

Form 990-T

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

OMB No 1545-0687

2018

For calendar year 2018 or other tax year beginning 2018, and ending 2018

Go to www.irs.gov/Form990T for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3)

Open to Public Inspection for 501(c)(3) Organizations Only

A Check box if address changed

Name of organization (Check box if name changed and see instructions)

D Employer identification number (Employees' trust, see instructions)

B Exempt under section 501(c)(3) 408(e) 220(e) 408A 530(a) 529(a)

Print or Type

KAISER FOUNDATION HEALTH PLAN OF COLORADO

Number, street, and room or suite no. If a P O box, see instructions

84-0591617

ONE KAISER PLAZA, SUITE 15L

E Unrelated business activity code (See instructions)

City or town, state or province, country, and ZIP or foreign postal code

446110

OAKLAND, CA 94612

C Book value of all assets at end of year

F Group exemption number (See instructions)

1825433704

G Check organization type 501(c) corporation 501(c) trust 401(a) trust Other trust

H Enter the number of the organization's unrelated trades or businesses 2 Describe the only (or first) unrelated trade or business here NON-MEMBER PHARMACY

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes X

J The books are in care of CHIEF ACCOUNTING OFFICER Telephone number 510-271-6611

Table with 3 columns: (A) Income, (B) Expenses, (C) Net. Rows include Gross receipts or sales (505,152), Less returns and allowances, Cost of goods sold (24,121), Gross profit (481,031), Capital gain net income, Net gain (loss), Income (loss) from a partnership, Rent income, Unrelated debt-financed income, Interest, annuities, royalties, and rents, Investment income, Exploited exempt activity income, Advertising income, Other income, Total Combine lines 3 through 12 (481,031).

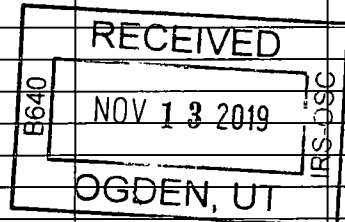


Table with 3 columns: (A) Income, (B) Expenses, (C) Net. Rows include Compensation of officers, directors, and trustees (71,736), Salaries and wages, Repairs and maintenance, Bad debts, Interest (attach schedule), Taxes and licenses (62,142), Charitable contributions (27,168), Depreciation (21), Less depreciation claimed on Schedule A and elsewhere on return (22a), Depletion, Contributions to deferred compensation plans, Employee benefit programs (38,445), Excess exempt expenses, Excess readership costs, Other deductions (attach schedule) ATCH. 2 (37,030), Total deductions (236,521), Unrelated business taxable income before net operating loss deduction (244,510), Deduction for net operating loss arising in tax years beginning on or after January 1, 2018, Unrelated business taxable income (244,510).

For Paperwork Reduction Act Notice, see instructions.

Form 990-T (2018)

SCANNED DEC 18 2019

NOV 21 2019

Received in Receiving Office

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Part III Total Unrelated Business Taxable Income

Table with 3 columns: Line number, Description, and Amount. Rows include 33 (Total of unrelated business taxable income), 34 (Amounts paid for disallowed fringes), 35 (Deduction for net operating loss), 36 (Total of unrelated business taxable income before specific deduction), 37 (Specific deduction), and 38 (Unrelated business taxable income).

Part IV Tax Computation

Table with 3 columns: Line number, Description, and Amount. Rows include 39 (Organizations Taxable as Corporations), 40 (Trusts Taxable at Trust Rates), 41 (Proxy tax), 42 (Alternative minimum tax), 43 (Tax on Noncompliant Facility Income), and 44 (Total).

Part V Tax and Payments

Table with 3 columns: Line number, Description, and Amount. Rows include 45a-d (Credits), 46 (Subtract line 45e), 47 (Other taxes), 48 (Total tax), 49 (2018 net 965 tax liability), 50a-f (Payments), 51 (Total payments), 52 (Estimated tax penalty), 53 (Tax due), 54 (Overpayment), and 55 (Enter the amount of line 54).

Part VI Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Line number, Description, and Yes/No columns. Rows include 56 (Interest in foreign country), 57 (Distribution from foreign trust), and 58 (Tax-exempt interest received).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here: ALFONSE UPSHAW, Signature of officer, Date: October 15, 2019, Title: SVP, CC AND CAO.

