On the Cover
Christine Retta, RNC, MSN, NNP, a perinatal clinical nurse specialist from Kaiser Permanente’s Northeast Bay Service Area in California, with newborn member Kalina Ann Lotspeich. Retta works closely with nurses, physicians, specialists, and families to provide education and training about the complex care of newborns. She also travels with international relief teams to war-torn, impoverished areas, such as Latvia, Romania, and Lithuania, to share her expertise in neonatal intensive care clinical teaching.
OUR MISSION

is to provide affordable, quality health care services and to improve the health of our members and the communities we serve.
“With the appointment of George C. Halvorson as the new chairman and chief executive officer of our organization, Kaiser Permanente’s ongoing commitment to providing quality health care and service is assured. George’s executive experience in nonprofit health care organizations with medical group and union relationships makes him eminently qualified to lead our organization. He served since 1986 as president and CEO of HealthPartners, a leading nonprofit, integrated health care organization in Minneapolis, Minnesota. He also co-founded a joint venture between HealthPartners and the Mayo Clinic that set the community standard for care improvement protocols in Minnesota. Most importantly, George shares the values of Kaiser Permanente – our commitment to quality, our dedication to the communities we serve, and our belief in integrated care delivery through our collaboration with the Permanente Medical Groups.”

David M. Lawrence, MD
Chairman Emeritus
For nearly 60 years, the name Kaiser Permanente has stood for quality health care. Today, 8.4 million Americans entrust their care to Kaiser Permanente, making us the largest nonprofit health care organization in the United States. In a single year, we provide more than 30 million outpatient visits, deliver 87,000 babies, and fill about 53 million prescriptions, thanks to the dedication of some 130,000 employees and physicians.

While the numbers measure the scope of our responsibility, it’s the individual stories that illuminate why our members and our communities place their trust in us. This couldn’t be truer than in 2001-2002, a time of transition for our organization, a time of turbulence in the health care industry, and a time of tragedy for our nation and the world. In these pages are just a few of the stories about Kaiser Permanente as told by members, community partners, employees, health care purchasers, physicians, and leaders.

No story of this time can be told without first acknowledging the events of September 11, 2001. Like many other organizations, Kaiser Permanente stepped forward to assist in the recovery while dealing with some direct personal losses. We sent counselors to New York City and Washington, D.C., to provide solace and support to victims of the tragedy. Our employees helped research, write and coordinate printed materials on coping with trauma that were distributed to about 50,000 flight attendants. Our organization committed $1 million to be divided between the American Red Cross and the AFL-CIO Disaster Relief Fund, and employees donated more than $458,000.

When the anthrax crisis emerged a few weeks later in the Washington, D.C., area, our Mid-Atlantic States Region was thrust into the forefront of the battle against bioterrorism. Physicians and staff in the Region – and volunteers from throughout the organization – worked around the clock for almost two weeks to address the needs of both members and the general community. Clinical guidelines were developed by our health professionals in partnership with the U.S. Centers for Disease Control and Prevention, and were shared nationally and internationally.

In the wake of September 11, we expanded our disaster planning efforts and formed a Threat Assessment Management Team. This team of clinicians, employees, health care professionals, and labor representatives will help us prepare for a variety of potential disasters, from earthquakes and floods to biological and nuclear threats.
attacks. We will continue to be a leading force in disaster readiness across the country, working closely with public health and private sector organizations to identify and respond to bioterrorism and other threats.

While preparing for an uncertain future has added to our responsibilities, it has not changed our core commitment: delivering quality health care and service. Our ability to coordinate care from personal physician to specialist, from the exam room to the emergency room, has made Kaiser Permanente the model for the future of American health care. Our unique bond between Kaiser Foundation Health Plan and Hospitals and the Permanente Medical Groups – the physicians who take care of our members – translates into better health care and service. This integrated relationship also means that we avoid the many battles between insurance companies and independent physician practices over power and profit. At Kaiser Permanente, we will continue to use our people, resources, relationships, and care-delivery expertise to avoid the pitfalls of our competitors and deliver on the values and virtues of our organization.

The nonprofit status of our health plans also gives us a distinct advantage. Unlike most of our competitors, we have no shareholders to satisfy with short-term strategies. We continually reinvest in new technology and facilities that will provide current and future members and our communities with quality health care. In the last few years, we survived a significant financial downturn to re-emerge as a fiscally sound organization. Looking forward, we will continue to provide competitively priced health benefits to employer groups of all sizes, individuals, Medicare beneficiaries, and participants in a variety of programs for low-income individuals.

