



Arnold Schwarzenegger, Governor  
State of California  
Business, Transportation and Housing Agency

---

Department of Managed Health Care  
980 Ninth Street, Suite 500  
Sacramento, CA 95814  
(916) 323-0435 voice  
(916) 323-0438 fax  
enforcement@dmhc.ca.gov

August 4, 2004

Marlene S. Ma, Esq.  
Kaiser Foundation Health Plan, Inc.  
1 Kaiser Plaza, 21L  
Oakland, CA 94612

**RE: Grievance Case Number 133890  
Enforcement Matter Number 04-119**

**LETTER OF AGREEMENT**

The Office of Enforcement of the Department of Managed Health Care (the "Department") completed its investigation of Kaiser Foundation Health Plan, Inc. (the Plan's) violation of Health and Safety Code section 1368.01, subdivision (a), and California Code of Regulation, title 28, section 1300.68, subdivision (d)(3), in the above enforcement matter.

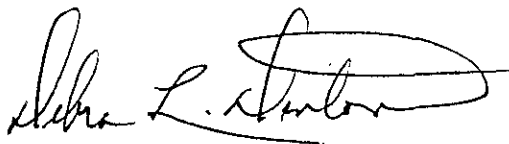
Specifically the Plan failed to resolve this grievance with<sup>in</sup> thirty (30) days. The enrollee filed her grievance on July 28, 2003 and the Plan responded on September 12, 2003, a period of forty six (46) days.

Marlene Ma  
August 4, 2004  
Page 2

Kaiser Foundation Health Plan has acknowledged its violation of Health and Safety Code section 1368.01, subdivision (a), and California Code of Regulation, title 28, section 1300.68, subdivision (d)(3).

The Department has determined that an administrative penalty of \$2,500 is warranted in this matter. Kaiser Foundation Health Plan has agreed to pay the penalty.

Sincerely,

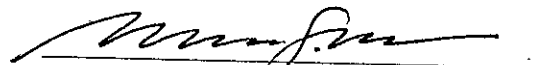


Debra L. Denton  
Assistant Chief Counsel  
Office of Enforcement

SCS/

Accepted by Kaiser Foundation Health Plan, Inc.

DATE: 8.13.2004



Marlene S. Ma, Counsel  
Kaiser Foundation Health Plan, Inc.