May the IRS discuss this return with the preparer shown below (see instructions)? Yes [X] No [ ]

Paid Preparer Use Only: Print/Type preparer's name: ROBERT W FRIZ, Preparer's signature: [Signature], Date: 10/8/2019, Firm's name: PRICEWATERHOUSECOOPERS LLP, Firm's EIN: 13-4008324, Firm's address: 2001 MARKET ST, SUITE 1800, PHILADELPHIA, PA 19103, Phone no: 267-330-3000.

**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation ►

<b>1</b> Inventory at beginning of year	<b>1</b>		<b>6</b> Inventory at end of year	<b>6</b>	
<b>2</b> Purchases	<b>2</b>	24,121.	<b>7</b> Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2.	<b>7</b>	24,121.
<b>3</b> Cost of labor	<b>3</b>		<b>8</b> Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	<b>Yes</b>	<b>No</b>
<b>4a</b> Additional section 263A costs (attach schedule)	<b>4a</b>				
<b>b</b> Other costs (attach schedule)	<b>4b</b>				
<b>5</b> Total. Add lines 1 through 4b	<b>5</b>	24,121.			X

**Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)**

(see instructions)

**1. Description of property**

(1)
(2)
(3)
(4)

**2. Rent received or accrued**

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	Total	

**(c) Total income.** Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) . . . . . ►

**(b) Total deductions.** Enter here and on page 1, Part I, line 6, column (B) ►

**Schedule E - Unrelated Debt-Financed Income** (see instructions)

1 Description of debt-financed property	2 Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6 Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
			Enter here and on page 1, Part I, line 7, column (A)	Enter here and on page 1, Part I, line 7, column (B)
<b>Totals</b> . . . . . ►				
<b>Total dividends-received deductions</b> included in column 8 . . . . . ►				

Schedule F—Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

Table with 6 columns: 1. Name of controlled organization, 2. Employer identification number, 3. Net unrelated income (loss), 4. Total of specified payments made, 5. Part of column 4 that is included in the controlling organization's gross income, 6. Deductions directly connected with income in column 5.

Nonexempt Controlled Organizations

Table with 5 columns: 7. Taxable Income, 8. Net unrelated income (loss), 9. Total of specified payments made, 10. Part of column 9 that is included in the controlling organization's gross income, 11. Deductions directly connected with income in column 10. Includes a Totals row with instructions for adding columns.

Totals . . . . . ▶

Schedule G—Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

Table with 5 columns: 1. Description of income, 2. Amount of income, 3. Deductions directly connected (attach schedule), 4. Set-asides (attach schedule), 5. Total deductions and set-asides (col 3 plus col 4). Includes a Totals row with instructions.

Totals . . . . . ▶

Schedule I—Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

Table with 7 columns: 1. Description of exploited activity, 2. Gross unrelated business income from trade or business, 3. Expenses directly connected with production of unrelated business income, 4. Net income (loss) from unrelated trade or business, 5. Gross income from activity that is not unrelated business income, 6. Expenses attributable to column 5, 7. Excess exempt expenses (column 6 minus column 5, but not more than column 4). Includes a Totals row with instructions.

Totals . . . . . ▶

Schedule J—Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7, 5. Circulation income, 6. Readership costs, 7. Excess readership costs (column 6 minus column 5, but not more than column 4). Includes a Totals row with instructions.

Totals (carry to Part II, line (5)) . . . ▶

**Part II** Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
<b>Totals from Part I.</b> . . . . . ▶						
	Enter here and on page 1, Part I, line 11, col (A)	Enter here and on page 1, Part I, line 11, col (B)				Enter here and on page 1, Part II, line 27
<b>Totals, Part II (lines 1-5)</b> . . . . . ▶						

**Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)**

1 Name	2. Title	3. Percent of time devoted to business	4 Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
<b>Total.</b> Enter here and on page 1, Part II, line 14 . . . . . ▶			

**SCHEDULE M  
(Form 990-T)**

**Unrelated Business Taxable Income for  
Unrelated Trade or Business**

OMB No 1545-0687

**2018**

For calendar year 2018 or other tax year beginning \_\_\_\_\_, 2018, and ending \_\_\_\_\_, 20\_\_\_\_.

Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form990T](http://www.irs.gov/Form990T) for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for  
501(c)(3) Organizations Only

Name of organization

KAISER FOUNDATION HEALTH PLAN OF COLORADO

Employer identification number

84-0591617

Unrelated business activity code (see instructions) ▶ 621400

Describe the unrelated trade or business ▶ NON MEMBER MEDICAL SERVICES

<b>Part I Unrelated Trade or Business Income</b>		(A) Income	(B) Expenses	(C) Net
<b>1a</b>	Gross receipts or sales 194,359.			
<b>b</b>	Less returns and allowances			
	<b>c Balance</b> ▶	<b>1c</b> 194,359.		
<b>2</b>	Cost of goods sold (Schedule A, line 7) . . . . . ATCH. 3	<b>2</b> 53,264.		
<b>3</b>	Gross profit Subtract line 2 from line 1c . . . . .	<b>3</b> 141,095.		141,095.
<b>4a</b>	Capital gain net income (attach Schedule D) . . . . .	<b>4a</b>		
<b>b</b>	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) . .	<b>4b</b>		
<b>c</b>	Capital loss deduction for trusts . . . . .	<b>4c</b>		
<b>5</b>	Income (loss) from a partnership or an S corporation (attach statement) . . . . .	<b>5</b>		
<b>6</b>	Rent income (Schedule C) . . . . .	<b>6</b>		
<b>7</b>	Unrelated debt-financed income (Schedule E) . . . . .	<b>7</b>		
<b>8</b>	Interest, annuities, royalties, and rents from a controlled organization (Schedule F) . . . . .	<b>8</b>		
<b>9</b>	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) . . . . .	<b>9</b>		
<b>10</b>	Exploited exempt activity income (Schedule I) . . . . .	<b>10</b>		
<b>11</b>	Advertising income (Schedule J) . . . . .	<b>11</b>		
<b>12</b>	Other income (See instructions, attach schedule) . . . . .	<b>12</b>		
<b>13</b>	<b>Total.</b> Combine lines 3 through 12 . . . . .	<b>13</b> 141,095.		141,095.

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions ) (Except for contributions, deductions must be directly connected with the unrelated business income )

<b>14</b>	Compensation of officers, directors, and trustees (Schedule K) . . . . .	<b>14</b>		
<b>15</b>	Salaries and wages . . . . .	<b>15</b>		84,985.
<b>16</b>	Repairs and maintenance . . . . .	<b>16</b>		
<b>17</b>	Bad debts . . . . .	<b>17</b>		
<b>18</b>	Interest (attach schedule) (see instructions) . . . . .	<b>18</b>		
<b>19</b>	Taxes and licenses . . . . .	<b>19</b>		892.
<b>20</b>	Charitable contributions (See instructions for limitation rules) . . . . .	<b>20</b>		1,337.
<b>21</b>	Depreciation (attach Form 4562) . . . . .	<b>21</b>		
<b>22</b>	Less depreciation claimed on Schedule A and elsewhere on return . . . . .	<b>22a</b>		
<b>23</b>	Depletion . . . . .	<b>23</b>		
<b>24</b>	Contributions to deferred compensation plans . . . . .	<b>24</b>		
<b>25</b>	Employee benefit programs . . . . .	<b>25</b>		6,966.
<b>26</b>	Excess exempt expenses (Schedule I) . . . . .	<b>26</b>		
<b>27</b>	Excess readership costs (Schedule J) . . . . .	<b>27</b>		
<b>28</b>	Other deductions (attach schedule) . . . . . ATCH. 4	<b>28</b>		34,879.
<b>29</b>	<b>Total deductions.</b> Add lines 14 through 28 . . . . .	<b>29</b>		129,059.
<b>30</b>	Unrelated business taxable income before net operating loss deduction Subtract line 29 from line 13	<b>30</b>		12,036.
<b>31</b>	Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions) . . . . .	<b>31</b>		
<b>32</b>	<b>Unrelated business taxable income</b> Subtract line 31 from line 30 . . . . .	<b>32</b>		12,036.

For Paperwork Reduction Act Notice, see instructions

Schedule M (Form 990-T) 2018

ATTACHMENT 1

NAME AND FEIN OF PARENT CORPORATION

KAISER FOUNDATION HEALTH PLAN, INC. 94-1340523

ATTACHMENT 2

FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

NETWORK CHARGES	26,163.
OTHER EXPENSES	10,867.

