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Form **990**

Return of Organization Exempt From Income Tax

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

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning 01-01-2007 and ending 12-31-2007

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

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

C Name of organization
KAISER FOUNDATION HEALTH PLAN INC

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

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

D Employer identification number
94-1340523

E Telephone number
(510) 271-6611

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

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

H and I are not applicable to section 527 organizations

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

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

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

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

I Group Exemption Number ▶

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

G Web site: ▶ N/A

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

K Check here ▶ ☐ if the organization is not a 509(a)(3) supporting organization **and** its gross receipts are normally **not** more than 25,000 A return is not required, but if the organization chooses to file a return, be sure to file a complete return

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 48,444,989,646

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

Revenue

Line	Description				Line	Amount
1	Contributions, gifts, grants, and similar amounts received					
a	Contributions to donor advised funds		1a			
b	Direct public support (not included on line 1a)		1b	367,313		
c	Indirect public support (not included on line 1a)		1c	484,000		
d	Government contributions (grants) (not included on line 1a)		1d	2,950,000		
e	**Total** (add lines 1a through 1d) (cash $ 3,801,313 noncash $)				1e	3,801,313
2	Program service revenue including government fees and contracts (from Part VII, line 93)				2	29,294,585,979
3	Membership dues and assessments				3	
4	Interest on savings and temporary cash investments				4	26,346,154
5	Dividends and interest from securities				5	
6a	Gross rents		6a	4,916,443		
b	Less rental expenses		6b			
c	Net rental income or (loss) subtract line 6b from line 6a				6c	4,916,443
7	Other investment income (describe ▶)				7	
8a	Gross amount from sales of assets other than inventory	**(A)** Securities: 18,887,751,781	8a	**(B)** Other: 10,160,640		
b	Less cost or other basis and sales expenses	18,755,766,664	8b	6,066,941		
c	Gain or (loss) (attach schedule)	131,985,117	8c	4,093,699		
d	Net gain or (loss) Combine line 8c, columns (A) and (B)				8d	136,078,816
9	Special events and activities (attach schedule) If any amount is from **gaming**, check here ▶ ☐					
a	Gross revenue (not including $ of contributions reported on line 1b)		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	217,427,336
12	**Total revenue** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11				12	29,683,156,041

Expenses

Line	Description	Line	Amount
13	Program services (from line 44, column (B))	13	28,360,090,141
14	Management and general (from line 44, column (C))	14	817,116,903
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	29,177,207,044

Net Assets

Line	Description	Line	Amount
18	Excess or (deficit) for the year Subtract line 17 from line 12	18	505,948,997
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	1,420,303,998
20	Other changes in net assets or fund balances (attach explanation)	20	135,875,509
21	Net assets or fund balances at end of year Combine lines 18, 19, and 20	21	2,062,128,504

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 ☐	22a				
22b Other grants and allocations (attach schedule) (cash $98,274,726 noncash $0) If this amount includes foreign grants, check here ☐	22b	98,274,726	98,274,726		
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	76,087,649		76,087,649	
b Compensation of former officers, directors, key employees etc listed in Part V-B (attach schedule)	25b	6,724,167		6,724,167	
c Compensation and other distributions not icluded 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	1,470,653,660	1,279,244,199	191,409,461	
27 Pension plan contributions not included on lines 25a, b and c	27	210,054,438	198,717,484	11,336,954	
28 Employee benefits not included on lines 25a - 27	28	389,655,126	331,098,392	58,556,734	
29 Payroll taxes	29	87,168,209	41,859,160	45,309,049	
30 Professional fundraising fees	30				
31 Accounting fees	31	1,860,254		1,860,254	
32 Legal fees	32	45,075,425		45,075,425	
33 Supplies	33	1,675,127,383	1,670,808,694	4,318,689	
34 Telephone	34	9,311,646	8,876,856	434,790	
35 Postage and shipping	35	32,491,212	17,798,036	14,693,176	
36 Occupancy	36	206,064,140	205,082,631	981,509	
37 Equipment rental and maintenance	37	101,335,845	100,940,259	395,586	
38 Printing and publications	38	16,494,658	6,027,788	10,466,870	
39 Travel	39	35,361,052	26,211,041	9,150,011	
40 Conferences, conventions, and meetings	40	11,001,404	8,169,934	2,831,470	
41 Interest	41	27,197,084	27,197,084		
42 Depreciation, depletion, etc (attach schedule)	42	183,918,647	183,918,647		
43 Other expenses not covered above (itemize)					
a See Additional Data Table	43a				
b	43b				
c	43c				
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	29,177,207,044	28,360,090,141	817,116,903	0

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

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

If "Yes," enter **(i)** the aggregate amount of these joint costs $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? ▶ SEE COMMUNITY BENEFIT REPORT (ATTACHED), AND SERVICE ACCOMPLISHMENT STATEMENT All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	**Program Service Expenses** (Required for 501(c)(3) and (4) orgs , and 4947(a)(1) trusts, but optional for others)
a SEE COMMUNITY BENEFIT REPORT ATTACHED & STATEMENT 5 (Grants and allocations $ 98,274,726) If this amount includes foreign grants, check here ▶ ☐	28,360,090,141
b (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
c (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) . . . . ▶	28,360,090,141

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			8,970,615	**45**	9,758,811
46 Savings and temporary cash investments			2,120,264,052	**46**	2,469,470,691
47a Accounts receivable	**47a**	1,290,300,191			
b Less allowance for doubtful accounts	**47b**	120,778,263	907,944,650	**47c**	1,169,521,928
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)			1,675,750	**50a**	1,658,154
b Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule)			1,675,750	**50b**	
51a Other notes and loans receivable (attach schedule)	**51a**				
b Less allowance for doubtful accounts	**51b**			**51c**	
52 Inventories for sale or use			119,984,743	**52**	118,820,672
53 Prepaid expenses and deferred charges			26,452,789	**53**	27,477,247
54a Investments—publicly-traded securities ▶ ☐ Cost ☑ FMV			3,432,565,078	**54a**	3,875,693,786
b Investments—other securities (attach schedule) ▶ ☐ Cost ☐ FMV				**54b**	
55a Investments—land, buildings, and equipment basis	**55a**				
b Less accumulated depreciation (attach schedule)	**55b**			**55c**	
56 Investments—other (attach schedule)			41,820,685	**56**	56,175,006
57a Land, buildings, and equipment basis	**57a**	4,661,287,774			
b Less accumulated depreciation (attach schedule)	**57b**	2,433,870,251	1,963,791,142	**57c**	2,227,417,523
58 Other assets, including program-related investments (describe ▶ ________)			16,019,233	**58**	16,046,471
59 **Total assets** (must equal line 74) Add lines 45 through 58			8,639,488,737	**59**	9,972,040,289
Liabilities					
60 Accounts payable and accrued expenses			2,287,816,523	**60**	2,484,011,448
61 Grants payable				**61**	
62 Deferred revenue			340,964,972	**62**	328,539,998
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 ▶ ________)			4,590,403,244	**65**	5,097,360,339
66 **Total liabilities** Add lines 60 through 65			7,219,184,739	**66**	7,909,911,785
Net Assets or Fund Balances					
Organizations that follow SFAS 117, check here ▶ ☐ and complete lines 67 through 69 and lines 73 and 74					
67 Unrestricted				**67**	
68 Temporarily restricted				**68**	
69 Permanently restricted				**69**	
Organizations that do not follow SFAS 117, check here ▶ ☑ and complete lines 70 through 74					
70 Capital stock, trust principal, or current funds				**70**	
71 Paid-in or capital surplus, or land, building, and equipment fund			-163,300,000	**71**	-164,300,000
72 Retained earnings, endowment, accumulated income, or other funds			1,583,603,998	**72**	2,226,428,504
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)			1,420,303,998	**73**	2,062,128,504
74 **Total liabilities and net assets / fund balances** Add lines 66 and 73			8,639,488,737	**74**	9,972,040,289

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

a	Total revenue, gains, and other support per audited financial statements			a	38,004,533,236
b	Amounts included on line **a** but not on Part I, line 12				
1	Net unrealized gains on investments	b1	299,748,240		
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify)	b4	8,217,515,087		
	Add lines **b1** through **b4**			b	8,517,263,327
c	Subtract line **b** from line **a**			c	29,487,269,909
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	195,886,132		
	Add lines **d1** and **d2**			d	8,517,263,327
e	**Total revenue** (Part I, line 12) Add lines **c** and **d** ▶			e	29,683,156,041

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

a	Total expenses and losses per audited financial statements			a	37,009,544,310
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	8,030,690,562		
	Add lines **b1** through **b4**			b	8,030,690,562
c	Subtract line **b** from line **a**			c	28,978,853,748
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	198,353,296		
	Add lines **d1** and **d2**			d	198,353,296
e	**Total expenses** (Part I, line 17) Add lines **c** and **d** ▶			e	29,177,207,044

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

(A) Name and address	**(B)** Title and average hours per week devoted to position	**(C)** Compensation **(If not paid, enter -0-.)**	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
SEE STATEMENT ONE KAISER PLAZA SUITE 1550L OAKLAND, CA 94612	SEE STATEMENT 0	0		

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*		Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings . . . ▶ 14			
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" . . . ▶	**75c**	Yes	
If "Yes," attach a statement that includes the information described in the instructions			
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 *(See the instructions.)*		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? . . .	**77**	Yes	
If "Yes," attach a conformed copy of the changes			
78a Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return? . . .	**78a**	Yes	
b If "Yes," has it filed a tax return on **Form 990-T** for this year? . . .	**78b**	Yes	
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement . . .	**79**		No
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization? . . .	**80a**	Yes	
b If "Yes," enter the name of the organization ▶ SEE STATEMENT 30 and check whether it is ☑ exempt **or** ☐ nonexempt			
81a Enter direct or indirect political expenditures (See line 81 instructions) . . . **81a** 0			
b Did the organization file **Form 1120-POL** for this year? . . .	**81b**		No

Part VI Other Information *(continued)*

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

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

b Number of employees employed in the pay period that includes March 12, 2007 (See instructions) — **90b** 19,033

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

Located at ▶ ONE KAISER PLAZA STE 1550L 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** Yes: Yes No:

If "Yes," enter the name of the foreign country ▶ BD

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 *(continued)*

			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 ▶ ☐			
	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)
	(A) Business code	**(B)** Amount	**(C)** Exclusion code	**(D)** Amount	Related or exempt function income
93 Program service revenue					
a MEMBER HEALTH CARE					19,923,523,579
b SUPPLEMENTAL REV					1,362,627,335
c NON-PLAN & INDUSTR	446110	10,510,319			205,961,326
d OTHER PROGRAM SERV	561000	398,841			226,691,988
e					
f Medicare/Medicaid payments					7,564,872,591
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	26,346,154	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b non debt-financed property			16	4,916,443	
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	136,078,816	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue **a** PARKING GARAGES			03	3,838,878	
b INT/EXT INT INCOME			14	213,588,458	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		10,909,160		384,768,749	29,283,676,819

105 Total (add line 104, columns (B), (D), and (E)) ▶ 29,679,354,728

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)

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
See Additional Data Table	%			
	%			
	%			
	%			

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

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

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

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

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)*

		Yes	No
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	

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	Lokahi Assurance Ltd ONE KAISER PLAZA 1550L OAKLAND, CA 94612	912171891	INSURANCE PREMIUMS	85,548,489
b	KAISER HEALTH PLAN ASSET MGMT ONE KAISER PLAZA 1550L OAKLAND, CA 94612	943299124	CAPITAL INFUSION	1,000,000
c	KAISER FOUNDATION HEALTH PLAN - COLORADO ONE KAISER PLAZA 1550L OAKLAND, CA 94612	840591617	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	5,132,427
d	KAISER FOUNDATION HEALTH PLAN OF GEORGIA ONE KAISER PLAZA 1550L OAKLAND, CA 94612	581592076	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	2,978,056
e	KAISER FOUNDATION HP OF THE MID-ATLANTIC ONE KAISER PLAZA 1550L OAKLAND, CA 94612	520954463	PAYMENT OF MEDICAL SERVICES TO MEMBERS	2,972,166
f	KAISER FOUNDATION HP OF THE NORTHWEST ONE KAISER PLAZA 1550L OAKLAND, CA 94612	930798039	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	4,379,401
g	KAISER FOUNDATION HEALTH PLAN OF OHIO ONE KAISER PLAZA 1550L OAKLAND, CA 94612	340922268	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	1,300,801
h	KAISER FOUNDATION HOSPITALS ONE KAISER PLAZA 1550L OAKLAND, CA 94612	941105628	REIMBURSEMENT FOR HOSPITAL AND TECHNOLOGY SERVICES	11,422,969,814
i	ORDWAY INDEMNITY INC 11 VICTORIA STREET HAMILTON, HM11 BD	000000000	INDEMNITY PREMIUM	3,031,208
	Totals			11,529,312,362

		Yes	No
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	

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	KAISER FOUNDATION HEALTH PLAN OF OHIO ONE KAISER PLAZA 1550L OAKLAND, CA 94612	340922268	ADMINISTRATIVE SERVICE CHARGES	5,722,721
b	KAISER FOUNDATION HP OF THE NORTHWEST ONE KAISER PLAZA 1550L OAKLAND, CA 94612	930798039	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	4,450,548
c	KAISER FOUNDATION HEALTH PLAN OF OHIO ONE KAISER PLAZA 1550L OAKLAND, CA 94612	340922268	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	273,521
d	KAISER FOUNDATION HEALTH PLAN - COLORADO ONE KAISER PLAZA 1550L OAKLAND, CA 94612	840591617	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	1,410,858
e	KAISER FOUNDATION HP OF THE MID-ATLANTIC ONE KAISER PLAZA 1550L OAKLAND, CA 94612	520954463	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	1,132,876
f	KAISER FOUNDATION HEALTH PLAN OF GEORGIA ONE KAISER PLAZA 1550L OAKLAND, CA 94612	581592076	PAYMENT FOR MEDICAL SERVICES TO MEMBERS	169,849
g	KAISER FOUNDATION HEALTH PLAN - COLORADO ONE KAISER PLAZA 1550L OAKLAND, CA 94612	840591617	ADMINISTRATIVE SERVICE CHARGES	8,622,412
h	KAISER FOUNDATION HP OF THE NORTHWEST ONE KAISER PLAZA 1550L OAKLAND, CA 94612	930798039	ADMINISTRATIVE SERVICE CHARGES	14,176,747
i	KAISER FOUNDATION HP OF THE MID-ATLANTIC ONE KAISER PLAZA 1550L OAKLAND, CA 94612	520954463	ADMINISTRATIVE SERVICE CHARGES	3,618,427
j	KAISER FOUNDATION HEALTH PLAN OF GEORGIA ONE KAISER PLAZA 1550L OAKLAND, CA 94612	581592076	ADMINISTRATIVE SERVICE CHARGES	4,832,702
k	ORDWAY INDEMNITY INC 11 VICTORIA SECRET HAMILTON, HM11 BD	000000000	CLAIM REIMBURSEMENT & SETTLEMENTS	2,818,538
	Totals			47,229,199

		Yes	No
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?		

Please Sign Here

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

Signature of officer — Date: 2008-11-13

DEBORAH STOKES VP, CONTROLLER, CAO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed	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 (415) 963-5100

SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information—(See separate instructions.)

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

OMB No 1545-0047

2007

Name of the organization
KAISER FOUNDATION HEALTH PLAN INC

Employer identification number
94-1340523

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
SEE STATEMENT SEE STATEMENT OAKLAND, CA 94612	VP 40 0	0	0	0
Total number of other employees paid over $50,000 ▶	9,404			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services (See page 2 of the instructions. List each one (whether individual or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
REGENTS UNIVERSITY OF SAN FRANCISC PO BOX 60000 SAN FRANCISCO, CA 94160	HEALTHCARE SERVICES	63,841,259
SOUTHERN CALIF PERMANENTE MEDICAL G 393 EAST WALNUT STREET PASADENA, CA 91188	MEDICAL SERVICES	4,945,663,557
THE PERMANENTE MEDICAL GROUP 1950 FRANKLIN STREET 18TH FLOOR OAKLAND, CA 94612	MEDICAL SERVICES	4,668,749,308
HAWAII PERMANENTE MEDICAL GROUP 3288 MOANALUA ROAD HONOLULU, HI 96819	MEDICAL SERVICES	111,008,036
EMPLOYERS MUTUAL INC 700 SOUTHEAST CENTRAL PARKWAY STUART, FL 34994	3RD PARTY ADM-AMBULN	120,439,095
Total number of others receiving over $50,000 for professional services ▶	1,655	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services (List each contractor who performed services other than professional services, whether individual or firms. If there are none, enter "None". See page 2 for instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
CAMPBELL EWALD 393 EAST WALNUT STREET PASADENA, CA 91188	ADVERTISING	16,169,331
RUDULPH AND SLETTEN INC EUREKA RD SUITE 200 ROSEVILLE, CA 95661	CONSTRUCTION	18,258,922
DPR CONSTRUCTION 4220 VON KARMAN AVE STE 100 NEWPORT BEACH, CA 92660	CONSTRUCTION	32,817,412
MCCARTHY KIEWIT JOINT VENTURE 2241 DOUGLAS BLVD 200 ROSEVILLE, CA 95677	CONSTRUCTION	40,241,344
DELOITTE CONSULTING 1111 BROADWAY STE 2100 OAKLAND, CA 94607	CONSULTING	13,993,732
Total number of other contractors receiving over $50,000 for other services ▶	1,202	

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 ▶$ 4,808,418 (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)	1	Yes	
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing property?	2a	Yes	
b	Lending of money or other extension of credit?	2b	Yes	
c	Furnishing of goods, services, or facilities?	2c	Yes	
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	Yes	
e	Transfer of any part of its income or assets?	2e		No
3a	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	Yes	
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? Yes	No	(e) Amount of support?
Total				▶	

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) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15	Gifts, grants, and contributions received (Do not include unusual grants See line 28)	4,016,679	3,889,297	1,752,009	2,408,629	12,066,614
16	Membership fees received					0
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	26,427,549,173	23,656,705,826	21,944,427,763	20,533,938,473	92,562,621,235
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	193,875,112	87,510,670	94,084,554	102,217,961	477,688,297
19	Net income from unrelated business activities not included in line 18					0
20	Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22	Other income Attach a schedule Do not include gain or (loss) from sale of capital assets	4,235,624	4,051,949	3,708,799	2,824,696	14,821,068
23	Total of lines 15 through 22	26,629,676,588	23,752,157,742	22,043,973,125	20,641,389,759	93,067,197,214
24	Line 23 minus line 17	202,127,415	95,451,916	99,545,362	107,451,286	504,575,979
25	Enter 1% of line 23	266,296,766	237,521,577	220,439,731	206,413,898	

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

(2006) 0 (2005) 0 (2004) 0 (2003) 0

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

(2006) 0 (2005) 0 (2004) 0 (2003) 0

c Add Amounts from column (e) for lines 15 12,066,614 16 0 17 92,562,621,235 20 0 21 0 ▶ 27c 92,574,687,849

d Add Line 27a total 0 and line 27b total 0 ▶ 27d 0

e Public support (line 27c total minus line 27d total) ▶ 27e 92,574,687,849

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ 27f 93,067,197,214

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g 99 47 %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h 0 51 %

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)

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

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

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

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

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

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

4-Year Averaging Period Under Section 501(h)

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

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2007	**(b)** 2006	**(c)** 2005	**(d)** 2004	**(e)** Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

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

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers		No	
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)	Yes		
c Media advertisements		No	
d Mailings to members, legislators, or the public	Yes		116,112
e Publications, or published or broadcast statements	Yes		14,842
f Grants to other organizations for lobbying purposes	Yes		736,269
g Direct contact with legislators, their staffs, government officials, or a legislative body	Yes		3,402,276
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means	Yes		538,919
i Total lobbying expenditures (Add lines **c** through **h.**)			4,808,418

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 12 of the instructions.)

