GOOD FAITH EFFORT STATEMENT

Kaiser Permanente Insurance Company (KPIC)

SG CO Option PPO Plans

The Colorado Division of Insurance (the 'Division') has requested that Kaiser Permanente Insurance Company (KPIC) submit certain documents under Regulation 4-2-92, Section 9.B., specifically, a statement outlining the good faith efforts that KPIC made with in-network hospitals and/or health-care providers to negotiate reimbursement rates that would support the carrier in lowering premiums on Colorado Option Standardized Plans.

KPIC's Participating Provider Network consists of the First Health Complementary Network ("FH"). First Health Group Corp. (FH) develops and manages for KPIC a primary network of health care providers and hospitals utilized for KPIC's Participating Provider Network. With PPO health benefit plans, enrollees are encouraged to utilize the services offered by FH through the provision of financial incentives, such as a lower cost sharing.

KPIC has engaged FH requesting that they have conversations with their network providers for Colorado Option Standardized Plans, which exceed the Hospital Reimbursement Floor, as established by Regulation 4-2-91, and which meet the materiality threshold established by Regulation 4-2-92, Section 4.R. KPIC will continue to work toward the Division's goal of improving access, affordability, and equity of health care in Colorado.