

## **COMMUNITY BENEFIT COMMITTEE CHARTER**

### A. Composition.

The Community Benefit Committee (“Committee”) shall consist of a minimum of four (4) Directors, and may, in addition, include up to three non-Directors as full voting members. The chairperson of the Committee shall have an understanding of (1) community and government expectations for nonprofit health care organizations, (2) federal tax exemption requirements, for hospitals and health plans with respect to community benefit, and (3) approaches to community benefit by improving care and access for vulnerable populations, promoting community health, and engaging in research and education.

### B. Authority and Duties.

Kaiser Foundation Health Plan, Inc. (“Health Plan”), Kaiser Foundation Hospitals (“Hospitals”) and their nonprofit tax-exempt subsidiaries are organized for, and their assets are irrevocably dedicated to, public and charitable purposes. The Committee has been established to assist the Board in fulfilling its oversight responsibility relating to (1) extending and strengthening community service benefit and value provided by Health Plan, Hospitals and the Kaiser Permanente Medical Care Program (“Program”), (2) fulfilling the mission and brand of Health Plan, Hospitals and the Program; (3) fulfilling the requirements and expectations of Health Plan and Hospitals as nonprofit tax-exempt organizations with respect to community benefit; and (4) providing direct community benefit to the larger community, in addition to the Program’s membership, at the national, regional and local level.

The Committee’s oversight responsibilities and duties will include: (1) extending and strengthening the Program’s community benefit programs and services; (2) review of community benefit strategies, policies, and performance to assure that adequate financial, human and technical investments are maintained; (3) monitoring, to ensure the integrity of Health Plan’s and Hospitals’ community benefit reports, statements and internal control systems and community benefit risk assessment and management; (4) review of the design and impact of major community benefit initiatives; (5) oversight of legal and regulatory compliance with respect to community benefit, including review of operational policies and practices, and (6) increasing public recognition of community benefit activities and community value. The Committee shall regularly report its findings and recommendations to the Board.

1. Extending and Strengthening Community Benefit Programs and Services.

The Committee shall have the following responsibilities regarding the Program's community benefit programs and services:

- a. Review on an ongoing basis the contributions of the Program to public and community benefit, including both direct community benefit investments, research and education, and the Program's impact on the community by setting an example for affordable, comprehensive, integrated, and evidence-based care.
- b. Review and approve charitable contributions over \$100,000 made on behalf of Health Plan, Hospitals and their nonprofit tax-exempt subsidiaries.
- c. Promoting progress in community health improvement, including public policy direction, disease prevention activity, reduction of health disparities among population groups and the development and dissemination of evidence based medicine.
- d. Make recommendations to the Board regarding community benefit policies and procedures.
- e. Review information on general health-related needs in the communities served by the Program, and national trends in health and health care, that help define areas of potential community benefit.
- f. Annually, evaluate the Program's community benefit performance, at the Program level and for each Region.
- g. Review, approve and monitor the community benefit created by the Program through improvements in member and community health status.
- h. Review annual reports on community benefit activities prior to inclusion in the company's Form 990 tax return or submission to the various states.

2. Review Community Benefit Strategies, Policies and Performance.

The Committee shall have the following responsibilities regarding review of community benefit strategies, policies and performance:

- a. Make recommendations to the Board annually regarding regional and Programwide community benefit exposure.
- b. Review and recommend Board policies and performance targets with respect to community benefit expenditures.
- c. Review community benefit performance to assure that adequate financial, human and technical investments are maintained.
- d. Ensure that the Program and each Region has adequate systems in place to track and evaluate community benefit.

3. Community Benefit Monitoring.

The Committee shall have the following responsibilities regarding community benefit review and risk assessment and management:

- a. Periodically assess regional and national compliance with the Board's community benefit policy and procedures.
- b. Review and discuss the type of information regarding community benefit that is disclosed and presented in financial and non-financial reports, filings and other external communications.
- c. Review significant legislative, regulatory and judicial activity and the Program's community benefit portfolio configuration, and recommend high-level policy direction that will minimize risks.

4. Review Major Community Benefit Initiatives.

The Committee shall have the following responsibilities regarding major community benefit initiatives:

- a. Review and make recommendations regarding major community benefit initiatives, which represent a significant financial, human or technical commitment or which have significant strategic or operational implications.
- b. Review and make recommendations regarding research and education activities.
- c. Serve as champions of approved community benefit plans and identify internal and external resources to support implementation.

- d. Review major program evaluations, as completed, and ongoing regional and Program-level performance metrics, as these are developed and implemented.

5. Legal and Regulatory Compliance Systems.

The Committee shall have the following responsibilities regarding legal and regulatory compliance systems:

- a. Obtain periodic updates concerning government regulations, policies, actions and guidelines that provide direction to organizations regarding the management of legal and regulatory compliance associated with community benefit.
- b. Review and approve major operational policies, practices, and strategies that may create risk for or enhance compliance.
- c. Periodically review community benefit policies and procedures to ensure legal and regulatory compliance.
- d. Periodically review reports of significant legal and regulatory activities.

6. Public Recognition and Community Value.

The Committee shall have the following responsibilities regarding increasing public recognition of community benefit activities and community value:

- a. Assure that the Program's brand messages include references to the Program's community benefit.
- b. Review and promote plans for internal and external communications about the Program's community benefit activities and impact on the community.
- c. Learn about, and bring to the attention of the Board, exemplary Kaiser Permanente programs and accomplishments that contribute to public and community benefit.