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

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

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

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

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

b If "Yes," complete the following schedule

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

TY 2007 Cash Grants Paid Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Class of Activity	Recipient's name	Address	Amount	Relationship
	SEE COMMUNITY BENEFIT REPORT ATTACH	ONE KAISER PLAZA STE 1500 OAKLAND, CA 94612	98,274,726	NONE

TY 2007 Investments - Other Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	Book Value	Cost/FMV
EQUITY - OAKTREE	282,437	
CA ECON DEV LENDING	1	
COMM BANK OF THE BAY	1	
HEARX WEST LLC	517,035	
BROADLANE	25,339,000	
ORDWAY INTL	120,000	
LOKAHI ASSURANCE	1,241,610	
KPIC	28,674,922	
HAWAII-PROPERTY HELD FOR SALE	0	

TY 2007 Other Assets Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	Beginning of Year Amount	End of Year Amount
OTHER LONG TERM ASSETS	12,653,413	13,274,498
THIRD PARTY ACCOUNT RECEIVABLE	557,750	427,117
GOODWILL	2,808,070	2,344,856

TY 2007 Other Changes in Net Assets Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	Amount
CHANGE IN PENSION & RETIREMENT LIABILITY	211,621,927
INTERREGIONAL TRANSFERS	1,000,000
NET UNREALIZED GAIN ON INVESTMENTS	74,746,418

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93490319026358

TY 2007 Other Expenses Included Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	Amount
ASSETS - RECLASS	2,467,164
SUBSIDIARIES & ELIMINATIONS	8,028,223,398

TY 2007 Other Expenses Not Included Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	Amount
BAD DEBT EXPENSE - RECLASS	171,323,015
INTEREST & PENALTIES - RECLASS	16,127,504
ELIMINATIONS	10,902,777

TY 2007 Other Liabilities Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	Beginning of Year Amount	End of Year Amount
RESERVE - PHYSICIAN RETIREMENT	2,265,658,076	2,429,467,175
RESERVE FOR AUTO & UNEMPLOY.	252,309	357,907
RESERVE FOR PROFESSIONAL & PUB	272,827,615	354,206,327
RESERVE FOR WORKERS COMP RISKS	103,067,928	83,564,503
LONG TERM EXTERNAL LIABILITIES	360,273	668,641
POST RETIREMENT BENEFIT LIAB	720,495,517	683,202,632
OTHER CURRENT LIABILITIES	96,829,383	155,529,687
OTHER CURRENT INSTALLMENTS	82,127	38,095
OTHER LONG-TERM LIABILITIES	304,079,141	337,956,964
SECURITIES LENDING PAYABLE	578,683,041	835,281,701
OTHER RETIREMENT LIABILITIES	248,067,834	217,086,707

TY 2007 Other Receivables from Officers Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Travel Advance to Officers:

Item No.	1
Borrower's Name	SEE STATEMENT
Borrower's Title	
Original Amount of Loan	
Balance Due	1658154
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	
Purpose of Loan	
Description of Lender Consideration	
Consideration FMV	

TY 2007 Other Revenues Included Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	Amount
SUBSIDIARIES & ELIMINATIONS	8,740,262,323
PENSION & RETIREMENT LIABILITY	-522,747,236

TY 2007 Other Revenues Not Included Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	Amount
ASSETS - RECLASS	-2,467,164
BAD DEBT EXPENSE - RECLASS	171,323,015
INTEREST & PENALTIES - RECLASS	16,127,504
ELIMINATIONS	10,902,777

TY 2007 Non Electing Public Charities Statement

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Statement: SEE STATEMENT

TY 2007 Other Income Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Description	2006	2005	2004	2003	Total
PARKING	4,235,624	4,051,949	3,708,799	2,824,696	14,821,068

TY 2007 Self Dealing Statement

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Line Number	Explanation
2a	SEE STATEMENT
2b	
2c	
2d	FORM 990, PART V

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2007 Supplemental Support Schedule

Name: KAISER FOUNDATION HEALTH PLAN INC

EIN: 94-1340523

Year	Gifts, Grants and Contributions Received	Membership Fees Received	Gross Receipts From Admissions, Etc.	Gross Investment Income And Post 1975UBI	Net UBI Pre 1975	Tax Revenues Levied For Organization's Benefit	Value Of Services, Facilities Furnished By Government	Other Income	Total
2007	4,016,679		26,427,549,173	193,875,112				4,235,624	26,629,676,588
2004	3,889,297		23,656,705,826	87,510,670				4,051,949	23,752,157,742
2003	1,752,009		21,944,427,763	94,084,554				3,708,799	22,043,973,125
2002	2,408,629		20,533,938,473	102,217,961				2,824,696	20,641,389,759

KAISER FOUNDATION HEALTH PLAN, INC 94-1340523
FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RECIPIENT NAME ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION		AMOUNT
GRANTS PAID				
AIDS Education and Research Foundation 1306 Wilson Blvd, Ste 300 Arlington VA 22209	N/A 509(a)(1)	KP National Diversity HIV/AIDS Award	$	10,000
African American Policy and Training Institute (Black AIDS Institute) 630 Elkins Road Pasadena, CA 91104	N/A 509(a)(1)	Support African American Women and HIV/AIDS Conference	$	5,000
Alameda County Youth Development Inc Shepherd Center 1651 Adeline St Oakland, CA 94607	N/A 509(a)(1)	Gala Tribute to Joe Morgan	$	5,000
American Heart Association, Inc. 426 17th Street, Suite 300 Oakland, CA 94612	N/A 509(a)(1)	Heart of Gold Ball 2007	$	15,000
American Lung Association 61 Broadway New York, NY 10006	N/A 509(a)(1)	Support for 24th Annual Research Fund Dinner	$	25,000
American Red Cross (Bay Area Chapter) 85 Second St, 8th Fl San Francisco, CA 94105	N/A 509(a)(1)	Community Heroes Breakfast	$	5,000
Asian Health Services 818 Webster St Oakland CA 94607	N/A 509(a)(1)	Support for Tribute to Advocacy Heroes Fundraising Event	$	4,530
Asian Pacific Islander American Public Affairs - Community Education Foundation 95 Butcher Rd Vacaville, CA 95687	N/A 509(a)(1)	Event Support of Annual Fundraiser	$	5,000
Asian Pacific Youth Leadership Project 6024 Wyecreek Way Sacramento, CA 95823	N/A 509(a)(1)	Support for 17th Annual Youth Leadership Conference	$	[illegible],000
California Black Chamber of Commerce 2251 Sunrise Blvd, #170 Rancho Cordova, CA 95742	N/A 509(a)(1)	Support for the Annual Legislative Reception 12th Annual Statewide Business Convention	$	25,000

KAISER FOUNDATION HEALTH PLAN, INC
FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR

94-1340523

RECIPIENT NAME ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
California Community Empowerment Foundation 2202 S. Figueroa St, #825 Los Angeles, CA 90007	N/A 509(a)(1)	Event Support Dinner 10th Anniversary	$ 5,000
California Elected Women's Association for Education and Research 1029 K Street, Suite 39 Sacramento, CA 95814	N/A 509(a)(1)	Support for 2007 fundraising events	$ 12,500
California Foundation on Aging 1020 N Street Room 513 Sacramento, CA 95816	N/A 509(a)(1)	Conference Support 26th & 27th Annual California Senior Legislative Session	$ 5,000
California Legislative Black Caucus Foundation 4527 Degnan Blvd Los Angeles, CA 90008	N/A 509(a)(1)	Annual Statewide Conference	$ 25,000
California Latino Legislative Caucus Institute for Public Policy 301 E. Colorado Blvd #800 Los Angeles, CA 91101	N/A 509(a)(1)	Support for the Public Health Fellow Program	$ 25,000
CSU Sacramento Alumni Association 6000 J Street Sacramento, CA 95819	N/A 509(a)(1)	Event Support Legislative Political Center for California Studies and Capital Fellows Celebration 2007	$ 2,500
Cascade AIDS Project Inc 620 SW 5th Ave, Ste 300 Portland, OR 97204	N/A 509(a)(1)	General operating support for HIV/AIDS services	$ 10,000
Cathedral Building Fund / Cathedral of Our Lady of the Angels 555 W. Temple St Los Angeles, CA 90012	N/A 509(a)(1)	Support general public use of conference center and services for low income people	$ 100,000
City of Los Angeles Department of Recreation and Parks 1200 W. 7th St, Ste 715 Los Angeles, CA 90017	N/A 509(a)(1)	Support for 2007 Lotus Festival 100th Anniversary	$ 5,000
City of Oakland One Frank Ogawa Plaza 3rd Floor Oakland, California 94612	N/A 509(a)(1)	Mayor's Holiday Toy Drive	$ 1,500

STATEMENT 3

KAISER FOUNDATION HEALTH PLAN, INC
FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR

94-1340523

RECIPIENT NAME ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION		AMOUNT
Chabot Space & Science Center 10000 Skyline Blvd Oakland, CA 94619	N/A 501(c)(3)	Support for Green Tie Gala for a Sustainable Future	$	5,250
Chicano Latino Youth Leadership Project 1130 K Street, Suite LL50 Sacramento, CA 95814	N/A 501(c)(3)	Support for 10th Annual Charity [illegible]	$	2,500
Community Health Leadership Network Inc 1410 E 4th Ave Olympia, WA 98506	N/A 501(c)(3)	Support Stepping Up to Achieve Healthcare Access Conference	$	10,000
Community Television of Southern California 4401 Sunset Blvd Los Angeles, CA 90027	N/A 501(c)(3)	Kaiser Permanente's Funding of Community [illegible] California At War	$	20,000
Congress of California Seniors Education and Research Fund Inc 1230 H Street, Suite 201 Sacramento, CA 95814	N/A 501(c)(3)	General Operating Support Education and Research Fund (CCSERF) Convention	$	2,750
Council on Foundations 2121 Crystal Dr., Ste 700 Arlington, VA 22202	N/A 501(c)(3)	General Operating & Membership Support	$	22,000
Denver Foundation 55 Madison Street, 8th Fl Denver, CO 80206	N/A 501(c)(3)	U.S. Well Connect Program	$	15,000,000
Doctors Without Borders, USA Inc 333 7th Ave 2nd Fl New York NY 10001	N/A 501(c)(3)	General Operating Support	$	20,000
[illegible] Community Development Corporation 55 Santa Clara Avenue Oakland, CA 94610	N/A 501(c)(3)	Lifetime Achievement Award Community Celebration	$	5,000
East Bay Community Foundation De Domenico Building 200 Frank H. Ogawa Plaza Oakland, CA 94612	N/A 501(c)(3)	Support for Gala Dinner	$	4,275

KAISER FOUNDATION HEALTH PLAN, INC 94-1340523

FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RECIPIENT NAME ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
East Bay Community Foundation De Domenico Building 200 Frank H. Ogawa Plaza Oakland, CA 94612	N/A 509(a)(1)	To provide general operating support	$ 80,[illegible]
Elk Grove Community Services District Foundation 8820 Elk Grove Blvd Elk Grove, CA 95624	N/A 509(a)(1)	Giant Pumpkin & Harvest Festival	$ [illegible]
Family Support Services of the Bay Area 401 Grand Ave Suite 500 Oakland, CA 94610	N/A 509(a)(1)	Support Fall Fundraiser 2007 - Raising Us Stronger Together	$ 10,000
Festival de la Familia, Inc PO Box 162840 Sacramento, CA 95816	N/A 509(a)(1)	Sponsorship of annual event	$ 5,000
Foothill Friends of Music Orchestra 87 N. Raymond Ave, #510 Pasadena, CA 91103	N/A 509(a)(1)	Support for Music Under The Stars 2007	$ 5,000
Foundation & Friends of the Santa Clara City Library 2635 Homestead Rd. Santa Clara, CA 95051	N/A 509(a)(1)	Support for the Health and Wellness Collection	$ 25,000
Foundation for Leadership California 35 N. San Gabriel Blvd, #101 Pasadena, CA 91107	N/A 509(a)(1)	Support for "Shaping Our Future" Awards Dinner	$ 10,000
Free Medical Clinic of Greater Cleveland 12201 Euclid Avenue Cleveland, OH 44106	N/A 509(a)(1)	Strategic Planning Support	$ 7,500
George Washington University 2131 K St, Suite 500 Washington, DC 20037	N/A 509(a)(1)	National Health Policy Forum Project Support for Rethinking the Design of Clinical Trials Meeting	$ 10,000
Girls Incorporated of Alameda County 13666 East 14th Street San Leandro, CA 94578	N/A 509(a)(1)	Support 50th Anniversary Gala Video	$ 10,000
Grantmakers in Health	N/A	General Operating Support	$ 20,000

KAISER FOUNDATION HEALTH PLAN, INC
FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR 94-1340523

RECIPIENT NAME ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
1100 Connecticut Avenue NW Suite 1200 Washington DC 20036	501(c)(3)	Support for 2006 annual meeting	
Group Health Community Foundation 1730 Minor Ave Ste 1500 Seattle, WA 98101	N/A 501(c)(3)	Support for Gift of Health Gala	$ 6,120
Hands On Bay Area 530 Townsend St, Ste 10 San Francisco CA 94107	N/A 501(c)(3)	Project Support for Week of Service to the Gulf Coast	$ 5,000
Hands On Network 600 Means St, Ste 110 Atlanta, GA 30318	N/A 501(c)(3)	Project Support for Gulf Week of Service	$ 5,000
Help Raise Healthy Children 3230 Scott Street San Francisco, CA 94123	N/A 501(c)(3)	Support for Annual Fundraiser	$ 7,000
Health Research & Educational Trust 1 North Franklin Chicago IL 60606	N/A 501(c)(3)	Support for 2007 Trust Award Reception	$ 5,000
Jewish National Fund 77 Franklin Street Boston, MA 02110	N/A 501(c)(3)	Support for Tree of Life Award	$ 5,000
Junior Achievement of the Bay Area 2003 Oak Road Suite 109 Walnut Creek CA 94597	N/A 501(c)(3)	Support for Spirit of Achievement Gala	$ 7,500
KQED Inc 2601 Mariposa St San Francisco, CA 94110	N/A 501(c)(3)	Support for Heritage Months	$ 60,000
Larkin Street Youth Services 1044 Larkin Street San Francisco, CA 94109	N/A 501(c)(3)	Support for Paving The Way Gala	$ 12,500
Los Angeles Conservation Corps 605 W Olympic Blvd, Ste 450 Los Angeles CA 90015	N/A 501(c)(3)	Project Support for Big Sunday Support for National Summit on Preconception Health and Health Care Conference	$ 10,000
Labor Issues Forum	N/A	Support for annual fundraiser	$ 5,000

RECIPIENT NAME ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
[illegible] Pine Street, Suite 700 San Francisco, CA 94[illegible]	509(a)(1)		
March of Dimes Foundation 1275 Mamaroneck Avenue White Plains, NY 10605	N/A 509(a)(1)	Support for national summit on preconception health	$ 5,000
Marcus A. Foster Educational Institute 1203 Preservation Pkwy, Suite 302 Oakland, CA 94612	N/A 509(a)(1)	Support for 22nd Annual Gala	$ 5,000
Marin County Clinic 300 Professional Ctr Dr. Novato, CA 94947	N/A 509(a)(1)	Capital Campaign	$ 100,000
NAACP [illegible] 816 H Street #201 Sacramento, CA 95814	N/A 509(a)(1)	44th Annual Freedom Fund Banquet	$ 5,000
National Committee for Quality Assurance 2000 L Street, Suite 500 Washington, DC 20036	N/A 509(a)(1)	Support for the Health Quality Awards Dinner 2007	$ 10,000
National Domestic Violence Hotline PO Box 161810 Austin, TX 78716	N/A 509(a)(1)	Support for the Vital Link Awards	$ 5,000
National Kidney Foundation of Northern California, Inc 131 Steuart St, Suite 520 San Francisco, CA 94105	N/A 509(a)(1)	Support for 19th Annual San Francisco Authors' Luncheon	$ 4,820
National Medical Fellowships 5 Hanover Square New York, NY 10004	N/A 509(a)(1)	Support for Annual LA Gala 2007 Support for Annual San Francisco Gala 2008	$ 65,000
National Patient Safety Foundation 1120 Mass MoCA Way North Adams, MA 01247	N/A 509(a)(1)	Conference Support	$ 10,000
Northern Light School 3710 Dorisa Avenue Oakland, CA 94605	N/A 509(a)(1)	General Operating Support	$ 10,000

KAISER FOUNDATION HEALTH PLAN, INC — 94-1340523

FORM 990, PART II - OTHER GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RECIPIENT NAME / ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
Oakland Metropolitan Chamber of Commerce Foundation 475 14th Street Oakland, CA 94612	N/A 501(c)(3)	The Oakland Partnership - Mayor's Economic Summit America's Children's Holiday Parade	$ 75,000
Old Dominion University Research Foundation PO Box 6369 Norfolk, VA 23508	N/A 501(c)(3)	Education Theatre Program Evaluation Study	$ 155,611
On Lok Senior Health Service 1333 Bush Street San Francisco, CA 94109	N/A 501(c)(3)	Support for Annual Fundraiser Autumn Magic - 2007	$ 4,800
Organization of Chinese-Americans, Inc 1322 18th St NW Washington, DC 20036	N/A 501(c)(3)	Support for Annual Fundraiser Support for National Convention	$ 11,000
Physicians for Social Responsibility Inc - Los Angeles 617 S. Olive St., # 810 Los Angeles, CA 90014	N/A 501(c)(3)	Event Support/Annual Fundraiser 2007 Annual Gala Dinner	$ 10,000
Prideworks 581 Castro Street # 174 San Francisco, CA 94114	N/A 501(c)(3)	Support for Healthy Best Project	$ 7,500
Professional and Businesswomen's Conference P.O. Box 6657 San Mateo, CA 94403	N/A 501(c)(3)	Support for the Sacramento Conference Support for San Francisco Conference	$ 50,000
Project Inform Inc 205 13th St, Ste 2001 San Francisco, CA 94103	N/A 501(c)(3)	National Integrated Treatment Program	$ 25,000
Project Open Hand - San Francisco 730 Polk Street San Francisco, CA 94109	N/A 501(c)(3)	Support for Hand to Hand Luncheon General Operating Support	$ 20,000
Rancho Cordova Prosperous Economic Development Corporation 2729 Prospect Park Drive, Suite 117 Rancho Cordova, CA 95670	N/A 501(c)(3)	Momentum 2010	$ 10,000

