereby is, authorized in the name and acting on behalf of the corporation to execute and deliver the Agreement and any other instruments authorized in the preceding resolutions, and that the several officers of the corporation, be, and each of them acting singly hereby is, authorized and directed to do or cause to be done all such acts or things and to make, execute and deliver, or cause to be made, executed and delivered, all such instruments, agreements, certificates and other documents, in the name and on behalf of the corporation as they may deem necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions; and

RESOLVED FURTHER, that the execution and delivery by any officer of the corporation of the aforesaid instruments, agreements, certificates and other documents authorized in the preceding resolutions, and the taking by any such officer of any acts in any way relating to the transactions contemplated by the Agreement, shall be conclusive evidence of the approval by the Board of Directors thereof and of his or her authority to execute and deliver and take the same in the name and on behalf of the corporation; and

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Cathy Schoen
Nancy Steeper, and

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RESOLVED FURTHER, that the resignation of all officers of this corporation is approved; and

RESOLVED FURTHER, that the following individuals are elected as the only officers of this corporation.

Richard G. Barnaby, President and Chairman
Kirk Miller, Secretary, Clerk, and Treasurer; and

RESOLVED FURTHER, that the foregoing resolutions are effective immediately, subject to any necessary regulatory approval and approval by this corporation's member.

John Baackes

Date: _____

Richard G. Barnaby

Date: _____

Stephen Gehlbach, M.D.

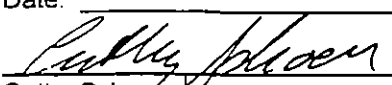
Date: _____

Klaus Kroner

Date: _____

David M. Lawrence, M.D.

Date: _____



Cathy Schoen

Date: 3/10/97

Nancy Steeper

Date: _____