



Gavin Newsom, Governor
State of California
Health and Human Services Agency
DEPARTMENT OF MANAGED HEALTH CARE
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November 4, 2024

Via eFile

Mr. Gregory A. Adams
Chairman of the Board and Chief Executive Officer
Kaiser Foundation Health Plan, Inc.
DBA: Kaiser Permanente
One Kaiser Plaza, 22nd Floor
Oakland, CA 94612

FINAL REPORT OF A ROUTINE EXAMINATION OF KAISER FOUNDATION HEALTH PLAN, INC., DBA KAISER PERMANENTE

Dear Mr. Adams:

Enclosed is the final report (Final Report) of a routine examination for the quarter ended March 31, 2024, of the claims settlement practices and provider dispute resolution mechanism, of Kaiser Foundation Health Plan, Inc., dba Kaiser Permanente (Plan). The examination was conducted by the Department of Managed Health Care (Department) pursuant to Section 1382 of the Knox-Keene Health Care Service Plan Act of 1975.¹

Section 1382(d) states, "If requested in writing by the plan, the director shall append the plan's response to the final report issued pursuant to subdivision (c). The plan may modify its response or statement at any time and provide modified copies to the department for public distribution not later than 10 days from the date of notification from the department that the final report will be made available to the public. The addendum to the response or statement shall also be made available to the public."

Please indicate within 10 days from the date of the Plan's receipt of this letter whether the Plan would like to submit an addendum to the Final Report. If so, please file the addendum electronically via the corrective action plan (CAP) system within the Department's eFiling web portal at <https://wps0.dmhc.ca.gov/secure/login/>, as follows:

- From the main menu, select "eFiling."
- From the eFiling menu, select "Online Forms."
- From the Online Forms menu, select "Details" for "CAP #L24-R-055."

¹ References to "Section" are to sections of the Knox-Keene Health Care Service Plan Act of 1975, as codified in California Health and Safety Code section 1340 et seq.

- Go to the “Messages” tab, then:
 - Select “Addendum to Final Report” (note this option will only be available for 10 days after the issuance of the Final Report).
 - Select the deficiency(ies) that are applicable.
 - Create a message for the Department.
 - Attach and upload all documents with the name “Addendum to Final Report.”
 - Select “Send Message.”

Questions or problems related to the electronic transmission of any addendum should be directed to the Office of Financial Review administrative support team at 916-255-2345 or by e-mail at ofr_admin@dmhc.ca.gov.

The Department will make the Final Report available to the public in 10 days from the Plan’s receipt of this letter. The Final Report will be located at the Department’s web site at <http://www.dmhc.ca.gov/LicensingReporting/ViewFinancialExaminationReports.aspx>.

If there are any questions regarding the Final Report, please contact me at 213-620-2057 or by e-mail at Suhag.Patel@dmhc.ca.gov.

Sincerely,

SIGNED BY

Suhag Patel
Corporation Examiner IV, Supervisor
Office of Financial Review
Division of Financial Oversight

cc: Deborah Espinal, Vice President, Enterprise Regulatory Services, Kaiser Foundation Health Plan, Inc.
Pritika Dutt, CPA, Deputy Director, Office of Financial Review
Ned Gennaoui, Supervising Examiner, Division of Financial Oversight
Sebas Alex, Senior Examiner, Division of Financial Oversight
Thuc Nguyen, Examiner, Division of Financial Oversight
Justin Goodwin, Attorney IV, Office of Plan Licensing
Chris Wordlaw, Staff Services Manager III, Office of Plan Monitoring
Chad Bartlett, Staff Services Manager II, Help Center

**STATE OF CALIFORNIA
DEPARTMENT OF MANAGED HEALTH CARE**

**OFFICE OF FINANCIAL REVIEW
DIVISION OF FINANCIAL OVERSIGHT**

FINAL REPORT OF A ROUTINE EXAMINATION

OF

**KAISER FOUNDATION HEALTH PLAN, INC.
DBA: KAISER PERMANENTE**

FILE NO. 933 0055

DATE OF FINAL REPORT: NOVEMBER 4, 2024

SUPERVISING EXAMINER: NED GENNAOUI

OVERSIGHT EXAMINER: SUHAG PATEL

EXAMINER-IN-CHARGE: SEBAS ALEX

FINANCIAL EXAMINERS:

DANIELA CAMARENA

BETTY JIANG

THERIE MONTERO

NAVDEEP SANDHAR

KRYSTAL TRAN

**BACKGROUND INFORMATION FOR KAISER FOUNDATION HEALTH PLAN, INC.,
DBA KAISER PERMANENTE**

Date Plan Licensed:	November 4, 1977
Organizational Structure:	Kaiser Foundation Health Plan, Inc., dba Kaiser Permanente, (Plan) is a non-profit, public benefit corporation and a federally qualified health maintenance organization. The Plan is one of the organizations that comprise the Kaiser Permanente Medical Care Program.
Type of Plan:	The Plan is a full-service health care service plan providing a full range of health benefits, including hospital, medical and prescription drug benefits to commercial, Medicare and Medi-Cal enrollees.
Provider Network:	The Plan is an integrated care model offering health care services through a contracted network of hospitals and physician practices operating under the Kaiser Permanente name. Compensation arrangements include capitation, discounted fee-for-service, per-diem and case rate basis.
Plan Enrollment:	As of March 31, 2024, the Plan reported total enrollment of 9,401,048 members, consisting of 6,790,832 commercial; 1,242,443 Medicare; 939,396 Medi-Cal, and 428,377 contracted from other sources enrollees.
Service Area:	The Plan operates in Alameda, Amador, Contra Costa, El Dorado, Fresno, Imperial, Kern, Kings, Los Angeles, Madera, Marin, Mariposa, Napa, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Sutter, Tulare, Ventura, Yolo, and Yuba counties.
Date of Prior Final Routine Examination Report:	April 24, 2024

FINAL REPORT OF A ROUTINE EXAMINATION OF KAISER FOUNDATION HEALTH PLAN, INC., DBA KAISER PERMANENTE

This is the final report (Final Report) for the quarter ended March 31, 2024, of a routine examination, of the claims settlement practices and provider dispute resolution mechanism, of Kaiser Foundation Health Plan, Inc., dba Kaiser Permanente (Plan). The examination was conducted by the Department of Managed Health Care (Department) pursuant to Section 1382 of the Knox-Keene Health Care Service Plan Act of 1975.¹

The Department examined the Plan's claims settlement practices and provider dispute resolution mechanism for the quarter ended March 31, 2024.

The Department found no deficiencies with respect to compliance with the requirements of the Sections and Rules. Therefore, no further response is required from the Plan regarding this Final Report.

¹ References to "Section" are to sections of the Knox-Keene Health Care Service Plan Act of 1975, as codified in California Health and Safety Code section 1340 et seq. References to "Rule" are to regulations promulgated pursuant to the Knox-Keene Health Care Service Plan Act of 1975 contained within title 28 of the California Code of Regulations.