STATEMENT 4

RECIPIENT NAME ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION		AMOUNT
Rebuilding Together Oakland 1111 Pine Street, Suite A Oakland, CA 94607	N/A 509(a)(1)	Safe At-Home Program	$	[illegible]
Relief International 1575 Westwood Blvd, Suite 2[illegible] Los Angeles, CA 900[illegible]	N/A 509(a)(1)	Support for Disaster Preparedness Program	$	85,684
Sacramento Philharmonic Orchestra Assoc., Inc PO Box 5[illegible] Sacramento, CA 95817	N/A 509(a)(1)	Program support for Perfect Pitch and Sponsorship of Guest Artist	$	7,[illegible]00
Salvation Army 3755 North Freeway Blvd Sacramento, CA 95834	N/A 509(a)(1)	Annual Community Luncheon	$	1,000
San Francisco Lesbian Gay Bisexual Transgender Parade Committee 1800 Market Street PMB #[illegible] San Francisco, CA 94102	N/A 509(a)(1)	Support for the SF Pride Parade	$	15,000
San Francisco Food Bank 900 Pennsylvania Avenue San Francisco, CA 94107	N/A 509(a)(1)	Event Support-Dinner Anniversary Gala - 20th	$	2[illegible],000
San Jose State University Foundation 210 N. Fourth St., 4th Fl San Jose, CA 95112	N/A 509(a)(1)	Family Fitness Day	$	5,000
Sonoma County Office of Education 5340 Skylane Blvd. Santa Rosa, CA 95403	N/A 509(a)(1)	Work Ready Certificate	$	10,000
Town Hall Los Angeles 515 So. Flower St. Suite 1650 Los Angeles, CA 90071	N/A 509(a)(1)	Support for Town Hall Los Angeles 70th Anniversary Gala Dinner. Support for emergency preparedness conference	$	20,000
Tony and Alene Pack Foundation 3000 Crow Canyon Road, Suite 249 Danville, CA 94506	N/A 509(a)(1)	California Prescription Drug Monitoring Program Study	$	20,000
University of California, Berkeley Foundation 140 Earl Warren Hall #7320 Berkeley, CA 94720	N/A 509(a)(1)	Support for Public Health Heroes Awards Dinner 2007, Conference Support - Teams in Public Health and Health Care Organizations Training	$	5,000

RECIPIENT NAME ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION		AMOUNT
Regents of University California Laurel Heights Campus 3333 California Street, Suite 265 San Francisco CA 94118	N/A 509(a)(1)	Support for Philip R. Lee Fellowship	$	25,000
Unity Council [illegible] East 12th Street, Suite 200 Oakland CA 94601	N/A 509(a)(1)	A Unity Council Day of the Dead Celebration	$	5,000
UCSF School of Nursing UCSF Box 0248 San Francisco, CA 94143	N/A 509(a)(1)	UCSF Nursing Centennial Gala, June 6, 2017	$	10,000
Washington Regional Association of Grantmakers 1400 16th Street NW, Suite 740 Washington, DC 200[illegible]	N/A 509(a)(1)	Conference support	$	15,000
World Institute on Disability [illegible] 14th Street, Suite 10[illegible] Oakland CA 94612	N/A 509(a)(1)	Support Ever Widening Circle - 9th Annual	$	2,500
Youth Business Week 5540 Skylane Blvd Santa Rosa CA 95403	N/A 509(a)(1)	Youth Business Week	$	10,500
Zero Breast Cancer 1340 Redwood Hwy San Rafael, Ca 94901	N/A 509(a)(1)	Stepping out to Celebrate life	$	10,000
Small Dollar Grants (Detail available upon request) KFHP, Inc. c/o National Tax Department, One Kaiser Plaza 15th Fl. Oakland CA 94612	N/A Unrelated public charities	Support of each organization's mission	$	131,506
		TOTAL CONTRIBUTIONS PAID	$	98,374,728

KAISER FOUNDATION HEALTH PLAN, INC.
94-1340523
December 31, 2007

STATEMENT PART III
FORM 990 PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

Kaiser Foundation Health Plan, Inc. (Health Plan) is a California not-for-profit corporation organized for the public benefit and generally exempt from income tax under Internal Revenue Code Section 501(c)(3), and comparable state statutes, for the purpose of providing hospital based health and medical care services. The Internal Revenue Service made the initial determination of Health Plan's exempt status effective June 2, 1949, under Section 101(6) of the Internal Revenue Code of 1939. Such Section is the predecessor of Section 501(c)(3) of the Internal Revenue Code of 1986. Health Plan is listed in IRS Publication 78 Cumulative List of Organizations Exempt From Tax

Health Plan shares a common board of Directors with Kaiser Foundation Hospitals (Hospitals) and three affiliated Health Plan subsidiaries. Two additional health plans with community based boards are affiliated with Health Plan. Health Plan is the principal controlling member of the five operating subsidiary health maintenance organizations in the integrated health care delivery system commonly known as "Kaiser Permanente." Each of these member organizations is also generally exempt from Federal income tax under the provisions of Internal Revenue Code Section 501(c)(3).

Kaiser Permanente is an integrated health care delivery system that in 2007 served over 8.7 million members in the following states: California, Hawaii, Oregon, Washington, Colorado, Georgia, Ohio, Maryland, Virginia and the District of Columbia. It is the largest private pre-paid health care program in the United States with approximately 160,000 employees and approximately 14,000 full-time equivalent physicians in the affiliated dedicated physicians practice groups

Hospitals owns and operates hospitals in California, Hawaii, and Oregon. These hospitals provide services to all persons in the communities in which they are located. These services are made available to members of the community regardless of race, sex, religion, national origin or ability to pay. In addition, Hospitals provides for and/or arranges for hospital based care, extended care and home health care to the approximately 8.7 million individual members of Kaiser Permanente

Emergency rooms located within hospital facilities owned and operated by Hospitals are available to the public on a non-discriminatory basis. The policy of Hospitals is that all persons who present themselves to an emergency room in a hospital owned and operated by Hospitals will be evaluated by an appropriately trained nurse or physician. Depending on the person's medical condition, they will be stabilized and referred or transported to an appropriate facility, or if medically appropriate, they will be admitted into the hospital for treatment

Hospitals provides a financial assistance program to assist persons who cannot afford hospitalization and/or medical care. Hospitals also sponsors activities and programs to support the general health education and condition of the members of the communities in which the hospitals are located

Please see the attachment "Kaiser Permanente Community Benefit Report for Kaiser Foundation Health Plan, Inc. for 2007." This report will provide a description of activities conducted by Health Plan in the accomplishment of its exempt purposes and for the benefit of the community in which it conducts its activities

KAISER FOUNDATION HEALTH PLAN, INC.
94-1340523
12/31/2007

STATEMENT LINE 50 - RECEIVABLES DUE FROM OFFICERS, DIRECTORS AND KEY EMPLOYEES
FORM 990 PART IV

Name	Title	Original Amount	Balance of Note 12/31/06	Balance of Note 12/31/07	Date of Note	Maturity Date	Terms	Interest Rate	Security	Purpose
[illegible]	VP	70,000	17,500	0	08/25/03	08/25/07	Principal & Interest payable annually	3.06%	Recorded DoT	Employee Relocation
Lon [illegible]	VP	70,000	17,500	0	08/27/03	08/27/07	Principal & Interest payable annually	3.06%	Recorded DoT	Employee Relocation
Kendall [illegible]	VP	[illegible]	21,250	0	06/16/03	06/16/07	Principal & Interest payable annually	3.06%	Recorded DoT	Employee Relocation
Jim [illegible]	VP	100,000	25,000	0	11/26/03	11/26/07	Principal & Interest payable annually	3.32%	Recorded DoT	Employee Relocation
Anne [illegible]	VP	30,000	15,000	7,500	04/21/04	04/21/08	Principal & Interest payable annually	3.18%	Recorded DoT	Employee Relocation
Thomas [illegible] Jr	VP	50,000	25,000	12,500	06/01/04	06/01/08	Principal & Interest payable annually	3.89%	Recorded DoT	Employee Relocation
James [illegible]	VP	50,000	25,000	12,500	05/27/04	05/27/08	Principal & Interest payable annually	3.18%	Recorded DoT	Employee Relocation
Brian [illegible]	VP	50,000	25,000	12,500	07/09/04	07/09/08	Principal & Interest payable annually	3.89%	Recorded DoT	Employee Relocation
[illegible] Lee	VP	30,000	[illegible]	[illegible]	03/19/04	03/19/08	Principal & Interest payable annually	[illegible]	Recorded DoT	Employee Relocation
Christine Malcolm	VP	100,000	[illegible]	[illegible]	10/18/04	10/18/08	Principal & Interest payable annually	[illegible]	Recorded DoT	Employee Relocation
Colleen [illegible]	VP	70,000	35,000	17,500	08/19/04	08/19/08	Principal & Interest payable annually	4.00%	Recorded DoT	Employee Relocation
Jeanne [illegible]	VP	30,000	15,000	0	04/30/04	04/30/08	Principal & Interest payable annually	3.15%	Recorded DoT	Employee Relocation
DeAnne Peterson	VP	70,000	35,000	17,500	[illegible]	[illegible]	Principal & Interest payable annually	[illegible]	Recorded DoT	Employee Relocation
Charles [illegible]	VP	70,000	37,514	[illegible]	[illegible]	[illegible]	Principal & Interest payable annually	[illegible]	In Process DoT	Employee Relocation
Kelly [illegible]	VP	100,000	100,000	100,000	06/27/05	06/27/09	Principal & Interest payable annually	[illegible]	In Process DoT	Employee Relocation
[illegible]	VP	70,000	52,500	0	01/14/05	01/14/09	Principal & Interest payable annually	3.76%	In Process DoT	Employee Relocation
Dean Edwards	VP	150,000	77,[illegible]	[illegible]	[illegible]	[illegible]	Principal & Interest payable annually	[illegible]	Recorded DoT	Employee Relocation
[illegible] Harper	VP	70,000	70,000	70,000	[illegible]	[illegible]	Principal & Interest payable annually	[illegible]	In Process DoT	Employee Relocation
Wade [illegible]	VP	100,000	100,000	100,000	[illegible]	[illegible]	Principal & Interest payable annually	3.86%	Recorded DoT	Employee Relocation
[illegible]	VP	105,000	105,000	105,000	[illegible]	[illegible]	Principal & Interest payable annually	[illegible]	Recorded DoT	Employee Relocation

KAISER FOUNDATION HEALTH PLAN, INC.
94-1340523
12/31/2007

STATEMENT LINE 50 - RECEIVABLES DUE FROM OFFICERS, DIRECTORS AND KEY EMPLOYEES
FORM 990 PART IV

Name	Title	Original Amount	Balance of Note 12/31/06	Balance of Note 12/31/07	Date of Note	Maturity Date	Terms	Interest Rate	Security	Purpose
John Walla[illegible]	VP	1[illegible]8,000	1[illegible]2,000	68,000	07/19/05	07/19/09	Principal & interest payable annually	4.77%	Recorded DoT	Employee Relocation
Andrew Weintraub	VP	30,000	30,000	0	05/23/05	05/23/06	Principal & interest payable annually	4.78%	Recorded DoT	Employee Relocation
Robert Bo[illegible]	VP	60,000	60,000	60,000	06/21/06	06/21/10	Principal & interest payable annually	5.06%	Recorded DoT	Employee Relocation
Marlene Foster	VP	75,000	75,000	75,000	03/17/06	03/07/10	Principal & interest payable annually	4.51%	Recorded DoT	Employee Relocation
David A[illegible]burg	VP	100,000	100,000	100,000	08/18/06	08/18/10	Principal & interest payable annually	3.21%	Recorded DoT	Employee Relocation
Paul Richards	VP	100,000	100,000	100,000	02/13/07	02/13/10	Principal & interest payable annually	4.40%	Recorded DoT	Employee Relocation
Paul [illegible]	VP	200,000	200,000	200,000	02/13/06	02/13/11	Principal & interest payable annually	4.40%	Recorded DoT	Employee Relocation
Ronald Small	VP	75,000	75,000	75,000	06/16/06	06/16/10	Principal & interest payable annually	5.06%	Recorded DoT	Employee Relocation
William Cole	VP	75,000	75,000	75,000	09/13/06	09/13/09	Principal & interest payable annually	5.01%	Recorded DoT	Employee Relocation
Dawn Delaney	VP	25,000	0	25,000	04/10/07	04/10/11	Principal & interest payable annually	4.81%	Recorded DoT	Employee Relocation
Jose Gutierrez	VP	50,000	0	50,000	06/21/07	06/21/11	Principal & interest payable annually	4.64%	Recorded DoT	Employee Relocation
James Manzoro	VP	30,000	0	30,000	01/16/07	01/16/10	Principal & interest payable annually	1.58%	Recorded DoT	Employee Relocation
Philip Fasano	VP	252,077	0	252,077	10/18/07	08/31/08	Principal & interest payable annually	4.11%	Recorded DoT	Interim Relocation
		TOTAL	1,685,896	1,699,154						

CSS Loans	1,675,750
CSS ST Receivables	10,146
	1,685,896

STATEMENT 6

FEDERAL FOOTNOTES

FORM 990, PART IV, LINE 50A

PURSUANT TO THE TERMS OF THE ORGANIZATION'S ACCOUNTABLE EXPENSE REIMBURSEMENT PLAN, CERTAIN EXPENSES MAY BE PAID BY THE ORGANIZATION ON BEHALF OF ITS OFFICERS, DIRECTORS AND KEY EMPLOYEES WHICH ARE SUBSEQUENTLY REPAID BY SUCH PERSON TO THE ORGANIZATION. AT ANY POINT DURING THE NORMAL BUSINESS CYCLE, THERE MAY BE AMOUNTS RECEIVABLE FROM SUCH PERSONS PURSUANT TO THE ACCOUNTABLE PLAN.

KAISER FOUNDATION HEALTH PLAN, INC
94-1340523
12/31/07

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

(A) NAME	(B) TITLE/ HOURS WEEKLY		(C1) COMPENSATION FHE 2007	(C2) COMPENSATION 2007	(D1) BENEFIT 2007	(D2) BENEFIT PAID 2008	(E) EXP ACCT/ OTHER ALLOW.
[illegible]	[illegible]		See Notes 3 & 4	See Notes [illegible] & 3	See Notes [illegible] & 5	See Notes 3, 4 & 5	See Notes [illegible]
DIRECTORS:							
George C. Halvorson (A)	Chairman & Chief [illegible]		SEE BELOW	SEE BELOW	See Below	SEE BELOW	SEE BELOW
Daniel P. Garcia	Director		SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW
[illegible]	Director	5	[illegible]	17,401	0	0	0
Christine K. Cassel	Director	[illegible]	0	187,000	0	0	[illegible]
Thomas W. Chapman	Director	5	0	186,148	0	0	0
[illegible]	Director	[illegible]	[illegible]	173,900	[illegible]	0	0
J. Eugene Grigsby	Director	[illegible]	0	[illegible]	9,260	[illegible]	0
[illegible]	Director	5	0	[illegible]	0	0	0
[illegible]	Director	5	0	[illegible]	0	0	0
[illegible]	Director	5	[illegible]	[illegible]	9,726		0
[illegible]	Director	5	0	[illegible]	4,735	0	[illegible]
Cynthia Telles	Director	5	0	[illegible]	[illegible]	0	0
[illegible]	Director	5	0	77,677	0	[illegible]	0
[illegible]	Director	[illegible]	0	[illegible]	4,480	0	0
OFFICERS AND KEY EMPLOYEES:							
President and Regional Presidents							
George C. Halvorson (A)	CEO & President	40	2,316,000	[illegible]	97,942	[illegible]	[illegible]
[illegible]	Regional President [illegible]	40	[illegible]	[illegible]	422,185	[illegible]	0
[illegible]	[illegible]	40	[illegible]	[illegible]	[illegible]	457,[illegible]	
[illegible]	Regional President - [illegible]	40	0	[illegible]	[illegible]	[illegible]	[illegible]
National Officers and Key Employees							
Craig Adams	[illegible]	40	[illegible]	808,157	[illegible]	436,[illegible]	0
[illegible]	Senior Vice President	40	[illegible]	954,[illegible]	[illegible]	[illegible]	0
[illegible]	Senior Vice President	40	[illegible]	[illegible]	[illegible]	[illegible]	0
[illegible]	Senior Vice President [illegible]	40	0	[illegible]	177,218	[illegible]	17,488
[illegible]	Senior Vice President	40	[illegible]	[illegible]	128,175	[illegible]	0
[illegible]	Senior Vice President	40	470,879	[illegible]	[illegible]	[illegible]	0
[illegible]	Senior Vice President	40	135,418	[illegible]	[illegible]	236,388	0
[illegible]	[illegible]	40	120,348	[illegible]	[illegible]	807,344	0
Lawrence B. Leisure	Senior Vice President [illegible]	40	370,020	[illegible]	[illegible]	0	0
[illegible], MD	Senior Vice President	40	[illegible]	542,[illegible]	[illegible]	[illegible]	0
Diane Gage Lofgren	Senior Vice President	40	0	[illegible]	146,[illegible]	[illegible]	0
Christine Malcolm	Senior Vice President	40	[illegible]	821,878	135,781	[illegible]	0
Laurence G. O'Neil	Senior Vice President	40	[illegible]	[illegible]	2,204,785	[illegible]	0
Christine Paige	Senior Vice President	40	[illegible]	475,001	98,717	[illegible]	[illegible]
Paul Records	Senior Vice President	40	[illegible]	[illegible]	100,408	[illegible]	0
Arthur M. Southam, MD	Executive Vice President	40	[illegible]	1,228,000	351,[illegible]	[illegible]	0
[illegible]	Executive Vice President	40	[illegible]	[illegible]	248,172	[illegible]	0
[illegible]	Senior Vice President CFO [illegible]	40	[illegible]	[illegible]	[illegible]	0	0
[illegible]	Senior Vice President	40	[illegible]	[illegible]	148,237	0	0
[illegible]	Senior Vice President	40	[illegible]	[illegible]	308,439	[illegible]	0
Steven R. Zatkin	Senior Vice President	40	730,427	[illegible]	790,280	[illegible]	0
Thomas R. Meier	Vice President/Treasurer	40	[illegible]	[illegible]	32,515	[illegible]	0
[illegible]	Vice President/Controller	40	[illegible]	[illegible]	113,257	[illegible]	0
[illegible]	Assistant Secretary	40	0	[illegible]	18,217	[illegible]	0
[illegible]	Assistant Secretary	40	0	[illegible]	16,390	4,[illegible]	0
[illegible]	Assistant Secretary	40	184,848	148,[illegible]	86,232	[illegible]	0
[illegible]	Assistant Secretary	40	[illegible]	[illegible]	[illegible]	101,[illegible]	0
[illegible]	Assistant Secretary	40	43,[illegible]	[illegible]	58,708	[illegible]	0
[illegible]	Assistant Secretary	40	0	[illegible]	27,027	[illegible]	0
[illegible]	Assistant Secretary	40	0	[illegible]	73,325	56,[illegible]	0
[illegible]	Assistant Secretary	40	3,470	[illegible]	84,104	[illegible]	0

NOTES. See following page for notes applicable to the above reporting
(A) See Statement 38

KAISER FOUNDATION HEALTH PLAN, INC
94-1340523
12/31/2007

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

(A) NAME		(C1) COMPENSATION PRE 2007	(C2) COMPENSATION 2007	(D1) BENEFIT 2007	(D2) BENEFIT PAID 2008	(E) EXP ACCT/ OTHER ALLOW
See Note 2		See Notes 3 & 4	See Notes 3 & 4	See Notes 3, 4 & 5	See Notes 3, 4 & 5	See Notes 3, 4 & 6
George C Halvorson	(A)	0	0	0	0	0
Lionel P Gazor [illegible]		0	0	0	0	0
Judith A Johansen		0	0	0	0	0
Christine K Cassel		0	0	0	0	0
Thomas W Chapman		0	[illegible]	[illegible]	0	0
William R Graber		0	0	0	0	0
J Eugene Grigsby III		0	[illegible]	0	0	0
Kim J Kaiser		0	0	0	0	0
J. Neal Purcell		0	[illegible]	[illegible]	0	0
Philip A Marineau		0	0	0	0	0
Edward Pei		0	0	0	0	0
Cynthia A Telles		0	[illegible]	0	0	0
Jenny Ming		0	0	0	0	0
Sandra Thompson		0	0	0	0	0
Mary Ann Thode		0	0	0	0	0
Benjamin K Chu		0	0	0	0	0
Janet Liang		0	0	0	0	0
Gary Adams		0	0	0	0	0
Raymond J Baxter		0	0	0	0	0
Robert M Crane		0	0	0	0	0
Mark Foscue		0	0	0	0	0
John C Fleming		0	0	0	0	0
Mitchell J Goldstein		0	0	0	0	0
Kathryn Lancaster		0	0	0	0	0
Leonard D Schaeffer		0	0	0	0	0
Louise L Liang, MD		0	0	0	0	0
Diane Gage Lofgren		0	0	0	0	0
Christine Malcolm		0	0	0	0	0
Christian Paige		0	0	0	0	0
Lawrence O'Neil		0	0	0	0	0
Paul Records		0	0	0	0	0
Arthur M Southam, MD		0	0	0	0	0
Bernard J Tyson		0	0	0	0	0
David Watson		0	0	0	0	0
Herman M Weil		0	0	0	0	0
Larry Wilson		0	0	0	0	0
Steven R Zatkin		0	0	0	0	0
Thomas R Meier		0	0	0	0	0
Deborah Dickes		0	0	0	0	0
Steven Dochay		0	0	0	0	0
Jennifer Gentile		0	0	0	0	0
Emily Lee		0	0	0	0	0
Sarah M Moore		0	0	0	0	0
Wayne Myers		0	0	0	0	0
Michael Chemberos		0	0	0	0	0
Carlos Zaragoza		0	0	0	0	0
Victoria E Zatkin		0	0	0	0	0

NOTES. See following page for notes applicable to the above reporting
(A) See Statement 38

KAISER FOUNDATION HEALTH PLAN INC.

