

# Total Rewards COMPENSATION

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## 2020 Alliance Performance Sharing Program Plan and Payouts

We value the many ways our employees contribute to Kaiser Permanente's success and are committed to recognizing their achievements. We are pleased to tell you that payouts for Kaiser Permanente Southern California's 2020 incentive pay program will appear in the March 12 paychecks for eligible Labor Management Partnership (LMP) employees. Performance against goals differed across the region, so award payouts will vary accordingly.

Kaiser Permanente Southern California's Performance Sharing Program (PSP) was designed to reward employees for success in implementing our region's strategy of delivering superior quality care, service, and value.

As you may remember from Greg Adams' message in December, in recognition of the incredible challenges of 2020 the enterprise planned on funding all non-executive incentive plans and bonus programs that did not fully meet their 2020 business performance at a minimum of 100% of their business results (which includes both financial and goal performance, i.e. the target performance) this year.

## 2020 Financial and Performance Results

In 2020, Southern California achieved an operating margin that exceeded the financial target by enough to open the financial gate for payouts and fund the incentive program at 150%. **Actual payouts will depend on multiple factors, including each location's, specialty's, and entity's performance relative to the goals.**

**Example: Service Area Z business results achieved: 88.90% x 150% regional financial modifier = 133.35% payout.**

**KFH/HP Alliance**

Location	Business Results	Regional Financial Modifier	Business Results After Modifier	Max Award *
ANTELOPE VALLEY	80.00%	150.00%	120.00%	\$ 3,033.29
BALDWIN PARK	88.90%	150.00%	133.35%	\$ 3,370.74
DOWNEY	88.40%	150.00%	132.60%	\$ 3,351.78
FONTAN	90.05%	150.00%	135.08%	\$ 3,414.47
KERN COUNTY	73.80%	150.00%	110.70%	\$ 2,798.21
LOS ANGELES	90.00%	150.00%	135.00%	\$ 3,412.45
MORENO VALLEY	95.00%	150.00%	142.50%	\$ 3,602.03
ORANGE COUNTY	94.75%	150.00%	142.13%	\$ 3,592.68
PAN CITY	86.25%	150.00%	129.38%	\$ 3,270.39
REGIONAL OPERATIONS	79.10%	150.00%	118.65%	\$ 2,999.16
RIVERSIDE	88.20%	150.00%	132.30%	\$ 3,344.20
SAN DIEGO	83.90%	150.00%	125.85%	\$ 3,181.16
SOUTH BAY	97.55%	150.00%	146.33%	\$ 3,698.84
WEST LA	89.10%	150.00%	133.65%	\$ 3,378.32
WOODLAND HILLS	89.10%	150.00%	133.65%	\$ 3,378.32
REGIONAL LABS	80.00%	150.00%	120.00%	\$ 3,033.29
REGIONAL CSC	80.00%	150.00%	120.00%	\$ 3,033.29

**SCPMG - Alliance**

Location	Business Results	Regional Financial Modifier	Business Results After Modifier	Max Award *
ANTELOPE VALLEY	78.67%	150.00%	118.00%	\$ 2,982.73
BALDWIN PARK	98.90%	150.00%	148.35%	\$ 3,749.90
DOWNEY	88.40%	150.00%	132.60%	\$ 3,351.78
FONTANA	75.15%	150.00%	112.73%	\$ 2,849.52
KERN COUNTY	80.47%	150.00%	120.70%	\$ 3,050.98
LOS ANGELES	87.00%	150.00%	130.50%	\$ 3,298.70
MORENO VALLEY	87.60%	150.00%	131.40%	\$ 3,321.45
ORANGE COUNTY	94.20%	150.00%	141.30%	\$ 3,571.70
PAN CITY	82.95%	150.00%	124.43%	\$ 3,145.27
REGIONAL OPERATIONS	89.10%	150.00%	133.65%	\$ 3,378.32
RIVERSIDE	80.80%	150.00%	121.20%	\$ 3,063.62
SAN DIEGO	75.90%	150.00%	113.85%	\$ 2,877.83
SOUTH BAY	83.85%	150.00%	125.78%	\$ 3,179.39
WEST LA	75.50%	150.00%	113.25%	\$ 2,862.67
WOODLAND HILLS	89.10%	150.00%	133.65%	\$ 3,378.32
REGIONAL LABS	90.00%	150.00%	135.00%	\$ 3,412.45

\* Based on their individual attendance results, Alliance participants may receive awards more or less than what is listed.