PART II - LINE 28 - OTHER DEDUCTIONS	<u>37,030.</u>
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NON-COVERED SERVICES

SCHEDULE M LINE 2: SCHEDULE A - COST OF GOODS SOLD

1	INVENTORY AT BEGINNING OF YEAR ...		
2	PURCHASES .....	53,264.	
3	COST OF LABOR .....		
4A	ADDITIONAL SECTION 263A COSTS ....		
B	OTHER COSTS .....		
5	TOTAL. ADD LINES 1 THROUGH 4B ....	53,264.	
6	INVENTORY AT END OF YEAR .....		
7	COST OF GOODS SOLD. (SUBTRACT LINE 6 FROM LINE 5) .....		<u>53,264.</u>
8	DO THE RULES OF SECTION 263A (WITH RESPECT TO PROPERTY PRODUCED OR ACQUIRED FOR RESALE) APPLY TO THE ORGANIZATION?		YES NO X

SCHEDULE M - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

OTHER EXPENSES	803.
ALLOCATED ADMINISTRATION COSTS	9,438.
MATERIAL & SUPPLIES	2,335.
ALLOCATED REGIONAL ADMIN EXP	8,073.
COST REALLOCATIONS/RECHARGES	316.
OUTSIDE SERVICE	13,914.

PART II - LINE 28 - OTHER DEDUCTIONS 34,879.

KAISER FOUNDATION HEALTH PLAN OF COLORADO  
 84-0591617  
 ATTACHMENT TO FORM 990-T

**5 YEAR CONTRIBUTION CARRYOVER**

TAX YEAR ENDING	CONTRIBUTIONS AVAILABLE	AMOUNT UTILIZED	CONVERTED TO NOL CARRYOVER	CONTRIBUTIONS CARRY FORWARD
12/31/2013	34,300	-	-	Expired
12/31/2014	3,802,925	-	-	3,802,925
12/31/2015	972,191	-	-	972,191
12/31/2016	2,283,058	-	-	2,283,058
12/31/2017	2,008,873	-	-	2,008,873
12/31/2018	3,765,492	(50,879)	-	3,714,613
<b>TOTAL</b>	<b>12,866,839</b>	<b>(50,879)</b>	<b>-</b>	<b>12,781,660</b>

KAISER FOUNDATION HEALTH PLAN OF COLORADO  
 84-0591617  
 12/31/2018  
 ATTACHMENT TO FORM 990-T

**FORM 990T, CHARITABLE CONTRIBUTIONS DEDUCTIONS**

FORM 990-T, PART III, LINE 33 234,172  
 FORM 990-T, PART III, LINE 34 223,741

**ADD BACK CHARITABLE CONTRIBUTIONS**

FORM 990-T, PART II, LINE 20 27,168  
 SCHEDULE M, PART II, LINE 20 1,337

**ADD BACK CHARITABLE CONTRIBUTIONS DEDUCTION RESULTING FROM INCREASE TO UBTI UNDER SECTION 512(a)(7)**

FORM 990-T, PART III, LINE 34 223,741  
 CHARITABLE DEDUCTION PERCENTAGE (10%) 10%

CHARITABLE CONTRIBUTIONS DEDUCTION RESULTING FROM INCREASE TO UBTI UNDER SECTION 512(a)(7) 22,374 A

TOTAL 508,792

CHARITABLE DEDUCTION PERCENTAGE (10%) 10%

CHARITABLE CONTRIBUTION LIMITATION (10%) 50,879

2018 CHARITABLE CONTRIBUTION PAID 3,765,492

**CHARITABLE CONTRIBUTION DEDUCTION (SMALLER OF THE ABOVE TWO) 50,879**

**FORM 990T, PART III, LINE 33**

FORM 990-T, PART II, LINE 32 244,510

SCHEDULE M, PART II, LINE 32 12,036

TOTAL OF UNRELATED TRADE OR BUSINESS INCOME (LINE 32 TOTAL OF FORM 990T AND ALL SCHEDULES M) 256,547

CHARITABLE CONTRIBUTIONS DEDUCTION RESULTING FROM INCREASE TO UBTI UNDER SECTION 512(a)(7) - SEE ABOVE A (22,374)

**FORM 990-T, PART III, LINE 33 234,172**