94-1340523

12/31/2007

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

(A) NAME See Note 2	(B) LOANS AND ADVANCES	(C1) COMPENSATION PRE 2007 See Notes 3 & 4	(C2) COMPENSATION 2007 See Notes 3 & 4	(D1) BENEFIT 2007 See Notes 3, 4 & 5	(D2) BENEFIT PAID 2008 See Notes 3, 4 & 5	(E) EXP ACCT/ OTHER ALLOW. See Notes 3, 4 & 6
LYNN ABRAHAMS	0	6,093	0	0	9,677	0
DAVID P ANCHETA	0	0	0	5,694	0	0
CHUCK BEHNKE	0	16,171	0	8,593	5,150	0
[illegible]	0	[illegible]	0	0	[illegible]	0
CHRISTOPHER BINKLEY	0	162,424	16,778	[illegible]	50,524	0
KATHY BLACKBURN	0	42,655	0	0	23,264	0
BARBARA CRAWFORD BLUM	0	0	[illegible]	2,211	0	0
ROBERT E BRIGGS	0	0	[illegible]	[illegible]	0	0
RICHARD CORDOVA	0	15,525	0	0	12,276	0
CAROL COX	0	[illegible]	0	0	0	0
DALE L CRANDALL	0	85,384	0	16,000	114,219	0
CLIFFORD [illegible]	0	156,319	1,610,250	[illegible]	0	0
CYNTHIA A FINTER	0	201,852	0	2,007	0	0
[illegible]	0	10,391	0	15,555	6,763	0
JANICE [illegible]	0	544,351	409,046	[illegible]	657	0
PETER [illegible]	0	[illegible]	0	0	0	0
JOSEPH HUMMEL	0	58,363	0	13,117	30,708	0
HENRY M KAISER	0	0	[illegible]	9,824	[illegible]	0
DAVID M LAWRENCE	0	471,801	0	13,069	299,061	0
LESLIE MARGOLIN	0	400,646	0	[illegible]	0	0
ROBERT [illegible]	0	0	0	1,067	0	0
JAMES [illegible]	0	2,807	0	1,607	2,257	0
PATRICIA SIEGEL	0	[illegible]	0	[illegible]	0	0
TIMOTHY E SULLIVAN	0	25,455	0	0	19,946	0
HANS TIMM	0	0	[illegible]	9,745	[illegible]	0
GEORGE [illegible]	0	113,747	0	9,444	0	0
BRUCE [illegible]	0	[illegible]	721,782	33,701	46,712	1,780
JAMES [illegible]	0	114,802	0	6,554	0	0
ROBERT WALTON	[illegible]	0	543,900	[illegible]	0	0
BARBARA WEST	0	0	0	10,409	0	0
THEODORE E [illegible]	0	0	[illegible]	15,926	0	0

KAISER FOUNDATION HEALTH PLAN, INC. 94-1340523

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) [94-1340523] 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 2007. 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 2006 and 2007. 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 2008 for performance goals achieved in 2007.

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 2007 accruals for future benefits under Plan A are included in column D1

For other benefit plans available to executives which provide future benefits earned during 2007 (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 future 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

Certain officers, directors and key employees are eligible for post-retirement medical and life insurance benefits if they meet certain eligibility requirements. Payments are not made to these post-retirement benefit plans on behalf of individuals until retirement, and thus, payments to these plans are not reported on Part V, column D. However, when the retiree benefits are actually paid, they are reported on Part V-B of the Form 990.

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 those 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 Board members on the organization's affairs during 2007 is estimated to be five hours. 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 and will work on various entities within the program

Kaiser Foundation Health Plan, Inc., Kaiser Foundation Hospitals, Kaiser Foundation Health Plan of the Northwest, Kaiser Foundation Health Plan of Colorado, and Kaiser Foundation Health Plan of Ohio have the same Directors. The hours reported for outside Directors for Part V represent the total average weekly time spent by each Director on all of these organizations' affairs during 2007

KAISER FOUNDATION HEALTH PLAN, INC.
EMPLOYEE COMPENSATION FOR FORM 990 REPORTING PURPOSES
FOR TAX YEAR 2007

TOP FIVE EMPLOYEES

NAME	TITLE	HOURS	(C1) COMPENSATION PRE-2007	(C2) COMPENSATION 2007	(D1) BENEFITS 2007	(D2) BENEFITS PAID 2008	(E) EXP ACCT/ OTHER ALLOW.
		see note 7	see notes 2 & 4	see notes 3 & 4	see notes 3, 4 & 5	see Notes 3, 4 & 5	see notes 3, 4 & 6
KEITH SHULTZ *	VP	40	156,906	573,190	759,207	159,940	0
GARRY HURLBUT	VP	40	429,194	347,330	96,190	168,171	0
MARILYN CHOW	VP	40	435,477	337,111	174,904	110,446	0
JACK HUDES	VP	40	160,204	414,025	143,504	178,891	0
GEORGE DISALVO	SVP	40	387,414	499,221	144,706	213,055	0

NOTES: See Statement 16 for notes applicable to the above reporting.

KAISER FOUNDATION HEALTH PLAN, INC.
FEIN: 94-1340523
December 31, 2007

Schedule A, Part III, Question 2a:

Kaiser Foundation Health Plan, Inc. (KFHP, Inc.) is organized for the public benefit and provides health and medical care services for its members. KFHP, Inc. and Kaiser Foundation Hospitals (KFH) have common Boards of Directors. KFHP Inc. and KFH are operated as separate charitable corporations. See **Statement 30** for a list of tax-exempt and non-exempt related entities.

Based on a review of KFHP, Inc. records and Conflict of Interest (COI) statements for these directors, officers and key employees for 2007, KFHP, Inc did not engage in the sale, exchange, or leasing of property with any of the persons listed on Form 990, Part V.

Based on a review of the records of the affiliated taxable entities for transactions with these individuals, none of these taxable entities engaged in any sale, exchange or lease of property with KFHP individual directors or officers.

In the normal course of business in carrying out its charitable purposes, KFHP, Inc. may have entered into the sale, exchange, or leasing of property with some of the related entities described in **Statement 30**. KFHP, Inc. relationships with such organizations are conducted on a fair market value basis.

Schedule A, Part III, Question 2b:

Statement 34 provides a list of the directors, officers and key employee family members with whom KFHP, Inc. did business or who were employed by KFHP, Inc. or any KFHP, Inc. affiliate. KFHP, Inc. does not have trustees, creators or substantial contributors.

Based on a review of KFHP, Inc. records and COI statements for these directors, officers and key employees for 2007, KFHP, Inc. did not engage in the lending of money or other extension of credit with any of these persons in 2007. KFHP, Inc. has a program that provides loans to relocate executives. **Statement 16** provides information regarding officer and key employee loans made by KFHP, Inc. as disclosed in the KFHP, Inc. 2007 Form 990, Part IV and Schedule A, Part III question 2b.

KAISER FOUNDATION HEALTH PLAN, INC.
FEIN: 94-1340523
December 31, 2007

Based on the COI questionnaires for 2007. **Statement 35** lists non-affiliated taxable organizations which did business with KFHP, Inc. in 2007 and on which KFHP, Inc. officers, directors, key employees or their families served as an officer, director, or owner. KFHP, Inc. relationships with such organizations are conducted on a fair market value basis and the KFHP officer director or key employee abstained from voting on any such matters

<u>Schedule A, Part III, Question 2c:</u>

Form 990, Part V lists the officers, directors and key employees of KFHP, Inc. in 2007. Based on a review of COI statements for these directors, officers and key employees for 2007 **Statement 35** provides a list of their family members with whom KFHP, Inc. did business or who were employed by KFHP, Inc or any KFHP. Inc. affiliate KFHP, Inc. does not have trustees, creators or substantial contributors. Any such transactions are conducted on a fair market value basis.

Based on a review of KFHP. Inc records and COI statements for these directors, officers and key employees for 2007, KFHP, Inc. did not engage in the furnishing of goods, services, or facilities with any of the persons in 2007.

In the normal course of business in carrying out its charitable purposes, KFHP, Inc may have entered into the furnishing of goods, services, or facilities with some of the related taxable entities. **Statement 36** generally describes the transactions between KFHP, Inc. and those entities.

Based on the COI questionnaires for 2007, **Statement 35** lists non-affiliated taxable organizations, which did business with KFHP. Inc. in 2007 and on which KFHP Inc officers, directors, key employees or their families served as an officer, director, or owner. **Statement 35** also provides a general summary of the transactional relationship (if any) between KFHP, Inc and such organizations. KFHP, Inc. relationships with such organizations are conducted on a fair market value basis and the KFHP officer, director or key employee abstained from voting on any such transaction.

KAISER FOUNDATION HEALTH PLAN, INC.

TIN: 94-1340523
DECEMBER 31, 2007

LOBBYING ACTIVITY BY NONELECTING PUBLIC CHARITIES
FORM 990, SCHEDULE A, PART VI-B

The Organization is a member of the Kaiser Permanente Medical Care Program and participated and benefited from lobbying activities conducted at the national level by Kaiser Foundation Health Plan, Inc. for the benefit of its enrolled members and for the health care industry as a whole. As an organization generally exempt from income tax under Internal Revenue Code Section 501(c)(3), Health Plan did not participate in or conduct political campaigns.

During the year this Organization may have made comments or statements concerning legislation which may affect the health care industry. Health Plan may have engaged in telephone conversations and or written letters to various federal, state, and local officials regarding matters which affected the healthcare industry as a whole. The amount of time and money involved in the activities is detailed on lines a through h. Health Plan has not intervened in any political campaign.

Health Plan has several employees and/or may retain a professional consultant to represent Health Plan's interests in various legislative and regulatory bodies and from time-to-time to keep informed of Federal and State legislation having an impact on Health Plan's charitable activities as an exempt Health Maintenance Organization.

These individuals attempt to ensure that proposed legislation and enacted laws are compatible with the Interest of Health Plan and its members by performing the following activities.

- Collecting, analyzing and distributing within the Organization, public and private policy recommendations regarding proposed legislation and enacted laws that affect the operation of Health Plan and its ability to provide quality health and medical care services to its members in a cost effective environment
- Providing appropriate informational materials to legislators and to their staffs that pertain to matters of common interest in the health care community and in the not-for-profit community.
- Also by preparing written and oral testimony, these individuals appear at legislative hearings, monitor legislative proceedings and meet with legislators and/or their staffs regarding issues pertinent to the mission of Health Plan. These individuals appearing at such hearings and meetings for and on behalf of Health Plan often are representing the interests of common interest groups as well as the interests of the members of Health Plan
- Other employees and officers perform services by delivering speeches at various public and private functions and in serving as faculty in healthcare related educational programs throughout the community

KAISER FOUNDATION HEALTH PLAN, INC
94-1340523
DECEMBER 31, 2007

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, 2007

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):			
[illegible]	KAISER FOUNDATION HEALTH PLAN OF THE NORTHWEST		100%
[illegible]	KAISER FOUNDATION HEALTH PLAN OF COLORADO		100%
[illegible]	KAISER FOUNDATION HEALTH PLAN OF GEORGIA, INC		100%
[illegible]	KAISER FOUNDATION HEALTH PLAN OF THE MID-ATLANTIC STATES, INC		100%
[illegible]	KAISER FOUNDATION HEALTH PLAN OF OHIO		100%
[illegible]	COMMUNITY HEALTH PLAN		100%
[illegible]	KAISER HEALTH PLAN ASSET MANAGEMENT, INC		100%
[illegible]	KAISER HEALTH ALTERNATIVES		100%
[illegible]	CAMP BOWIE SERVICE CENTER		100%
[illegible]	OHP		100%
[illegible]	[illegible] 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			
[illegible]	OAK TREE ASSURANCE LTD		100%
[illegible]	KAISER PERMANENTE HEALTH ALTERNATIVES, INC		100%
[illegible]	KAISER PROPERTIES SERVICES, INC		100%
[illegible]	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)			
[illegible]	KAISER FOUNDATION HOSPITALS	(1)	N/A
[illegible]	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.			
[illegible]	KAISER PERMANENTE INTERNATIONAL	(2)	N/A
[illegible]	KP ONCALL, LLC (elected to be treated as a disregarded entity for tax purposes)	(2)	N/A
[illegible]	[illegible], INC	(2)	N/A
[illegible]	HEALTH CARE MANAGEMENT SOLUTIONS, LLC	(2)	N/A
[illegible]	KAISER PERMANENTE INSURANCE COMPANY	(3)	[illegible]
N/A	HAMI - COLORADO, LLC (elected to be treated as a disregarded entity for tax purposes)	(4)	N/A
[illegible]	KP CAL, LLC (elected to be treated as a disregarded entity for tax purposes)		100%

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

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

NOTE (3) KAISER PERMANENTE INSURANCE COMPANY IS A NON-EXEMPT LIFE, ACCIDENT AND HEALTH INSURANCE COMPANY OF WHICH [illegible] OF THE PREFERRED STOCK AND [illegible] OF THE COMMON STOCK ARE OWNED BY KAISER FOUNDATION HEALTH PLAN INC THE REMAINING [illegible] OF COMMON STOCK IS OWNED BY NON AFFILIATED PHYSICIAN PRACTICE GROUPS

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

THE COMMON ADDRESS FOR ALL ENTITIES LISTED ABOVE IS

C/O KAISER FOUNDATION HEALTH PLAN, INC.
PROGRAM OFFICE CONTROLLERS DEPARTMENT - TAX
ONE KAISER PLAZA, [illegible]
OAKLAND, CA [illegible]

KAISER FOUNDATION HEALTH PLAN INC.
TIN: 94-1340523
DECEMBER 31, 2007

STATEMENT FORM 990 PART VII
RELATIONSHIP OF ACTIVITIES TO EXEMPT PURPOSE

LINE NUMBER 93:

93A **MEMBERS HEALTH CARE PREMIUMS**
Revenue received from or on behalf of members, for prepaid health care coverage under the HMO care plans offered by Health Plan to its members. Revenue excluded under the provisions of Revenue Ruling 68-27.

93B **SUPPLEMENTAL CHARGES / PHARMACY**
Revenue received for co-payments from or on behalf of members for health care services provided under the plans referred to in 93A above. Pharmaceutical sales to members. Revenue excluded under the provisions of Internal Revenue Regulation 1.501(c)(3)-1.

93C **NON-PLAN AND INDUSTRIAL REVENUE**
Revenue received from non-members for health care and from outside insurers for reimbursement for health care services provided to members for work-related injuries or conditions. Revenue excluded under the provisions of Internal Revenue Regulation 1.501(c)(3)-1.

93D **OTHER PROGRAM SERVICE REVENUE**
Revenue received from or on behalf of members for health care services provided under the plans referred to in 93A above.

93F **MEDICARE/MEDICAID PAYMENTS**
Revenue received from the Social Security Administration for medical and health care services provided to Plan members covered under Part B of Medicare. Revenue excluded under the provisions of Internal Revenue Regulation 1.501(c)(3)-1

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

DESCRIPTION	Date Acquired	Date Sold	Proceeds/ Sales Price	Cost/Basis Expense of Sale	Accum Depreciation	Gain or (Loss)	If an asset sold for over $10,000, Name of Purchaser
See Note -	#1	#2					
GAINS AND LOSSES FROM SALE OF INVESTMENTS							
Publicly Traded Securities	Various	Various	18,8[illegible]	18,7[illegible]	(2,761,05[illegible])	131,985,117	
Total Realized Gains from Investments			18,887,7[illegible]	18,753,0[illegible]	(2,761,05[illegible])	131,985,117	
GAINS AND LOSSES FROM SALE OF FIXED ASSETS							
NORTHERN CALIFORNIA REGION							
[illegible] Equipment	Various	Various	42,[illegible]	2,45[illegible]	2,380,9[illegible]	(54,277)	
[illegible] Equipment	Various	Various	[illegible]	[illegible]	2,[illegible],616	3,208	
[illegible] Equipment	Various	Various	85	1,813,489	1,312,276	(483)	
Autos & Trucks	Various	Various	63,4[illegible]	[illegible]	[illegible]	29,886	
[illegible]	Various	Various	[illegible]	83,[illegible]	85,[illegible]	3,841	
[illegible]	Various	Various		2,[illegible]	[illegible]	(684)	
[illegible] Property	Various	Aug-07	5,102,068	8,[illegible]	3,52[illegible]	6,176,943	
Miscellaneous Write Off							
[illegible]	Various	Various		2,3[illegible]	2,0[illegible]	([illegible],202)	
[illegible]	Various	Various		182,081		(182,081)	
Miscellaneous	Various	Various	3,218			3,218	
Subtotal - Northern California Region			8,328,[illegible]	21,6[illegible]	17,[illegible]	8,085,431	
SOUTHERN CALIFORNIA REGION							
[illegible]							
[illegible]	Apr 3[illegible]	[illegible]	7[illegible]	[illegible]	[illegible]	300,3[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	18,[illegible]	[illegible]	[illegible]	14,680	[illegible]
Miscellaneous [illegible]							
Medical Equipment	Various	Various	[illegible]	[illegible]	88,424	(3,628)	
Autos and Trucks	Various	Various	[illegible]	[illegible]	[illegible]	8,640	
[illegible]	Various	Various	[illegible]	[illegible]	[illegible]	282	
[illegible]	Various	Various	[illegible]	[illegible]	[illegible]	38,568	
Miscellaneous [illegible]							
[illegible] Equipment	Various	Various		[illegible]	[illegible]	(18,[illegible])	
[illegible]	Various	Various		[illegible]	[illegible]	(21,8[illegible])	
[illegible]	Various	Various		[illegible]	[illegible]	0	
[illegible]	Various	Various		[illegible]	[illegible]	([illegible])	
[illegible] Adjustments	Various	Various	[illegible]			17,000	
[illegible]	Various	Various		[illegible]		(1,842,849)	
Subtotal - Southern California Region			819,227	48,948,[illegible]	48,872,[illegible]	(1,[illegible])	
Hawaii							
Miscellaneous [illegible]							
Medical Equipment	Various	Various	8,[illegible]	[illegible]	[illegible]	4,130	
[illegible]	Various	Various	[illegible]	[illegible]	18,031	1,588	
Total Gain/(Loss) on Sale of Fixed Assets			9,878	109,351	109,951	4,8[illegible]	
Miscellaneous [illegible]							
[illegible]	Various	Various		[illegible]	[illegible]	(6[illegible],372)	
[illegible]	Various	Various	[illegible]	[illegible]	[illegible]	(253,635)	
Subtotal - Hawaii Region			9,878	1,5[illegible]	1,2[illegible]	([illegible])	
PROGRAM OFFICE							
Miscellaneous W/O [illegible]							
[illegible]	Various	Various		[illegible]	[illegible]	(68,7[illegible])	
[illegible]	Various	Various		[illegible]	[illegible]	(11,632)	
[illegible] Equipment [illegible]	Various	Various		98,[illegible]	9[illegible],034,10[illegible]	(6[illegible])	
Subtotal - Program Office			0	102,908,738	102,8[illegible]	([illegible],983)	

