

Kaiser Foundation Health Plan and Hospitals Report Second Quarter 2015 Financial Results

Oakland, Calif., August 7, 2015 — Kaiser Foundation Health Plan, Inc., Kaiser Foundation Hospitals and their respective subsidiaries (KFHP/H) reported today a combined total operating revenue of \$15.3 billion for the quarter ending June 30, 2015, compared to \$14.0 billion in the same period in 2014. Operating income was \$760 million in the second quarter of 2015, compared to \$652 million in the same quarter last year. Net non-operating income was \$248 million in the second quarter of 2015, compared to net non-operating income of \$348 million in the same quarter of 2014. Consequently, net income for the second quarter for both 2015 and 2014 was \$1.0 billion. Capital spending in the second quarter of 2015 was \$576 million, compared to \$614 million in the same quarter in 2014.

Kaiser Permanente membership has grown by approximately 524,000 members since December 31, 2014, totaling approximately 10.1 million members as of June 30, 2015.

“Kaiser Permanente’s mission is as relevant today as it was when we were founded 70 years ago, yet the way we execute on our mission continues to evolve and grow,” said Chairman and CEO Bernard J. Tyson. “Today we provide industry-leading 21st century health care that is meeting the changing health needs of our members, patients and communities. We are proud of our legacy and are humbled by the fact that more than 10 million people place their trust in us every day for their health care and coverage.”

For the six months that ended June 30, 2015, total operating revenue was \$30.3 billion, compared to \$27.9 billion for the same period in 2014. Operating income for the first half of the year in both 2015 and 2014 was \$1.5 billion. Net non-operating income was \$549 million in the first six months of this year, compared to \$672 million in the same period last year. Year-to-date net income was \$2.0 billion, compared to \$2.1 billion for the same period in 2014.

Year-to-date capital spending was \$1.3 billion through the second quarter of 2015, compared to \$1.4 billion in the same period last year. KFHP/H’s capital spending reflects our continued investments in state-of-the-art technology and facilities to support our members’ needs and deliver high-quality care. Kaiser Permanente operates 38 hospitals and 619 medical office buildings.

Consistent with our not-for-profit mission, KFHP/H also devote resources to improve the health of the communities we serve. KFHP/H community benefit investments provide care for low-income individuals and underserved communities, reinforce community-based health partnerships, support research and train health care workers. In the second quarter of 2015, KFHP/H continued to further a broad and growing range of programs to serve the needs of our communities.

“Our year-to-date performance keeps us on track to meet our financial goals, including management of our costs,” said Kathy Lancaster, executive vice president and chief financial officer. “This allows us to provide high-quality health care at affordable prices, helping our members and communities achieve total health.”

Except for historical information contained herein, the matters discussed in this media release are forward-looking statements that involve risks and uncertainties. Actual results may differ materially based on a number of factors including, but not limited to, the impact of competitive products and pricing; government regulations; changing membership requirements, and the change in business and economic conditions. Forward-looking statements are based on information as of the date of this media release, and we assume no obligation to update or revise any of these forward-looking statements, whether as a result of new information, future events, or otherwise.

About Kaiser Permanente

Kaiser Permanente is committed to helping shape the future of health care. We are recognized as one of America’s leading health care providers and not-for-profit health plans. Founded in 1945, Kaiser Permanente has a mission to provide high-quality, affordable health care services and to improve the health of our members and the communities we serve. We currently serve more than 10 million members in eight states and the District of Columbia. Care for members and patients is focused on their total health and guided by their personal physicians, specialists and team of caregivers. Our expert and caring medical teams are empowered and supported by industry-leading technology advances and tools for health promotion, disease prevention, state-of-the-art care delivery and world-class chronic disease management. Kaiser Permanente is dedicated to care innovations, clinical research, health education and the support of community health. For more information, go to: kp.org/share.

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