

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

**Department of Managed Health Care**  
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enforcement@dmhc.ca.gov

April 5, 2005

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APR 8 - 2005

LEGAL DIVISION

Marlene S. Ma  
Counsel  
Kaiser Foundation Health Plan, Inc.  
One Kaiser Plaza, 21<sup>st</sup> Floor  
Oakland, CA 94612

**RE: Complaint No. 216180  
Enforcement Matter No. 05-024**

2005 APR 13 AM 10:36  
MANAGED HEALTH CARE  
ACCOUNTING OFFICE

**LETTER OF AGREEMENT**

The Office of Enforcement of the Department of Managed Health Care (the "Department") has completed its investigation of Kaiser Foundation Health Plan, Inc.'s ("Kaiser") resolution of the grievance filed in the above-referenced matter. The Department has determined that the enrollee's grievance was not resolved in accord with the requirements of Health and Safety Code section 1368(a)(5). Specifically, Kaiser did not reference the provision of the Evidence of Coverage upon which it based its decision to deny the enrollee's request.

Letter of Agreement (05-024)

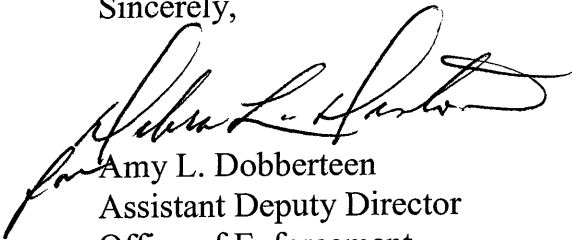
April 5, 2005

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Kaiser has acknowledged its violations<sup>g</sup> of the above-referenced sections of the Health and Safety Code. The Department has determined that an administrative penalty of two thousand five hundred dollars (\$2,500.00) is warranted in this matter and Kaiser has agreed to pay the penalty.

The Department agrees that execution of this Letter of Agreement and payment of the penalty will settle this enforcement matter and all issues, accusations and claims the Department has against Kaiser based upon its actions in the above referenced grievance case.

Sincerely,




Amy L. Dobberteen  
Assistant Deputy Director  
Office of Enforcement

TAG/kts

**Accepted by Kaiser Foundation Health Plan, Inc.**

Date: 4.11.2005



Marlene S. Ma  
Kaiser Foundation Health Plan, Inc.

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OFFICE OF  
ENFORCEMENT