KAISER FOUNDATION HEALTH PLAN, INC.
FORM 990 TAX YEAR 2007

94-1340523

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

DESCRIPTION	Date Acquired	Date Sold	Proceeds/ Sales Price	Cost/Basis Expense of Sale	Accum Depreciation	Gain or (Loss)	If an asset sold for over $10,000, Name of Purchaser
See Note	#1	#2					
SHARED SERVICES							
[illegible]	[illegible]	[illegible]			(1,243)	[illegible]	
Subtotal - Shared Services			0	0	(1,243)	(1,243)	
Net Gains on Sales of Fixed Assets			10,160,640	174,088,[illegible]	163,021,754	4,093,[illegible]	
Combined Totals			18,897,912,421	18,327,034,207	165,240,702	136,078,816	

RECAP OF NET GAIN/(LOSS)	Investments	Fixed Assets	Combined
LESS GROSS SALES PROCEEDS	18,887,751,781	10,160,640	18,897,912,421
ORIGINAL COST AND EXPENSE OF SALE	[illegible]	174,088,[illegible]	18,[illegible]
DEPRECIATION / ADJUSTMENTS	[illegible]	[illegible]	165,240,[illegible]
NET COST OR OTHER BASIS	18,755,768,664	6,066,[illegible]	18,761,833,605
NET GAIN/(LOSS)	131,[illegible]	4,093,893	136,078,816

Note #1: [illegible]

Note #2: [illegible]

STATEMENT OF FIXED ASSETS AND DEPRECIATION

COMBINED DIVISIONS

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		2007
	BEGINNING OF YEAR	END OF YEAR	BEGINNING OF YEAR	END OF YEAR	DEP/AMORT EXPENSE
LAND	350,567,932	403,710,363	0	0	0
LAND IMPROVEMENTS	37,782,284	39,847,653	31,388,026	30,130,037	913,160
BUILDINGS	2,070,707,326	2,268,490,828	937,430,875	1,022,550,775	113,396,156
LEASEHOLD IMPROVEMENTS	567,256,223	594,303,858	359,496,936	401,841,180	26,913,467
EQUIPMENT	727,966,311	586,720,705	679,192,022	545,603,380	29,299,854
CAPITALIZED SOFTWARE	454,468,528	454,638,878	420,436,302	433 650 170	12,867,978
CAPITALIZED LEASES	46,805	188,666	46,805	94,709	47,904
CONSTRUCTION IN PROGRESS	182,986,699	313,386,625	0	0	0
AMORTIZATION					480,128
TOTALS TO:					
PART IV, LINE 57(A)	4,391,782,108	4,661 287,775			
PART IV, LINE 57(B)			2,427,990,966	2,433,870,251	
PART IV, LINE 57(C)	1,963,791,142	2,227,417,523			
PART II, LINE 42 COLUMN (B)					183,918,647

KAISER FOUNDATION HEALTH PLAN, INC
FEIN: 94-1340523
12/31/2007

FAMILY AFFILIATIONS REPORTED

NAME	FAMILY MEMBER AFFILIATION
STEVE R ZATKIN	SPOUSE EMPLOYEE OF KFHP INC.
VICTORIA B ZATKIN	SPOUSE, SR VP, GENERAL COUNSEL AND SECRETARY OF KFH, KFHP INC AND REGIONAL HEALTH PLANS
CYNTHIA TELLES	COUSIN, PHYSICIAN SOUTHERN CALIFORNIA MEDICAL GROUP
THEODORE WISE	SIBLING, PHYSICIAN NORTHWEST MEDICAL GROUP
CARLOS ZARAGOZA	SPOUSE EMPLOYEE OF KFHP INC

KAISER FOUNDATION HEALTH PLAN, INC
FEIN: 94-1340523
December 31 2007

FORM 990. SCHEDULE A, PART III

NON-AFFILIATED TAXABLE ORGANIZATION RELATIONSHIPS

NAME	NON-AFFILIATED TAXABLE ORG	TRANSACTIONAL RELATIONSHIP
PHILIP A MARINEAU	LEVI STRAUS & CO	NONE
J. NEAL PURCELL	KPMG INTL - RET.	AUDIT & TAX ADVISOR
	OMNI FLIGHT	AIR AMBULANCE SERVICES
	EMORY HEALTHCARE	NONE
EDWARD PEI	FIRST HAWAIIAN BANK	BANKING SERVICES IN HAWAII
RAYMOND BAXTER	UNION BANK	NONE
	PACIFIC CARE	NONE
JERRY FLEMING	INTEGRATED HEALTH CARE ASSOCIATION	VENDOR TO KP HR PROJECT
LARRY Y WILSON	SCHOLASTIC	NONE
GEORGE HALVORSON	PERMANENTE FEDERATION	ASSOCIATION OF MEDICAL GROUPS PROVIDING PHYSICIANS TO KAISER FOUNDATION HEALTH PLANS AND KAISER FOUNDATION HOSPITALS

TAXABLE ENTITY RELATIONSHIPS
KAISER FOUNDATION HOSPITALS AND HEALTH PLAN INC.

EMPLOYER TAX ID #	ENTITY NAME		Purpose of Entity
KAISER FOUNDATION HOSPITAL SUBSIDIARIES (TAXABLE):			
94-3245176	KAISER PERMANENTE INTERNATIONAL	Txbl	An international consulting company
94-3202362	KAISER PERMANENTE VENTURES	Txbl	Inactive
68-0444615	CARETOUCH INC	Txbl	Retail health products (web based) enterprise. Winding up its business affairs
91-2166347	KP ONCALL LLC	LLC	Owns & operates nurse telemedicine services call center
KAISER FOUNDATION HEALTH PLAN INC. SUBSIDIARIES (TAXABLE):			
94-3113684	KAISER PERMANENTE HEALTH ALTERNATIVES	Txbl	Provides dental plans and Point of Service medical plans in Washington state to groups/individuals.
94-3258422	KAISER PROPERTIES SERVICES INC	Txbl	Holds a CA real estate brokerage license
94-3201402	KAISER PERMANENTE INSURANCE COMPANY	Txbl	Insurance company offering indemnity benefit plans.
02-0329750	OAK TREE ASSURANCE LTD	Txbl	Captive insurance company to insure workers compensation & auto insurance coverage
91 2171891	LOKAHI ASSURANCE LTD	Txbl	A captive insurance company to insure and secure reinsurance for property & casualty risks
	ORDWAY INTERNATIONAL, LTD	Txbl	A holding company to provide offshore risk management tools
	ORDWAY INDEMNITY LTD.	Txbl	An offshore company used as a risk management tool
91-1814507	CHP COMPANIES INC	Txbl	Holding company, sole member of CHP. CHP is an inactive health plan in New York

KAISER FOUNDATION HEALTH PLAN, INC.

CERTIFICATE

I, the undersigned, Victoria Zatkin, hereby certify that I am the duly elected Assistant Secretary of Kaiser Foundation Health Plan, Inc., a California nonprofit public benefit corporation.

I further certify that attached hereto is a true and correct copy of the amended Bylaws of Kaiser Foundation Health Plan, Inc., and I do further certify that the attached Bylaws are, at the date of this certificate, in full force and effect and have not been otherwise amended or rescinded as of the date hereof.

IN WITNESS WHEREOF the undersigned has hereunto signed her name this 19th day of September, 2008.

Victoria Zatkin
Assistant Secretary

BYLAWS OF

KAISER FOUNDATION HEALTH PLAN, INC.

ARTICLE A

PURPOSES

Section A-1 Principal Purpose.

This corporation exists for the principal purpose of establishing and maintaining nonprofit comprehensive, predominantly prepaid, direct service health care plans at reasonable cost for members of the public, without regard to age, sex, race, religion or national origin.

Section A-2 Related Purposes.

This corporation's related purposes are to promote and encourage the advancement and improvement of the nation's health care delivery system, with special emphasis on organizing and providing health care services on a cost effective basis; to participate in activities designed and carried on to promote the community's general health; to support the tax-exempt purposes of this corporation's subsidiaries, and of Kaiser Foundation Hospitals and its subsidiaries, by the provision of administrative support services; and, subject to Sections A-3 and A-4, to support such other charitable, scientific, educational and hospital endeavors as the corporation may deem advisable.

Section A-3 Nonprofit Character.

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. This corporation is organized under the California

Nonprofit Public Benefit Corporation Law for, and its assets are irrevocably dedicated to, public and charitable purposes. The corporation does not and shall not have the power to distribute gains, profits or dividends to its Directors or officers, and no part of its net earnings shall inure to the benefit of any Director or officer of the corporation or to any other individual, but the corporation may compensate Directors and officers for the reasonable value of goods or services that they furnish to the corporation.

Section A-4. Disposition of Assets on Liquidation or Dissolution.

Upon the corporation's liquidation or dissolution, the Board of Directors shall, after paying or adequately providing for the corporation's liabilities, distribute the corporation's assets to one or more organizations exempt from tax under §501(c)(3) of the Internal Revenue Code of 1986 or any amendment or successor thereto. The corporation's assets may not be distributed so as to inure directly or indirectly to the benefit of any Director or officer of the corporation, or to any other individual, or to any corporation, trust or organization whose net earnings inure to the benefit of any individual.

Section A-5. Non-discrimination.

This corporation, in the operation of its nonprofit comprehensive health care plans and related activities, shall conduct its activities and shall offer the services and benefits of its plans and other activities to all persons equally, without discrimination because of race, color, religion, sex or national origin, and shall take affirmative action to maintain equality in such matters.

ARTICLE B

OFFICES

Section B-1. Pnncipal Office.

The principal office of this corporation shall be located at the Ordway Building, One Kaiser Plaza, Oakland, Alameda County. California. The Board of Directors may change the location of the principal office at any time.

Section B-2. Other Offices

This corporation may at any time establish other offices.

ARTICLE C

DIRECTORS

Secion C-1. Power and Authority of Directors.

All corporate powers shall be exercised by or under the authority of the Board of Directors, and the Board shall control the business and affairs of the corporation. The Board shall have the maximum power and authority now or hereafter provided or permitted under California law to directors of California public benefit corporations, acting as a board, except that all such powers shall be exercised consistently with, and in furtherance of, the irrevocable dedication of the assets of this corporation to the purposes specified in the Articles of Incorporation and these Bylaws.

The following powers of the corporation are illustrative only, and shall not be construed as constituting or implying any limitation upon powers exercisable by the Board or the corporation. The corporation shall have power to:

(a) Commence, conduct and defend legal proceedings.

(b) Adopt, use and alter a corporate seal, but failure to affix a seal shall not affect the validity of any act or instrument of the corporation;

(c) Adopt, amend and repeal Bylaws,

(d) Select, remove and prescribe powers, duties and compensation of officers, agents and employees, and require security for faithful service;

(e) Qualify to conduct, and conduct activities anywhere in the world;

(f) Acquire hold, lease, encumber, convey, exchange, transfer upon trust, or otherwise dispose of real and personal property anywhere in the world, and receive and accept inter vivos of testamentary gifts of real or personal property, or both;

(g) Borrow money, contract debts and issue bonds, debentures, notes or other evidences of indebtedness therefor, and secure the performance of obligations by mortgage or otherwise;

(h) Acquire, subscribe for, hold, own, pledge and otherwise dispose of and represent shares of stock, bonds and securities of any other corporation, domestic or foreign;

(i) Purchase or acquire its own bonds, debentures or other evidences of its indebtedness or obligations;

(j) Make donations for charitable purposes;

(k) Act as trustee under any trust incidental to the principal objects of the corporation, and receive, hold, administer and expend funds and property subject to such trust;

(l) Participate with others in any partnership, joint venture or other association, transaction or arrangement of any kind, whether or not such participation involves sharing or delegation of control with or to others;

(m) Enter into any contracts, assume any obligations or do any other acts incidental to the conduct of corporate affairs or the attainment of corporate purposes.

(n) Do all other acts necessary or expedient for administration of the affairs and attainment of the purposes of the corporation

<u>Section C-2</u> <u>Number and Qualifications.</u>

The number of Directors may be changed at any time by amendment of these Bylaws by the Board of Directors. Until changed by the Board of Directors, there shall be 14 Directors. Only two Directors shall be inside Directors, one of whom shall be the Chairman of the Board of this corporation who shall serve ex officio and only so long as he or she holds such office, and one of whom shall be a senior officer of this corporation designated by the Chairman of the Board. All other Directors shall be independent Directors Each Director, including the ex officio Director and the designated Director shall be counted for purposes of determining the presence of a quorum and shall have one vote. Each Director of this corporation shall also serve as a Director of Kaiser Foundation Hospitals, a California nonprofit public benefit corporation ("Hospitals"). One-third of the Directors shall be subscribers and/or enrollees in Kaiser Foundation Health Plan in California (the "plan") who are not employers of the plan, providers of health care services, subcontractors to the plan or group contact brokers or persons financially interested in the plan. The Secretary of this corporation shall provide prompt written notice to the Secretary of Hospitals of every change in the membership of the Board of this corporation.

Section C-3. Vacancies.

A vacancy shall exist whenever a Director resigns, for any reason becomes unable to serve, is not re-elected as provided in Section C-4, is removed in accord with law, or is removed by a vote of the majority of the Directors then in office provided that the notice of the meeting of the Board of Directors indicates the purpose of the meeting. Additional vacancies shall arise whenever and to the extent that the number of Directors is increased as provided in Section C-2. The resignation of any Director from the Board of Hospitals shall be effective as a resignation from the Board of this corporation.

Section C-4. Election and Term of Office.

The Governance, Accountability and Nominating Committee shall make recommendations to the Board of Directors regarding nominees for Board membership.

The twelve Directors other than the Chairman of the Board and the Director designated by the Chairman of the Board shall be divided into three classes of four Directors each. At the first regularly scheduled meeting of the Board of Directors each year, upon the expiration of the term of a class of Directors, Directors of that class shall be elected for a term which shall end at the later of the first regularly scheduled meeting of the Board of Directors in the third year following their election or when their successors are elected, except that in any event the term of a Director shall end on December 31 of the year in which he or she attains age 70, unless the Chairman of the Board specifically requests a Director to remain on the Board for an interim transition period, and the Chairman of the Board, upon his or her retirement or resignation as Chairman of the Board, shall be precluded from continuing to serve as a Director. Any vacancy may be filled by a majority of the remaining Directors at any Board meeting. Each Director shall hold office until the end of his or her term, or until he or she shall resign, become unable to serve as a Director, or be removed in accord with Section C-3.

Section C-5. Meetings.

(a) Place of Meetings. Meetings shall be held at such place as the Board of Directors shall designate in the notice of the meeting, or if not so designated, all meetings shall be held at the principal office.

(b) Call of Meetings. Meetings of the Board of Directors may be called at any time by the Chairman of the Board, or by any two Directors.

(c) Notice. Notice of meetings shall be mailed, personally delivered or delivered by electronic transmission to each Director, at his or her usual business address. Special meetings shall be held upon at least four days' notice by first class mail or forty-eight hours' notice delivered personally or by telephone, including a voice message system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means. A notice, or waiver of notice, need not specify the purpose of any regular or special meeting of the Board. Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director.

(d) Proof of Notice. A statement showing service of any notice pursuant to Section C-5(c) may be entered in the minutes of the meeting, and such entry shall be conclusive evidence that notice was duly given. Any waivers, consents and approvals given in lieu of regular notice shall be entered in the minutes of the meeting.

(e) Quorum. A majority of the Directors then in office shall constitute a quorum for the transaction of business. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

(f) Meetings Without Notice. If all Directors are present at any meeting, or if a quorum is present and all Directors not present either (1) sign a waiver of notice of such meeting, or a consent to the holding thereof, whether prior to or after the meeting, or (2) approve the minutes thereof, the transactions of such meeting shall be as valid as if conducted at a meeting regularly noticed.

(g) Adjourned Meetings. A majority of the Directors present at any meeting, although less than a quorum, may adjourn the meeting from time to time, without further notice, until a quorum shall attend. If the meeting is adjourned for more than twenty-four hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment

(h) Participation in Meetings. Members of the Board may participate in the meeting through use of conference telephone, electronic video screen communication or other communications equipment. Participation in a meeting through use of conference telephone or electronic video screen communication or other communications equipment constitutes presence in person at that meeting as long as all members participating in the meeting can communicate with all other members concurrently, and all have means to participate in all matters

Section C-6. Action Without a Meeting.

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board individually or collectively consent in writing to such action. Such action by written consent shall have the same force and effect as a unanimous vote of the Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board

ARTICLE D

OFFICERS

Section D-1. Officers

The officers of the corporation shall be a Chairman of the Board, a President, one or more Regional Presidents, one or more Executive or National Senior Vice Presidents[1], a Secretary, a Chief Financial Officer, a Controller, a Treasurer and one or more Assistant Secretaries. These shall be the only officers of the corporation. The Chairman of the Board or the President may assign such other titles as may be appropriate to other individuals, including the title of Vice President but such other individuals shall not be corporate officers. Only the Chairman of the Board must be a Director. One person may hold two or more offices, except that the same person may not be both President and Secretary.

Section D-2. Election or Appointment and Term of Office.

Each officer shall be elected by the Board of Directors at the first regular Board meeting each year or at any other meeting of the Board for a term of office which shall end at the first Board meeting the following year, or for such other term as the Board of Directors may specify, or until he or she shall resign or is not re-elected as provided in this Section.

Section D-3. Subordinate Officials.

The Chairman of the Board or the President may appoint or delegate authority to appoint such other officials as the needs of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties

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[1] Defined as a 'B Level' executive.

as the appointing officer, pursuant to authority conferred by the Board of Directors, may from time to time determine. These officials shall not be officers of the corporation. Such officials holding the title of Senior Vice President or Vice President shall have authority to sign contracts and other documents on behalf of the corporation.

Section D-4. Removal and Resignation.

Any officer may be removed, at any time, either with or without cause, by the Board of Directors. Except for officers chosen directly by the Board of Directors, any officer may be removed, either with or without cause, by any officer authorized to appoint such officer, or by any officer upon whom such power of removal may be conferred by the Board of Directors

Any officer may resign at any time by giving written notice to the Board of Directors or to the President or to the Secretary. Any such resignation shall take effect upon receipt of such notice, or at any later time specified therein; unless otherwise specified therein, a resignation shall be effective without express acceptance.

Section D-5. Vacancies.

A vacancy in any office because of death, resignation, removal, inability or disqualification to serve, or otherwise, shall be filled in the manner provided in the Bylaws for regular election or appointment to such office

Section D-6. Chairman of the Board.

The Chairman of the Board shall be the Chief Executive Officer of the corporation and shall preside at all meetings of the Board of Directors and shall have such other powers and duties as the Board of Directors shall designate or the Bylaws may provide.

Section D-7 President

Subject to the direction of the Board of Directors and the Chairman of the Board, the President shall have the general powers and duties of management usually vested in the office of President of a corporation as well as such other powers and duties as the Board of Directors shall designate or as the Bylaws may provide. If there is not a Chairman of the Board of Directors in office and then acting, or if the Chairman of the Board is absent or disabled, the President shall perform all of the duties of the Chairman of the Board, and when so acting shall have the powers of, and be subject to the restrictions upon, the Chairman of the Board, as prescribed in the Bylaws or by the Board of Directors.

