

Kaiser Foundation Hospitals and Kaiser Foundation Health Plan, Inc.

Voluntary Disclosure

April 13, 2020: 1:30 p.m. PDT

The following voluntary disclosure contains information regarding the preparedness of Kaiser Foundation Hospitals, Kaiser Foundation Health Plan, Inc., and their respective subsidiaries (“KFHP/H”) for the outbreak of coronavirus disease 2019 (“COVID-19”) and the response of KFHP/H to COVID-19.

The COVID-19 situation continues to evolve rapidly. Currently, there are no medications to treat or vaccines to prevent COVID-19. The number of diagnosed cases in the certain geographic areas where KFHP/H members reside is expected to increase substantially.

On April 2, 2020, Barclays Equity Research hosted a discussion with an operations executive for KFHP/H’s facilities in San Jose and Santa Cruz, California. The executive spoke about the COVID-19 pandemic and provided insight into how health care providers and the local governments within the San Jose/Santa Cruz region were responding to the COVID-19 pandemic. During the course of the discussion, certain aspects of KFHP/H’s response within the San Jose/Santa Cruz region and beyond were discussed, but such discussion was not intended to be reflective of KFHP/H’s response within its national care delivery system or the potential impact to KFHP/H, as a whole.

This voluntary disclosure is intended to clarify KFHP/H’s preparedness for COVID-19 and response to COVID-19.

KFHP/H’s response to COVID-19 has been multi-faceted. KFHP/H is following the guidance of the World Health Organization and the Centers for Disease Control and Prevention and is working closely with local and national agencies to monitor and respond to COVID-19. KFHP/H has activated preparedness plans for facilities to maintain continuity of essential operations, while also taking steps to transition non-clinical office-based staff to a remote working environment and implementing supportive measures for KFHP/H’s 12.2 million members (as of December 31, 2019), as well as KFHP/H’s patients, employees and communities. For instance, KFHP/H has extended the use of telehealth appointments via video and phone and encouraged the use of the organization’s mail-order pharmacy service to help members avoid unnecessary outings. In some areas, KFHP/H has closed or minimized services at medical office buildings to support a potential surge in the number of people who need hospitalization, meet the critical need to conserve personal protective equipment, and limit exposure to the virus for both members and employees. KFHP/H has also been actively managing resources to preserve protective equipment and medical supplies. Consistent with federal and state guidance, most non-emergent elective procedures for KFHP/H’s members have been postponed. In addition, to optimize short-term operational flexibility in connection with its ongoing efforts to respond to COVID-19, Kaiser Foundation Hospitals intends to draw on the full amount available (\$2.4 billion) on its existing credit agreement. No material modification to KFHP/H’s existing capital plan (through 2028) has been made.

This disclosure is made on a voluntary basis and is in addition to KFHP/H's annual and quarterly continuing disclosure filings. This disclosure reflects events and conditions reasonably believed by management of KFHP/H to exist as of the date and time noted on this statement. The future impact of COVID-19 and KFHP/H's response thereto could differ materially from the information in this notice depending upon the duration and severity of the pandemic. KFHP/H disclaims any duty to issue any updates or revisions to the information set forth in this filing. The filing of this notice does not constitute or imply any representation: (i) regarding any other financial, operating or other information about KFHP/H or any of its outstanding bonds; or (ii) that no other circumstances or events have occurred or will occur or that no other information is available or will be available in the future concerning KFHP/H or any of its outstanding bonds that may have a bearing on KFHP/H's financial condition or any of its outstanding bonds, or an investor's decision to buy, sell, or hold any of KFHP/H's outstanding bonds.