



The California Wellness Foundation

## News Release

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# California Wellness Foundation Receives Endowment, Joins Ranks of America's Largest Health Grant-Makers

-Aims to Make a Difference in California's Health Through Prevention-

WOODLAND HILLS, Calif. (February 7, 1992)--The funding of The California Wellness Foundation--the largest grant-making foundation in America devoted exclusively to health promotion and disease prevention -- was announced Friday.

"The California Wellness Foundation aims to make a difference in the health of the people of California. We will invest in initiatives for health promotion, disease prevention and we will seek new ways to help Californians adopt healthful lifestyles," said Howard A. Kahn, who was named the foundation's president in June 1991.

The foundation was formed in September 1990 by Health Net, California's second-largest health maintenance organization (HMO). The foundation is receiving the charitable contribution from Health Net as part of its conversion to for-profit status.

Today, Health Net made its first payment -- \$75 million in cash -- to the foundation. In addition, the foundation will receive a \$225-million interest-bearing note that could yield \$500 million, with interest, and 80 percent of Health Net's stock.

"We begin with the resources to back up our intention of making a difference in the health of the people of California," said Mr. Kahn.

The foundation is based in Woodland Hills and will begin grant-making activity in 1992. It is governed by an independent board of directors.

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