Section D-8 Executive or National Senior Vice President.

Each Executive or National Senior Vice President shall assist the President in the performance of his or her duties. In the absence or disability of the President, the Executive Vice President, if one is designated by the Board, or in the absence of such designation, the Executive or National Senior Vice Presidents in order of their rank as fixed by the Board of Directors, shall perform the duties of the President, and when so acting, shall have all the powers of, and be subject to all restrictions upon the President. Each Executive or National Senior Vice President shall have such other powers and duties as the Board of Directors or President shall designate or as the Bylaws may provide.

Section D-9. Secretary.

The Secretary shall be responsible for keeping a book of minutes at the principal office of the corporation or at such other place as the Board of Directors shall designate, of all meetings and all formal actions of the Board of Directors. Minutes of meetings shall reflect: the time and place of the meetings; whether they were held pursuant to notice, waiver, or consent; if they were held pursuant to notice, the notice given; the names of persons present; the business transacted, and such other matters as the Board of Directors shall designate

The Secretary shall be responsible for giving notice of meetings as required by the Bylaws He or she shall maintain safe custody of the seal, shall make certificates and authenticate documents reflecting actions of the corporation as may be required or desirable, and shall have such other powers and perform such other duties as the Board of Directors shall designate or as the Bylaws may provide Subject to the supervision of the Secretary, any Assistant Secretary may perform all or any part of the duties of the Secretary.

Section D-10 Chief Financial Officer.

The Chief Financial Officer shall supervise banking relations, including the handling, depositing and disbursing of all funds. The Chief Financial Officer shall render to the President and to the Board of Directors, on request, an account of his or her transactions as Chief Financial Officer and of the financial condition of the corporation The Chief Financial Officer shall have such other powers and perform such other duties as the Board of Directors shall designate or as the Bylaws may provide. Subject to the supervision of the Chief Financial Officer, any other officer or official may perform all or any part of the duties of the Chief Financial Officer.

ARTICLE E

COMMITTEES

Section E-1. Provision for Committees.

The corporation shall have an Executive Committee and such other committees as the Board of Directors may appoint to advise and assist the Board of Directors in managing the corporation's affairs

Section E-2. Meetings.

(a) Participation in Meetings. Committee members may participate in committee meetings through use of conference telephone, electronic video screen communication or other communications equipment. Participation in a meeting through use of conference telephone or electronic video screen communication or other communications equipment constitutes presence in person at that meeting as long as all members participating in the meeting can communicate with all other members concurrently, and all have the means to participate in all matters. Minutes shall be kept of each meeting of any Board Committee, and shall be filed with the corporate records.

Section E-3. Action Without a Meeting.

Any action required or permitted to be taken by a committee of the Board of Directors may be taken without a meeting if all members of the committee individually or collectively consent in writing to such action. Such action by written consent shall have the same force and effect as a unanimous vote of the committee. Such written consent or consents shall be filed with the minutes of the proceedings of the committee

Section E-4 Executive Committee.

(a) Composition. The Executive Committee shall consist of up to seven (7) Directors, who shall be selected by the Board of Directors, and who shall continue as members of the Committee at the pleasure of the Board. The Committee shall be comprised of one Director who shall serve as Chair, and in addition, only the chairs of the Board's other standing committees. The Committee shall be comprised solely of Directors who are independent. An independent Director is one who:

1. Has no personal services contract or material relationship with Kaiser Foundation Health Plan, Inc., Kaiser Foundation Hospitals or any of their subsidiaries (a "Kaiser entity") except for Board service
2. Is not a partner, executive officer, principal shareholder or director of any entity that (a) has a contract to provide goods or services to a Kaiser entity, and (b) receives more than 1% of its gross revenues from one or more Kaiser entities;
3. Is not currently and has not been for the past three years employed by a Kaiser entity;
4. Has not during the last three years been part of an interlocking directorate in which an executive of a Kaiser entity served on the compensation committee of another company that concurrently employs the director;
5. Has not during the last one year been affiliated with or employed as a corporate officer, partner, or an audit related employee by a present or former auditor of any Kaiser entity,

6. Is not a "family member", as defined in Section 4958 (f)(4) of the Internal Revenue Code, of any person described above [4]; and

7. Is free of any other relationship which would interfere with the exercise of independent judgment

Notwithstanding the above, the Directors who are independent, after consideration of all of the relevant circumstances, may determine whether a relationship is material or immaterial and whether a Director would therefore be considered independent. The Board of Directors shall document the basis for such a determination.

(b) Authority and Duties. The Committee will assist the Board in fulfilling its oversight responsibility relating to (1) tax exemption and (2) executive selection, performance appraisal, and succession. In addition, the Committee will have the authority to act for the Board between meetings as provided herein. The Committee may seek the assistance and counsel of outside advisors, at the company's expense, as the Committee determines is appropriate.

1. Tax Exemption.

The Committee shall have the following responsibilities regarding tax exemption:

a. Provide oversight of legal and regulatory compliance with respect to tax exemption, including review of operational policies and practices.

[4] Section 4958(f)(4) of the Internal Revenue Code defines "family member" as a person's spouse, brothers or sisters (by whole or half blood), spouses of brothers or sisters (by whole or half blood) ancestors; children (including a legally adopted child), grandchildren; great grandchildren; and spouses of children, grandchildren, and great grandchildren.

b. Obtain periodic updates concerning laws, regulations, and government policies regarding tax exemption and tax-exempt status.

c Review and make recommendations regarding major operational policies, practices and strategies that may create risk or enhance compliance with tax exemption requirements.

2. Executive Selection, Performance Appraisal, and Succession.

The Committee shall have the following responsibilities regarding executive selection, performance appraisal, and succession.

a. Review and recommend for Board approval goals and objectives for the Chief Executive Officer ("CEO"), evaluate the CEO's performance in light of such goals and objectives.

b Review with the CEO the selection, hiring and present performance of officers, executives, and other key personnel, and

c Review management succession plans and processes for assuring development and timely assignment of individuals qualified to assume the responsibilities of key executive positions

d. Provide input on the selection and evaluation of senior executives

3 Acting for Board Between Meetings.

The Committee shall have authority to act for the Board between Board meetings. Unless otherwise provided by law, the Board, the Articles of

Incorporation, or the Bylaws, any action taken by the Committee shall have the same force and effect as though taken by a majority of Directors present at a meeting of the Board duly called and held pursuant to the Bylaws, except that the Committee shall have no authority to:

a. Fill vacancies on the Board or the Committee;

b. Fix the compensation of Directors for serving on the Board or any committee,

c. Adopt, amend or repeal Bylaws;

d. Amend or repeal any resolution of the Board which by its express terms cannot be amended or repealed by the Executive Committee:

e. Appoint committees of the Board or appoint the members thereof, and

f. Approve any aspect of a transaction involving the company when a Director has a material financial interest in that transaction, except as expressly provided by the law

(c) <u>Conduct of Business</u>. A quorum of the Committee shall consist of a majority of the committee members. The Committee shall report to the Board regarding its recommendations, actions and decisions. The Committee shall annually assess and report to the Board on the performance and effectiveness of the Committee.

Section E-5 Other Committees.

The Board of Directors may establish such other committees of such composition and with such duties, authority and manner of conducting business as the Board may from time to time deem advisable. Each such committee shall consist of two or more Directors who shall be selected by the Board of Directors.

ARTICLE F

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section F-1. Definitions.

As used in this Article:

(a) "agent" means any person who: (i) is or was a Director, officer, employee, or other agent of this corporation; or (ii) who is or was serving at the request of this corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; or (iii) who was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of the predecessor corporation;

(b) "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative;

(c) "special proceeding" means: (i) an action by or in the right of this corporation to procure a judgment in its favor; (ii) an action brought under California Corporations Code §5233; or (iii) an action brought by the California Commissioner of Corporations or the California Attorney General, or a person granted relator status by the California Attorney General, for any breach of duty relating to assets held by this corporation in charitable trust; and

(d) "expenses" includes attorneys' fees and costs, reasonable fees and costs of consultants and experts, reasonable filing and processing charges and necessary and reasonable travel and related costs, and any expenses of establishing a right to indemnification under Section F-2 or F-5(b).

Section F-2. Agent Successful on the Merits.

To the extent that an agent has been successful on the merits in the defense of any claim or cause of action or portion thereof in any proceeding in which such agent was a party or was threatened to be made a party to such proceeding, in either case, by reason of the fact that such agent is or was an agent of this corporation, or in defense of any claim, issue, or matter therein, this corporation shall promptly indemnify the agent in full against expenses actually and reasonably incurred by the agent in connection therewith

Section F-3. Settlements and Proceedings (Other Than Special Proceedings and Settlements Related Thereto) When Agent Not Successful on the Merits.

Upon making an affirmative determination pursuant to Section F-5, and subject to Section F-7, this corporation shall promptly indemnify any agent who was or is a party or is threatened to be made a party to any proceeding other than a special proceeding by reason of the fact that the agent is or was an agent of the corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any such proceeding, if the agent acted in good faith and in a manner the agent reasonably believed to be in the best interests of this corporation and, in the case of a criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the agent did not act in good faith and in a manner which the agent reasonably believed to be in the best interests of this corporation or that the agent had reasonable cause to believe that the agent's conduct was unlawful.

Section F-4. Special Proceedings When Agent Not Successful On the Merits.

Upon making an affirmative determination pursuant to Section F-5, and subject to Section F-7, this corporation shall promptly indemnify any agent who was or is a party or is threatened to be made a party to any threatened, pending or completed special proceeding by reason of the fact that the agent is or was an agent of this corporation, against expenses actually and reasonably incurred by the agent in connection with the defense or settlement of such a proceeding if the agent acted in good faith, in a manner the agent believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances

No indemnification shall be made under this Section:

(a) With respect to any claim, issue or matter as to which the agent shall have been adjudged to be liable to this corporation in the performance of the agent's duty to this corporation unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, the agent is fairly and reasonably entitled to indemnity for the expenses, which such court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action with or without court approval or

(c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the California Attorney General.

Section F-5. Authorization of Indemnification When Agent Not Successful on the Merits.

Any indemnification under Section F-3 or F-4 shall be made by this corporation only upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section F-3 or F-4, by:

(a) A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or

(b) The court in which such proceeding is or was pending upon application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the corporation.

Section F-6. Advance of Expenses.

Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding upon receipt of an undertaking satisfactory in form and amount to the Board of Directors by or on behalf of the agent to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article

Section F-7. Other Limitations on Indemnification

Nothing in this Article shall affect any right to indemnification to which an agent other than a Director or officer is entitled by contract, but, except as provided in Section F-2 and F-5 (b), no indemnification or advance shall be made under this Article if inconsistent with:

(a) A contract, or with the Articles of Incorporation and Bylaws of this corporation, in effect at the time of accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid; or

(b) Any condition expressly imposed by a court in approving a settlement

Section F-8. Indemnification to Full Extent of Law.

Notwithstanding the above provisions, the corporation shall indemnify agents to the fullest extent permitted by law.

Section F-9. Insurance.

This corporation shall have the power to purchase and maintain insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this Article; provided, however, that this corporation shall have no power to purchase and maintain such insurance to cover or indemnify any agent of the corporation for a violation of California Corporations Code §5233 or (relating to self-dealing transactions).

Section F-10. Employee Benefit Plan Fiduciaries.

With respect to any proceeding against a person who is a trustee, investment manager or other fiduciary of an employee benefit plan, for acts or omissions relating to such person's fiduciary responsibilities with respect to such plan, this corporation shall indemnify those fiduciaries who are Directors, officers or employees of the corporation, to the maximum extent permitted by law, notwithstanding any other provision of this Article to the contrary.

ARTICLE G

MISCELLANEOUS

Section G-1. Inspection of Corporate Records.

The books of account, minute book and records of committee actions and proceedings shall be open to inspection upon written demand by any Director at any reasonable time and for any purpose reasonably related to his or her interests as a Director. Such inspection may be made in person, or by any agent or attorney designated by the Director and shall include the right to make extracts and copies. Demands for inspection may be presented to the Board of Directors at any meeting, or to the President or Secretary, or if such demand relates to the books of account, to the Controller. Each such demand may be granted by the officer to whom it is presented, but unless so granted, shall be referred by such officer to the Board of Directors.

Section G-2. Execution or Endorsement of Checks.

All checks, drafts or other orders for payment of money, and notes or other evidences of indebtedness issued in the name of or payable to the corporation shall be signed or endorsed by such person or persons, and in such manner, as the Board of Directors shall from time to time by resolution determine.

Section G-3. Execution of Contracts.

The Board of Directors may authorize any officer or officers and any agent or agents to enter into any contract or execute any instrument in the name of, and on behalf of, the corporation, and such authority may be general or limited to specified instances. No officer, agent or employee shall have any power or authority to bind or obligate the corporation by any commitment, contract or engagement, or to pledge its credit or render it liable for any purpose or in any amount unless duly authorized by the Board of Directors

Section G-4. Bylaws and Minutes

The original or a certified copy of the Bylaws, in writing or in any other form capable of being converted into clearly legible form, together with all amendments thereto, and the minute book shall be kept at the principal office of the corporation and shall be subject to inspection as provided in Section G-1.

The Bylaws shall be reviewed periodically by the Secretary of this corporation and amended, as appropriate, in accord with Section H-3

Section G-5. Representation of Shares of Other Corporations.

The President or any Vice President, acting together with the Secretary or any Assistant Secretary of this corporation, are authorized to vote, represent and exercise on behalf of this corporation all rights incident to any and all shares of stock of any other corporation or corporations which may be owned by or stand in the name of this corporation, and such authority may be exercised by such officers in person or by any person authorized by proxy or power of attorney duly executed by such officers.

Section G-6. Fiscal Year.

The fiscal year of this corporation shall be the calendar year.

ARTICLE H

AMENDMENT AND EFFECT OF BYLAWS

Section H-1. Previous Bylaws Superseded.

These amended Bylaws supersede the previous Bylaws of this corporation and all amendments thereto

Section H-2 Effect of Bylaws

These Bylaws are in all respects subordinate to, and shall be controlled by, applicable provisions of the California Nonprofit Public Benefit Corporation Law, other applicable laws, and the Articles of Incorporation of this corporation. Except as these Bylaws may be inconsistent with said laws and Articles, they shall regulate the conduct of the business and affairs of this corporation with respect to all matters to which they relate.

Section H-3. Manner of Amendment

(a) In any Legal Way. These Bylaws may be amended in any manner now or hereafter provided by the applicable provisions of the California Nonprofit Public Benefit Corporation Law.

(b) By Directors. These Bylaws may be amended by majority vote of the Board of Directors at any meeting, provided a quorum of such Board is present and voting

2007 COMMUNITY BENEFIT REPORT
KAISER FOUNDATION HEALTH PLAN, INC.

Kaiser Foundation Health Plan, Inc. (KFHP), with its five principal operating tax-exempt subsidiary health plans—Kaiser Foundation Health Plan of Colorado, Kaiser Foundation Health Plan of Georgia, Inc., Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc., Kaiser Foundation Health Plan of the Northwest, and Kaiser Foundation Health Plan of Ohio as well as Kaiser Foundation Hospitals (KFH), are nonprofit corporations that are part of the integrated health care delivery system known as the Kaiser Permanente Medical Care Program or "Kaiser Permanente."

This report describes the structure of Kaiser Permanente and documents the National Community Benefit activities, programs and services of KFHP, its subsidiaries, and KFH, combined as well as the specific community benefit provided by KFHP and KFH in California and Hawaii.

In 2007, Kaiser Permanente served 8.7 million people in nine states: California, Colorado, Georgia, Hawaii, Maryland, Ohio, Oregon, Virginia, Washington and the District of Columbia. This program is the largest private nonprofit health care program in the United States with 132,000 full time employees, 14,000 physicians and 101 dentists. In California, KFHP and KFH served 6.6 million members, with nearly 101,000 full time administrative, clerical and technical employees, as well as 12,000 Permanente physicians representing all specialties. KFHP and KFH in Hawaii served approximately 221,403 members, and have 3,671 full time employees and 392 Permanente physicians.

Kaiser Permanente is an integrated health care delivery system that combines the provision and financing of health care services. People who elect to enroll in a Kaiser Permanente health plan receive a full range of prepaid health care services, including hospital care, professional care in hospitals and physicians' offices, x-ray and laboratory services, physical therapy, emergency, ambulance transportation, preventive services, health education and certain prescribed drugs. More comprehensive drug coverage is also provided through a separate coverage rider.

In California and Hawaii, Kaiser Permanente is comprised of five separate legal organizations: KFHP, a California nonprofit public benefit corporation exempt from federal income tax under Internal Revenue Code §501(c)(3); KFH, a California nonprofit public benefit corporation exempt from federal income tax under Internal Revenue Code §501(c)(3); The Permanente Medical Group, Inc., Southern California Permanente Medical Group, and Hawaii Permanente Medical Group, Inc. (collectively, "Permanente Medical Groups"), each of which is a separate, independent multi-specialty group of physicians.

Persons enroll in Kaiser Permanente through KFHP or one of the Health Plan subsidiaries ("Health Plan"). Health Plan provides and arranges comprehensive health care services for members on a predominantly prepaid basis and fulfills its contractual obligations to group and individual members by contracting with KFH and a Permanente Medical Group to provide the required health care services.

Members receive services from various Permanente Medical Groups in the respective Kaiser Permanente regions. The Permanente Medical Groups accept responsibility for professional care of Health Plan members and are responsible for their own physician recruitment, selection and staffing; they are legally separate entities independent from Health Plan, KFH and each other. The Permanente Medical Groups generally treat members in facilities owned, leased or contracted by KFHP or KFH.

KFHP and KFH are separate corporations governed by identical boards of directors. KFH accepts responsibility to provide or arrange necessary hospital services and facilities for Health Plan members. KFH owns and operates 28 licensed hospitals, including five licensed hospitals with multiple campuses in California, Hawaii and Oregon, which provide emergency and inpatient services to all persons in the community. Staff privileges are available on a nondiscriminatory basis to physicians in the communities served. KFH also contracts with other community hospitals to provide hospital services to members for specialized care and other services.

In California KFH medical centers are located in the cities of Anaheim, Antioch, Baldwin Park, Bellflower, Fontana, Fremont Fresno, Harbor City, Hayward, Irvine, Los Angeles Manteca Oakland, Panorama City, Redwood City, Richmond, Riverside, Roseville Sacramento San Diego, San Francisco San Rafael Santa Clara, Santa Rosa, Santa Teresa, South Sacramento South San Francisco, Vallejo, Walnut Creek, West Los Angeles, and Woodland Hills In Hawaii, the Moanalua Medical Center is located in the City of Honolulu on the island of Oahu

Services provided by KFH and membership in Health Plan are available without regard to sex, race religion, ethnic background sexual orientation occupational status, or income level Health Plan members are broadly representative of the various ages social, and income groups within the areas served. Once enrolled, a member is free to maintain membership regardless of age health status or employment

KAISER PERMANENTE'S COMMITMENT TO THE COMMUNITY

Through the Kaiser Permanente mission the organization contributes to the health of the communities in two related ways First, Kaiser Permanente strives for excellence in serving its 8.7 million members through market-leading performance in quality, service and affordability By doing so, Kaiser Permanente provides a discipline in the marketplace by demonstrating meaningful value and affordability, and generating resources to reinvest in the community's health

Second, Kaiser Permanente directly invests in improvements to community health by working to increase access for the underserved, disseminating care improvements altering the social determinants of health, educating healthcare workers and consumers and informing public policy

This latter approach, which Kaiser Permanente calls the Direct Community Benefit Investment (DCBI), is fundamental to being a nonprofit organization. It embodies the organization's commitment to improve the health of communities beyond services to Health Plan members. It is more than traditional corporate citizenship or corporate philanthropy It is an intentional, planned, budgeted, measurable, accountable creation for better health in our communities It is done in collaboration with, not in isolation from, the community DCBI serves to fulfill Kaiser Permanente's social purpose justify its tax-exempt status, and differentiate it from other health care organizations

This tradition of community benefit dates from the earliest days of the Program when charitable care to non-employees, and later, nonmembers was initiated That heritage has continued through the years in Kaiser Permanente's early participation in publicly financed programs such as Medicaid and Medicare, establishment of residency training and medical research programs, and later, in the development of the Educational Theatre Safety Net Partnerships, Community Health Initiatives and Charitable Coverage Programs.

