



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

**Department of Managed Health Care**  
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April 20, 2005

Anne M. Deibert  
Senior Counsel  
Kaiser Foundation Health Plan, Inc.  
One Kaiser Plaza, 21<sup>st</sup> Floor  
Oakland, CA 94612

**RE: Complaint No. 231393  
Enforcement Matter No. 05-184**

2005 MAY -4 PM 2:06  
DEPARTMENT OF  
MANAGED HEALTH CARE  
ACCOUNTING OFFICE

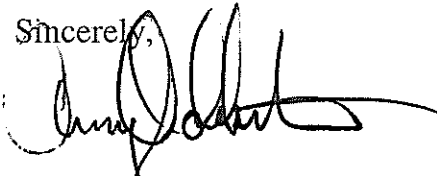
**LETTER OF AGREEMENT**

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 Kaiser's denial letters to the enrollee's requests for health care services did not provide the information required in Health and Safety Code section 1368(a)(5). Specifically, Kaiser failed to provide either the required references to the provisions in the contract excluding coverage or the criteria and clinical reasons related to medical necessity.

Kaiser has acknowledged its violations of the above-referenced section of the Health and Safety Code. The Department has determined that an administrative penalty of twenty-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 matter.

Sincerely,




Amy L. Dobberteen  
Assistant Deputy Director  
Office of Enforcement

JVG/aac

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

Date: 4-24-06

  
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Anne M. Deibert  
Kaiser Foundation Health Plan, Inc.