In 2001 the Board reaffirmed DCBI as a national program and set the following four goals:

- Address critical questions in American health care that the Program's history, culture and competencies position it uniquely to examine
- Build the reputation of Kaiser Permanente for its leadership in helping to solve major health challenges
- Create a program that engages the creativity and spirit of the people of Kaiser Permanente at all levels
- Meet the requirements placed on KFH, KFHP, and its subsidiary health plans as tax-exempt organizations that return value to the communities served beyond the provision of health care to members

The Board directed that this new DCBI program be guided by a national strategy with continued local flexibility and implementation. The program is supported by national and regional funding pools, and built on the organization's integrated healthcare system. In 2007, the KFHP/H Board of Directors refined the focus of the organization Community Benefit Program and established the following four priority areas which have come to be known as "streams of work":

- **Care and Coverage for Low-Income People** - Creates and supports programs that lower the financial barriers for under- and uninsured.

- **Community Health Initiatives** - Designs, delivers, and sustains long-term programs that engage communities in work to improve conditions in their neighborhoods.

- **Safety Net Partnerships** - Builds partnerships with community clinics, local health departments, and public hospitals. Provide funding, technical assistance, dissemination of care management and quality improvements technology to help improve care and expand treatment capacity for vulnerable populations.

- **Developing and Disseminating Knowledge** – Improve health care by sharing our knowledge-educating practitioners, advancing research, empowering consumers and informing policymakers about the evidence base for care and health.

The Board elaborated that at least 75% of total community benefit funding will be directed to program priorities within the four streams of work and the remaining 25% of funding will be directed by local regions to respond to local community benefit needs and opportunities that may or may not be within the four key focus areas.

The KFHP/H Board has a standing Community Benefit Committee of the Board of Directors to oversee the program-wide Community Benefit program. Kaiser Permanente also has a national executive of KFHP and KFH to lead Kaiser Permanente's Community Benefit Program as a full-time assignment. Raymond J. Baxter, PhD is the Senior Vice President for Community Benefit, Research and Health Care Policy reporting to the CEO and Chairman of the Board.

COMMUNITY BENEFIT PROVIDED BY KAISER FOUNDATION HEALTH PLAN, INC.

KFHP provides comprehensive health care services on a primarily prepaid basis through an integrated health care delivery system, available to the community as a whole. Because the Health Plan is a nonprofit organization, revenues that exceed the cost of operations and provision of care are reinvested in the program to improve facilities and services, increase benefits, fulfill our charitable mission, and provide affordable rates rather than to pay dividends to stockholders.

KFHP provides care that emphasizes prevention, minimizes medical indigence and contributes to quality of life in the communities we serve. To serve the community by providing affordable, comprehensive health care and support its social mission, KFHP is organized and operated as a fully integrated delivery system.

- *Integrated Services and Facilities* – KFHP has organized and integrated the professional and physical resources required to provide comprehensive health care. In hospital-based Kaiser Permanente regions, this care primarily occurs at major medical centers, as well as in nearby outpatient medical offices owned by KFH and at medical office buildings owned or leased by KFHP. Members typically have all the services and professional care they require in one place, which facilitates a coordinated approach to care.

- *Group Practice* – The contracting Permanente Medical Groups are large multi-specialty group practices that take responsibility for providing comprehensive care to a defined population in facilities owned or leased by KFH or KFHP. The income that Permanente Medical Groups and their physicians receive is in consideration of their professional medical and related services. The amounts paid to the Permanente Medical Groups are negotiated annually. Through such fixed payment arrangements (as distinguished from fee-for-service payment), KFHP removes incentives to perform unneeded services, and encourages use of the most appropriate medical care. Group practice enhances quality and appropriateness of care for members and for the community by facilitating development and sharing of "best clinical practices"

- *Prepayment* – Generally, KFHP pays the Permanente Medical Groups a per-member payment on a budgeted prepaid basis that does not vary with the amount of service provided. Permanente Medical Group physicians are generally not compensated on a fee for service basis

- *Benefit Plans* – KFHP offers a variety of coverage options that provide for unlimited hospital days, physician visits, preventive services, immunizations, well-baby care and prenatal care. In order to maximize affordability and encourage people at different income levels to purchase coverage, KFHP offers a variety of cost-sharing options. Comprehensive, prepaid coverage with differing levels of premium and cost-sharing minimizes financial barriers to care, promoting early consultation, detection and treatment of disease. KFHP actively encourages members to maintain their health through regular preventive self-care.

- *No Pre-Existing Condition Exclusions* – Pre-existing condition exclusions allow carriers to exclude from coverage care for a condition that existed before enrollment with the carrier. KFHP imposes no pre-existing condition exclusions for group members and thereby provides substantial protection for new members who are ill at the time of enrollment. KFHP offered health benefits coverage in all its markets without any pre-existing condition exclusions for many years prior to recently enacted federal and state statutes prohibiting pre-existing condition exclusions in certain markets. By ensuring that all our enrollees are covered for all their medical needs, we reduce the amount of uncompensated care, promote the health of our members, and prevent medical indigence

- *Participation in Medicare* – KFHP has participated in Medicare since it was first implemented in 1966. In 2007, KFHP and its subsidiaries enrolled approximately 847,000 Medicare beneficiaries, providing Medicare Part A and Part B services, plus additional drug, optical, and inpatient coverage

- *Participation in Medicaid* – KFHP began enrolling Medicaid beneficiaries in the mid-1960s. Currently, KFHP and certain subsidiaries provide care to more than 150,000 Medicaid managed-care members and in addition serve a large number of Medicare and Medicaid patients on a fee-for-service basis. KFHP also participates in the State Children's Health Insurance Program (SCHIP), serving an additional 126,571 children in 2007

THE COMMUNITY BENEFIT PROGRAMS IN CALIFORNIA AND HAWAII

In 2007, Kaiser Permanente spent approximately $1.05 billion or approximately 2.73% of revenue to support the Community Benefit Program in California and Hawaii. KFHP and KFH spent approximately $927 million, of which $504 million is allocable to health plan and another $423 million is allocable to the hospitals. A breakdown of the 2007 Community Benefit dollars attributable to KFHP and KFH nationally is described in Attachment A, and those dollars attributable to KFHP and KFH in California and Hawaii in Attachment B

The following identifies many of the signature community benefit programs and services funded by both KFHP and KFH in California and Hawaii grouped according to the national streams of work

<u>Care and Coverage for Low-Income People</u>
In 2007 KFHP and KFH expended approximately $700 million to address the financing and delivery of health care for populations vulnerable due to socio-economic status, illness, ethnicity, age or other factors. Program beneficiaries (under- and uninsured) received free or discounted care in a Kaiser Permanente facility or by a Permanente provider.

Following are highlights of the programs and services provided to vulnerable populations in California and Hawaii. A more complete description of the DCBI attributable to KFH and KFHP regionally is described below.

Charitable Care (Medical Financial Assistance and Charitable Coverage)
KFH and KFHP provide charity care to low-income vulnerable populations through the Medical Financial Assistance and Charitable Coverage Programs. In 2007, KFHP and KFH cared for nearly 9,000 charity care applicants and more than 75,000 charitable coverage members. KFHP contributed $96 million and KFH contributed $50 million to assist these vulnerable low income patients pay for care provided in Kaiser Permanente facilities in California and Hawaii.

- ***Medical Financial Assistance (MFA)***
  KFHP and KFH contributed approximately $21 million to assist patients with limited or no resources to pay for care provided in Kaiser Permanente facilities. Each hospital-based region offers financial assistance to help families and individuals that are unable to meet all or part of the cost of medical care on an immediate and nonrecurring basis. Kaiser Permanente expanded its charity care program to include discounted charges for uninsured patients below 400% federal income guidelines and aligned contracted collection agency practices with Kaiser Permanente social values. The amount reported under this category is only part of the funds spent by KFHP and KFH for the poor and uninsured. The organization's commitment to charitable care is also reflected in a variety of other programs and initiatives such as the Charitable Coverage Programs, and grants and donations to community clinics and other safety net providers.

  The MFA program in California strives to assist families and individuals that are unable to meet all or part of the cost of medical care on immediate and nonrecurring basis. The program is designed to assist as many patients as reasonably possible and is generally available to people in greatest financial need, including those experiencing unusual or unfortunate circumstances. In California the MFA program's eligibility criteria for patients below 350% federal poverty levels (FPL) may receive full write off, uninsured patients which do not qualify for MFA but make less the 400% FPL will receive up to a 70% discount on charges and any patient experiencing financial hardship due to unreasonable medical expences relative to their income may qualify for the program under "special circumstances". In 2007 the program served 8,797 applicants.

  The Northern California region continued its participation in Operation Access, a nonprofit organization that mobilizes a network of medical volunteers, hospitals, and referring community clinics to provide the uninsured with donated outpatient surgeries and procedures that significantly improve their health, ability to work and quality of life. In 2007, 374 surgical procedures were performed in nine KFH medical centers by Permanente physicians and staff for 369 patients, including hernia repair, cyst and lesion excision, urological, ophthalmologic, and gynecological services.

  KFH in Southern California worked with Access OC, an Orange County collaborative, on expanding specialty services for safety net providers. As part of this collaboration, Kaiser Permanente staff from the Irvine Outpatient Surgery Center performed outpatient surgeries on eight people referred from local community clinics.

  In Hawaii, the MFA Program helps people with very limited or no financial resources needed to obtain medically necessary care. The program is open to members and nonmembers who can not pay for all or part of the cost of health care services and supplies. Individuals applying for the program must have exhausted private or public sources of support and must meet the financial eligibility criteria. In 2007, the MFA program in Hawaii served 176 patients.

- ***Charitable Health Coverage Program***
  Approximately 89,411 low-income adults and children who were not eligible for other public or privately sponsored coverage received health care coverage through one of Kaiser Permanente's Charitable Health Coverage Programs in California and Hawaii. KFHP contributed $94 million and KFH contributed an additional $40 million to provide subsidized care for these underserved populations in 2007.

  The Steps Plan and Kaiser Permanente Child Health Plan are the specific products that form the Charitable Health Coverage Programs in California.

  Kaiser Permanente Steps Plan – The Steps Plan provided 16,651 members the opportunity to continue their health care coverage at reduced cost when experiencing financial difficulty due to job loss, involuntary reduction in work hours, legal separation, divorce, or death of a spouse. Typically, participants are not eligible for any public or private group health insurance plan, and have family income between 100% and 300% of the federal income guidelines. This plan is available to parents of children enrolled in AIM, Healthy Families or the Kaiser Permanente Child Health Plan as well as to individuals participating in vocational training programs offered through government, private industry councils and social agencies. The Steps Plan premium is subsidized at four levels or steps: 20%, 40%, 60%, and 80%. Participants are placed in an initial premium step based on their current family income. They remain at the initial step for one year and are then moved to the next higher step.

  Kaiser Permanente Child Health Plan (KPCHP) – The Child Health Plan provides medical and dental coverage to eligible children (birth through 18) in families with income up to 300% of the federal income guidelines who do not have access to employer-subsidized coverage and do not qualify for public programs because of family income or immigration status. Child Health Plan provides comprehensive benefits including preventive care, inpatient and outpatient services, prescription drugs, vision and dental care. Premiums are $8 or $15 per child per month, depending on family income, for a maximum of three children (additional children are covered free of charge). In 2007, approximately 69,000 children received care and coverage through this program.

Participation in Medicaid and Other Government Sponsored Programs
KFH and KFHP have a long history of participating in publicly financed health programs. In 2007, more than $487 million was expended (in excess of reimbursement) and approximately 292,000 people were served in government sponsored programs for low-income people in California and Hawaii. Approximately $301 million is attributed to services provided by KFHP and $186 million is attributed to KFH.

Kaiser Permanente Medi-Cal Managed Care, Medi-Cal Fee-for-Service and Healthy Families are specific government-sponsored health care coverage programs in California.

- ***Medi-Cal*** – KFHP enrolled 124,435 Medi-Cal (Medicaid) managed care members in California. KFHP subcontracts with local initiatives in Alameda, Contra Costa, Los Angeles, Riverside, San Bernardino, San Francisco, and Santa Clara Counties, with county organized health systems in Napa and Solano Counties and Orange County. KFHP also contracts directly with the state of California through their Geographic Managed Care Plan for Sacramento and San Diego Counties, and through the Prepaid Health Plan for Marin and Sonoma Counties.

- ***Medi-Cal Fee-for-Service*** – KFHP and KFH in California provided $80 million in subsidized care to 29,108 Medi-Cal Fee-for-Service patients. Of this amount approximately $18 million is attributed to services provided by KFHP.

- ***Healthy Families*** – KFHP enrolled nearly 120,000 children in this federal and state funded insurance program that provides low- and moderate-income families with health insurance for their children under 19 years of age. The program provides comprehensive health benefits, including dental and vision care. To qualify, families must have a total income between 100% and 250% of the federal income guidelines and the children must be ineligible for Medi-Cal coverage.

In Hawaii, KFH and KFHP served both Medicaid members and Medicaid Fee-for-Service beneficiaries and participated in the States Children's Health Insurance Program.

- ***Quest & Medicaid Fee-for-Service*** – QUEST is a Medicaid managed care program run by the State Department of Human Services. The State administers the QUEST program and pays health plan to provide coverage of medical and mental health services. KFHP and KFH in Hawaii participate in the QUEST programs on the islands of Oahu and Maui. KFHP and KFH provided care to 16,170 individuals enrolled in Quest and expended approximately $12 million on subsidized medical care services. The Hawaii Region also contributed an additional $2.2 million on subsidized care for Medicaid Fee-for-Service patients.

- **SCHIP** – The government program provides children with family incomes up to twice the federal poverty guideline for Hawaii, health care coverage under Title XXI of the Social Security Act. SCHIP is one of several aid categories under the QUEST program. Over 2,600 children enrolled in this program were care for by KFHP and KFH in Hawaii.

Grants and& Donations for Care and Coverage
In 2007, KFHP donated approximately $6 million to the KP Program Offices Fund for Community Benefit at the East Community Foundation to support local nonprofit and community agencies based and/or nationally recognized organizations that provide and/or enhance health coverage to low-income individuals or to support the delivery of medical care by community providers.

<u>COMMUNITY HEALTH INITIATIVES</u>
As an innovator in health, Kaiser Permanente design, deliver and sustain long-term programs that engage communities in work to improve the conditions in their neighborhoods, workplaces and schools that can support good health, particularly Healthy Eating, Active Living (HEAL). KFH and KFHP spent $47 million on community health initiatives during 2007.

Health Eating Active Living Programs
In Northern California, the HEAL program combats obesity by promoting place-based healthy eating and active living programs and interventions in the community. The program supports community healthy initiatives and coalitions that bring medical, environmental and social community level changes such as empowering community residents to eat healthy foods, change of physical and social environments to promote physical activity and policy changes to reduce racial and ethnic health disparities in disease associated with poor nutrition and inactivity.

Southern California developed a comprehensive approach to addressing the rising obesity epidemic and other chronic health conditions related to inactivity and poor nutrition. The concept behind HEAL is to make healthy choices easier by increasing access to health food and physical activity everywhere people live, work, play including schools, worksites and neighborhood settings.

Promoting healthy eating and active living in the communities through policy and environmental change has been the focus for Southern California's HEAL Program. HEAL's multifaceted, long term approach includes working with health care industry leaders, investing in communities, changing public policy, and developing key partnerships. Partnerships with Association of Policymakers, Park Strategy, Smart Growth and Public Land Use have been instrumental in achieving program goals.

Community Health Education and Prevention Programs
KFH in California and Hawaii provided a variety of activities and programs to assist health care consumers in managing their own health and well-being. The hospitals serve as the primary site for the dissemination of health education information to both Health Plan and community members who access these facilities through the health education centers. Expenditures in this category exclude program cost for health education programs targeting or restricted to Health Plan members. Other programs and services are offered in various community locations

Grants and Donations for Community Health Initiatives
KFHP contributed $28.6 million to the KP Program Offices Fund for Community Benefit at the East Community Foundation to support the Colorado Convergence, community health initiatives across the program and to provide a wide range of health education programs and services. Of the $28.6 million, approximately $16 million has been directed to support the Health Eating Active Living Convergence Partnership in Colorado. This partnership has become a national center for high level thought leadership, coordinated anti-obesity strategy, advocacy for public policy change and model for replication.

<u>SAFETY NET PARTNERSHIPS</u>
Through funding, technical assistance, influencing public policy, training and volunteering, dissemination of care-management and quality improvement technologies, Kaiser Permanente helps these vital health care providers improve care and expand treatment capacity for the communities and vulnerable people they serve.

For decades, KFH and KFHP in California supported safety net providers through grant funding, staff and in-kind contributions. As a result of this support and commitment to community providers, formalized partnership agreement was signed by Kaiser Permanente Leaders and regional and statewide Community Clinics Association representatives in 2003. The agreement covered over 600 nonprofit community based clinics and health centers throughout the state. The partnership focuses on improving the quality of health care for residents of the California and on reducing health disparities based on race, ethnicity, and economic status

Grants and Donations for Safety Net Partnerships
The KP Program Offices Fund for Community Benefit at the East Community Foundation received a contribution of approximately $6 million to support the delivery medical and/or dental care services to uninsured people in a community setting, safety net clinics and public hospitals

<u>DEVELOPING AND DISSEMINATING KNOWLEDGE</u>
Kaiser Permanente aims to improve health care by sharing its knowledge, educating practitioners, advancing research, empowering consumers, and informing policymakers about the evidence base for medical care and health. KFHP and KFH spent $132 million to support programs and services for the development and dissemination of knowledge and provided grants and donations to more than 100 nonprofit organizations

For more than 40 years, Kaiser Permanente researchers have leveraged modest grants financed through the Community Benefit Program into major discoveries that have served the communities, influenced national policy, and informed medical practice throughout the nation and the world. Many of the research studies address current health issues and improve care for common conditions where treatment is often linked to community-based efforts, and are broadly disseminated through articles and professional presentations. Kaiser Permanente conducts more research than any other non-academic institution in the United States.

Kaiser Permanente investigators in California and Hawaii, Oregon and Washington participated in research and evaluation studies, partnering with several prominent academic research institutions, including Harvard University, Oregon Health & Sciences University, Stanford University, University of California (Los Angeles, Berkeley and San Francisco), University of Southern California, University of

Washington, and also partners with the National Institutes of Health, Agency for Healthcare Research and Quality and the Centers for Disease Control and Prevention.

In California, KFH has three research departments: the Division of Research (DOR), Northern California, established in 1961, Department of Research & Evaluation (R&E) Southern California, established in the early 1980's, and Kaiser Foundation Research Institute (KFRI). Two nursing research units for KFH in California also engage in studies on nursing practices, patient care, and patient outcomes in order to improve clinical practices. The Center for Health Research Hawaii (CHRH) is a formal subdivision of CHR in Northwest.

CHRH, DOR, KFRI, and R&E, -- together with the Northern and Southern California Nursing Research Departments -- spent $7 million to and support 1,400 more than 300 primary research studies, published 50articles and presented findings in several medical education forums and conferences.
The following are a sampling of the evidence-based studies conducted in 2007

- *Study: An evidenced-based Approach to Vital Signs, A Community Clinic – Kaiser Permanente Partnership* – The project was to develop consistent and standardized methods for evidence-based vital signs measurement and vital sign documentation. Standardizing the measurement of vital signs in the clinic setting has the potential to streamline workflow processes for the health care workers which can impact the efficiency of patient triage and patient registration.

- *Genes, Environment and Health* – Northern California's Division of Research launched one of largest research projects in the world to examine the genetic and environmental factors common disease known to be linked to heredity. This study seeks to gain a deeper understanding of the combinations of genes, behaviors, and environmental factors that affect disease prevalence, severity and outcomes.

- *MVP: Health Supports for Consumer with Chronic Conditions* – This study focused on effectively addressing the high needs of Medicaid recipients. Ten sites across the country tested best practice believed to have a positive impact on the health of members with chronic illnesses as well as reduction of costs over time. One key finding indicated that combining high-risk Medicaid patients' services, including physical treatments, behavioral, substance abuse, and long-term care, shows promise of increased improvement for patients as well as reduction in hospital stays.

- *Reducing Heart Attacks and Strokes Among the Uninsured* – An evaluation of the ALL (Aspirin Lisinopril and Lovastatin) treatment verified that once uninsured patients are placed on the treatment they stayed on the therapy at impressive rates. These patients now have a 40 percent lower risk of hearts and strokes. The treatment improves the overall management of their diabetes, including decreasing blood sugar levels and routine preventive care. The result showed that Kaiser Permanente derived treatment protocols are improving the health of the underserved patients.

Health Sciences and Medical Libraries
KFH spent approximately $4 million to support its medical libraries, and other health resource and information dissemination services. These programs give medical staff and the greater professional community access to health related research conducted within and outside of Kaiser Permanente. Medical libraries participated in an inter-loan system with other community hospitals, supported students in training and education programs to conduct literature searches and conducted searches for community clinics and other community-based organizations on advances in medical treatment, clinical protocols and new development on specific health issues. During 2007, health sciences and medical libraries in California and Hawaii completed thousands of information requests for general knowledge and literature searches for research purposes.

Educational Theatre Programs (ETP)
For 20 years, Educational Theatre Programs had used live theatre, music, comedy and drama to inspire children, teens and adults to make healthier choices and better decisions about their well-being. These

educational programs were developed with the advice of teachers, parents, students, health educators, medical professionals, and professional theatre artists. All performances are delivered by professional actors who are also trained as peer health educators, and performed free of charge for the community. ETP also provides schools and organizations with supplementary educational materials, such as workbooks, parent and teacher guides, and student wallet cards to reinforce the messages presented on stage.

KFH and KFHP in California spent $5.6 million to provide nearly 558,500 children and adults the opportunity to view one of the 2,544 performances during 2007. The current repertoire includes

- The Best ME – A program for grades 3-6 that helps students understand the benefits of making healthier life choices
- Zip's Great Day - Musical comedy for elementary school children about making healthy choices and avoiding conflict.
- P.E.A.C.E. Signs - Conflict resolution and anti-violence program for upper-elementary school students
- Drummin' Up Peace – A multi-intervention program that promotes conflict isolation to help students increase peace
- Someone Like Me – A production that uses drama, music, and humor to address adolescent issues
- Amazing Food Detective - Bilingual (English/Spanish) program for elementary school kids on making informed food choices and snacking in moderation to avoid obesity and its health problems
- ARRR-STHMA! - Entertaining production that focuses on dealing with childhood asthma
- Nightmare on Puberty Street – Dramatic presentation about the joys and angst of adolescence
- Secrets - HIV/AIDS educational drama for high school students
- The Swashbuckling Adventures of Jaime in the World of Red, the Reading Pirate – promotes the importance of literacy to students

Public Policy

Both KFHP and KFH recognize that public policy influences the environment in which we operate and impacts the communities we serve. In 2007, KFHP contributed $1.5 million to advance public policy that is beneficial to the community. The KFHP and KFH public policy strategy includes building public/private partnerships to advance population health, supporting legislation that advances expanded access, health promotion and disease prevention, as well as convening policy makers and researchers to develop knowledge-based public policy.

The mission of KFHP's **Institute for Health Policy (IHP)** is to advance the understanding of key health policy issues and to support, in collaboration with others, health policy that will improve health and the manner in which health care and financing systems serve the members of our communities.

In 2007, the Institute sponsored conferences, policy roundtables, and briefing papers on a range of subjects that leverage Kaiser Permanente's expertise, experience and interests such as the following.

- *Delivery System Improvement* – An August 2007 roundtable examined the impact of the health care systemness on quality and addressed the implications of policies to reduce fragmentation in America's health care system.

- *Disparities* – An issue brief published in 2007, "Racial and Ethnic Health Disparities: Influence Actors, and Policy Opportunities" has received widespread attention in policy circles ands the Institute of Medicine. IHP convened a meeting that brought both health and non-health funders together to explore opportunities for collaboration in reducing disparities.

- *Improving Care in Medicaid* – Together with the Centers for Health Care Strategy, IHP co-sponsored an invitational roundtable meeting on improving care for Medicaid consumers with multiple chronic conditions.

Kaiser Permanente Care Management Institute is nationally recognized for defining and sharing evidenced-based approaches to improving care. During 2007, more than 50 safety net organizations participated in a day-long seminar hosted by CMI that focused on improving care for culturally diverse communities.

The Care Management Institute, in partnership with the Community Benefit Department, organized its third Community Forum in 2007. Held at the Sidney Garfield Innovation Center, the forum gathered nearly 200 participants from both Kaiser Permanente and the safety net to address issues in developing patient-centered care. Among the highlights were remarks provided by former U.S. Assistant Surgeon General Marilyn Gaston, and Dr. Gayle Porter, previously of Johns Hopkins School of Medicine. They described their work in organizing "Sister Circles," peer-led wellness promotion groups focusing on the needs of African-American women. Enthusiastic conference participants developed ideas to replicate Sister Circles in their own communities. Additionally, workshops were held on the needs of patients with low health literacy, and how adult learners can contribute to the design of clearer patient support education and self management tools.

Grants and Donations for Knowledge Dissemination
KFHP donated $50 million to the KP Program Offices Fund for Community Benefit at the East Community Foundation for the dissemination of evidence-based studies, informing the community on health care public policy and educational opportunities for individuals seeking a career as health care provider or professional.

<u>OTHER COMMUNITY BENEFITS</u>
In 2007, KFHP in California and Hawaii spent approximately $9 million on other community benefit activities and programs beyond the national streams of work.

Other Grants and Donations
Approximately $6 million was contributed to the KP Program Offices Fund for Community Benefit at the East Community Foundation to support other community needs, initiatives, and partnerships beyond streams of works.

National Community Benefit Operations
KFHP has a dedicated Community Benefit Department with 11.6 full time employees to coordinate CB initiatives, program wide and support both national and regional community benefit programs and services.

ATTACHMENT A

2007 NATIONAL DIRECT COMMUNITY BENEFIT INVESTMENT PROGRAM

The following chart summarizes 2007 Community Benefit investments nationally for **KFHP** and **KFH**. The investments in the community reflected in the chart are unaudited.

	NATIONAL HEALTH PLAN TOTAL	NATIONAL HOSPITAL TOTAL	NATIONAL CB TOTAL
CARE & COVERAGE			
Charitable Care & Coverage Programs	$138,062,198	$65,430,129	$203,492,327
Government Sponsored Programs	330,924,653	186,539,811	526,464,464
Grants & Donations for Care & Coverage	6,000,200	25,882,940	31,883,140
Care & Coverage CB Operations	3,954,334	489,788	4,444,122
Subtotal	*$487,941,385*	*$278,348,068*	*$766,290,053*
COMMUNITY HEALTH INITIATIVES			
Community Health Education	$932,592	$888,476	$1,821,068
Grants & Donations for Community Health Initiatives	32,073,619	17,207,231	50,180,850
Community Health Initiatives CB Operations	625,786	0	625,786
Subtotal	*$34,531,997*	*$18,095,707*	*$52,627,704*
SAFETY NET PARTNERSHIPS			
Grants & Donations for Safety Net Partnerships	$14,026,859	$31,126,227	$45,153,086
Safety Net CB Operations	500,000	0	500,000
Subtotal	*$14,526,859*	*$31,126,227*	*$45,653,086*
KNOWLEDGE DISSEMINATION			
Medical Research	$1,683,272	$16,260,945	$17,944,217
Health Care Public Policy	1,600,000	0	1,600,000
Educational Theatre Program	3,623,314	7,759,790	11,383,104
Health Care Training & Education Programs	3,085,631	61,085,817	64,171,448
Grants & Donations for Knowledge Dissemination	51,170,920	3,141,940	54,312,860
Knowledge Dissemination CB Operations	0	0	0
Subtotal	*$61,163,137*	*88,248,492*	*$149,311,629*
OTHER COMMUNITY BENEFITS			
Self Sufficiency Programs	$218,880	$5,289,942	$5,508,822
Other CB Grants & Donations	7,333,835	8,430,334	15,764,169
Other CB Operations	5,573,396	12,030,137	17,603,533
Subtotal	*$13,126,111*	*$25,750,413*	*$38,876,524*
TOTAL	***$611,189,489***	***$441,569,506***	***$1,052,758,995***

ATTACHMENT B

DIRECT COMMUNITY BENEFIT INVESTMENT PROGRAM
2007 KFHP COMMUNITY BENEFIT FINANCIALS

The following chart summarizes 2007 Community Benefit investments by KFH and KFHP for **California** and **Hawaii**. The investments in the community reflected in the chart are unaudited.

	NATIONAL HEALTH PLAN TOTAL	NATIONAL HOSPITAL TOTAL	NATIONAL CB TOTAL
CARE & COVERAGE			
Charitable Care & Coverage Programs	$95,788,053	$59,163,020	$154,951,073
Government Sponsored Programs	300,993,051	186,486,761	487,479,812
Grants & Donations for Care & Coverage	6,000,000	25,888,940	31,888,940
Care & Coverage CB Operations	3,924,146	397,684	4,321,830
Subtotal:	*$406,705,250*	*$271,936,424*	*$678,641,675*
COMMUNITY HEALTH INITIATIVES			
Community Health Education	$325,517	$793,562	$1,119,079
Grants & Donations for Community Health Initiatives	28,600,000	16,996,431	45,596,431
Community Health Initiatives CB Operations	500,000	0	500,000
Subtotal:	*$29,425,517*	*$17,789,993*	*$47,215,510*
SAFETY NET PARTNERSHIPS			
Grants & Donations for Safety Net Partnerships	$6,230,880	$30,712,527	$36,943,407
Safety Net CB Operations	500,000	0	500,000
Subtotal:	*$6,730,880*	*$30,712,527*	*$37,443,407*
KNOWLEDGE DISSEMINATION			
Medical Research	$0	$10,792,142	$10,792,142
Health Care Public Policy	1,500,000	0	1,500,000
Educational Theatre Program	874,522	7,702,137	8,576,659
Health Care Training & Education Programs	0	58,904,745	58,904,745
Grants & Donations for Knowledge Dissemination	50,000,000	2,610,890	52,610,890
Knowledge Dissemination CB Operations	0	0	0
Subtotal:	*$52,374,522*	*80,009,914*	*$132,384,436*
OTHER COMMUNITY BENEFITS			
Self Sufficiency Programs	$0	$5,289,942	$5,289,942
Other CB Grants & Donations	6,000,000	6,229,870	12,229,870
Other CB Operations	2,820,608	11,102,379	13,922,988
Subtotal:	*$8,820,608*	*$22,622,190*	*$31,442,798*
TOTAL	***$504,056,777***	***$423,071,048***	***$927,127,825***

Chief Executive Officer & President Compensation

Mr. Halvorson, CEO & President, received a one-time payment in 2007 from a supplemental retirement plan. That plan provided for vesting and payment of accrued benefits in 2007 and was part of the compensation package the Board of Directors approved while recruiting him to lead Kaiser in 2002. Those amounts were reported in prior years on the Form 990 as they were accrued. Excluding this one-time payment, his reported compensation and benefits in the 2007 filing would be $8,749,719 (total from all columns). That number still has a substantial "double-count" of multiple years' incentive compensation, which is required under the Internal Revenue Service's guidance for reporting compensation on the organizations Form 990. "Double-count" means the compensation was reported in prior years as it was accrued, and also reported in the year paid. Excluding the currently "double-counted" compensation, Mr. Halvorson's compensation for 2007 (paid during 2007, excluding amounts earned in previous years, and including amounts earned in 2007 but paid in 2008) is $6,219,719.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . ▶ X

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

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

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print	Name of Exempt Organization	Employer identification number
File by the extended due date for filing the return. See instructions	KAISER FOUNDATION HEALTH PLAN, INC	94-1340523
	Number, street, and room or suite no. If a P.O. box, see instructions.	For IRS use only
	ONE KAISER PLAZA, SUITE 1550L	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	OAKLAND, CA 94612	

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

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

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

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

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

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

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

4 I request an additional 3-month extension of time until 11/15/2008.

5 For calendar year 2007, or other tax year beginning ______ and ending ______.

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

7 State in detail why you need the extension

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	$ NONE
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	$ NONE
c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	$ NONE

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 ▶ [signature] Title ▶ VP, Controller, CAO Date ▶ 7-29-2008

JSA
8F8054 2.000

Form **8868** (Rev. April 2007)
Department of the Treasury Internal Revenue Service

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) 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) 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	Name of Exempt Organization	Employer identification number
File by the due date for filing your return. See instructions	KAISER FOUNDATION HEALTH PLAN, INC	94-1340523
	Number, street, and room or suite no. If a P.O. box, see instructions.	
	ONE KAISER PLAZA, SUITE 1550L	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	OAKLAND, CA 94612	

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

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

- The books are in the care of ▶ 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) corporation required to file Form 990-T) extension of time until 08/15, 2008, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ [X] calendar year 2007 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	$ NONE
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	$ NONE
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	$ NONE

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 **8453-EO**

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2007 or tax year beginning , 2007, and ending , 20

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

▶ See instructions on back.

OMB No. 1545-1879

2007

Department of the Treasury
Internal Revenue Service

Name of exempt organization: KAISER FOUNDATION HEALTH PLAN, INC

Employer identification number: 94 1340523

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 (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

1a Form 990 check here ▶ ☑ b Total revenue, if any (Form 990, line 12)	1b	29,683,156,041
2a Form 990-EZ check here ▶ ☐ b Total revenue, if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here ▶ ☐ b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here ▶ ☐ b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here ▶ ☐ b Balance due (Form 8868, line 3c)	5b	

Part II Declaration of Officer

6 ☐ [illegible]

☐ [illegible]

[illegible]

Sign Here ▶ Signature of officer [illegible signature] Date [illegible] ▶ VP, CONTROLLER, CAO Title

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

[illegible]

ERO's Use Only: ERO's signature [illegible signature]; Check if also paid preparer ☐; Check if self-employed ☐; ERO's SSN or PTIN: P00297006

Firm's name (or yours if self-employed), address, and ZIP code: CYNTHIA LARSEN, CPA KFHP, INC, ONE KAISER PLAZA, SUITE 15L, OAKLAND, CA 94612; Phone no. 510 271-6385

[illegible]

Paid Preparer's Use Only: Preparer's signature [illegible signature]; Date 10-23-08; Check if self-employed ☐; Preparer's SSN or PTIN: P00376536

Firm's name (or yours if self-employed), address, and ZIP code: KPMG LLP, 55 SECOND STREET, SAN FRANCISCO, CA 94105; EIN 13 5565207; Phone no. 415 963-5100

Additional Data

Software ID:
Software Version:
EIN: 94-1340523
Name: KAISER FOUNDATION HEALTH PLAN INC

Form 990, Part II, Line 43 - Other expenses not covered above (itemize):

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
a EMPLOYEE RELATED EXPENSES	**43a**	18,815,391	17,787,651	1,027,740	
b EMPLOYEE DEVELOPMENT EXPENSES	**43b**	17,826,712	16,498,373	1,328,339	
c BASIC CONTRACTUAL PAYMENTS	**43c**	19,077,098,340	19,077,098,340		
d CLAIMS - IN AREA & OUT OF AREA	**43d**	1,293,793,129	1,293,793,129		
e NON-MEDICAL PURCHASED SERVICES	**43e**	342,612,794	298,825,493	43,787,301	
f MEMBERSHIP DUES AND FEES	**43f**	1,337,120	1,335,750	1,370	
g DUES & SUBSCRIPTIONS	**43g**	3,931,870	3,698,600	233,270	
h PROFESSIONAL & PUBLIC LIAB INS	**43h**	175,938,604	175,938,269	335	
i PURCHASED MEDICAL SERVICES	**43i**	773,398,461	773,398,461		
j PROPERTY TAXES & OTHER TAXES	**43j**	22,644,913	22,379,441	265,472	
k ADVERTISING & MKTING EXPENSES	**43k**	248,877,802	24,564,192	224,313,610	
l BANKS SVC CHG, CRDT CARD FEES	**43l**	16,905,557	15,738,987	1,166,570	
m INTERDIV MEDICAL SERVICES	**43m**	45,372,456	45,372,456		
n MISCELLANEOUS EXPENSES	**43n**	91,291,937	33,954,461	57,337,476	
o TECHNOLOGY SUPPORT	**43o**	2,182,015,398	2,182,015,398		
p BAD DEBT EXPENSE	**43p**	171,323,015	171,323,015		
q BUSINESS LICENSES & TAXES	**43q**	10,166,820	2,143,194	8,023,626	

Form 990, Part IX - Information Regarding Taxable Subsidiaries and Disregarded Entities:

(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
OAK TREE ASSURANCE LTD ONE KAISER PLAZA SUITE 1550L OAKLAND, CA94612 03-0329760	10000 %	CAPTV INSURER	9,244,296	25,946,156
KAISER PROPERTIES SERVICES INC ONE KAISER PLAZA SUITE 1550L OAKLAND, CA94612 94-3259432	10000 %	R/E BROKERAGE	1,282,094	32,746
KAISER PERMANENTE INSURANCE CO ONE KAISER PLAZA SUITE 1550L OAKLAND, CA94612 94-3203402	5000 %	INSURANCE	211,826,987	129,310,189
CHP COMPANIES INC ONE KAISER PLAZA SUITE 1550L OAKLAND, CA94612 91-1814507	10000 %	HOLDING CO	0	0
KAISER PERMANENTE HEALTH ALTER ONE KAISER PLAZA SUITE 1550L OAKLAND, CA94612 94-3113684	10000 %	MEDICAL SVCS	11,460,877	0
KP CAL LLC ONE KAISER PLAZA SUITE 1550L OAKLAND, CA94612 20-2712661	10000 %	MEDICARE CONTRACT PROVIDR	56,800,419	298,775

Form 990, Part IX - Information Regarding Taxable Subsidiaries and Disregarded Entities:

(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
ORDWAY INDEMNITY LTD ONE KAISER PLAZA SUITE 1550L OAKLAND, CA94612 90-0031974	10000 %	OFFSHORE REINSURANCE COMP	4,715,368	4,035,203
ORDWAY INTERNATIONAL LTD ONE KAISER PLAZA SUITE 1550L OAKLAND, CA94612 000000000	10000 %	INT'L HOLDING COMPANY	12,530	121,438