The benefits of Kaiser Permanente not only apply to our members, but also extend to the communities we serve. Our Community Benefit Program is one of the largest health care community benefit or philanthropic ventures in the nation. Our program devoted $343 million in 2001 to improving the health of children, providing subsidized coverage and care to the uninsured, and advancing medical knowledge through clinical and health services research. The impact of our community benefit outreach is palpable, but we recently determined that we could still do more for our communities. As a result, in 2002 we began the process of reorganizing our Community Benefit Program around four key areas: health care financing and delivery to vulnerable populations, evidence-based medicine, education of health care professionals and consumers, and national public policy. The Program will focus on these areas and on sharing knowledge that can inform government and private sector efforts to deal with fundamental issues facing health care and our communities.

“Our medical groups are delivering health care that helps set the quality standards for American medicine, and we push ourselves to continually raise the quality bar. Physicians in the Permanente Medical Groups take the lead in determining medical care policies for Kaiser Permanente, from development of the most effective, evidence-based treatments for medical conditions, to determining which medications should be included in the pharmacy formulary, to assessments of the value of new medical technologies. The promotion of healthy lifestyles, disease prevention, health risk assessments, patient education, and open communication is a hallmark of Permanente Medicine.”

Francis J. Crosson, MD
Executive Director
The Permanente Federation
As a values-driven organization, we also are committed to incorporating environmentally responsible practices into our operational decisions. As a result of our environmental stewardship efforts in 2001, 10,500 pounds of lead from electronic equipment was either recycled or safely disposed of; thousands of tons of debris were diverted from landfills; and sustainable features such as reflective roofing were added to current capital projects. We forged working relationships with strategic partners such as the Healthy Building Network, Sustainable Hospitals Project, and Health Care without Harm. Kaiser Permanente is a leader in environmental responsibility in the health care industry, and we share our practices with other health care organizations.

Perhaps our biggest advantage is the dedicated employees, physicians and other health care professionals who live the values of the organization. Since 1997, Kaiser Permanente and organized labor have participated in a National Labor Management Partnership, involving the 28 unions of the AFL-CIO Coalition of Kaiser Permanente Unions. By involving employees and unions in organizational decision making and advancing programs like workplace safety, the partnership is making Kaiser Permanente a better place to work. As a result of the Labor Management Partnership, our managers and partner union employees are learning to work together to resolve workplace issues and to improve service, care and performance.

These are just a few of the many stories that reflect the caliber of people and programs at Kaiser Permanente. Many of the stories that follow demonstrate groundbreaking work in the health care industry. At Kaiser Permanente, they represent something more: a relentless focus on quality improvement that began nearly 60 years ago. As we navigate the complexity and uncertainty of our times, our members, employer groups and communities know, more than ever, that “Quality you can Trust” is the commitment of Kaiser Permanente.

Sincerely,

George C. Halvorson
Chairman and Chief Executive Officer

David M. Lawrence, MD
Chairman Emeritus
Quality you can trust

The COMMITMENT of KAISER PERMANENTE
It wouldn’t surprise Jean Bevans to learn that Kaiser Permanente’s integrated cardiovascular care in Northern California helps set the standard for quality, life-saving programs. Bevans, 69, has experienced first-hand how the organization cares for members with heart disease.

It began one night in August 1999 when chest pain woke him at 3 a.m. As Bevans recalls, from the moment he arrived in the Emergency Department at Kaiser Permanente’s Santa Clara Medical Center in Northern California, the medical staff sprang into action. From the nurse who held his hand and calmed him to the doctor who used paddles to restore his heartbeat, Bevans said, “They saved my life.”

After he was stabilized, a Permanente physician inserted a small, stainless steel mesh tube, called a stent, to keep a narrowed artery open. Within a week after this procedure, Bevans got a phone call from Marc Allen, RN, inviting him to enroll in Kaiser Permanente’s Multi-Fit program for cardiac rehabilitation. “The Multi-Fit program is one of the most valued services that a heart patient can utilize for long-term survival,” Bevans said.

His cardiologist, Paul Turnquest, MD, devised a comprehensive treatment plan for Bevans, in consultation with Kenneth Greene, MD, Bevans’ personal physician. The treatment plan included medications to improve heart function (ACE inhibitors and beta blockers), cholesterol management, an improved exercise program, and attention to diet. Allen would mail to Bevans encouraging personal notes along with his periodic laboratory results. Bevans completed the Multi-Fit program and is now under the care of Dr. Greene. “I received exceptional care from Kaiser Permanente,” Bevans said.

Kaiser Permanente’s integrated system of care, with its interdisciplinary team approach and shared data systems, has resulted in better survival rates for members. “We are able to identify patients at risk for heart attacks and work with them one-on-one,” said Eleanor Levin, MD, chief of cardiology at Kaiser Permanente’s Santa Clara Medical Center and chair of the chiefs of cardiology in Northern California.

A study by Dr. Levin showed a significant decline in deaths from heart disease in the 3 million Kaiser Permanente members in Northern California between 1990 and 1998. According to a research presentation by Dr. Levin at an American Heart Association conference in November 2001, death from cardiovascular disease fell by 15 percent.

In addition to the decline in deaths from heart disease, lipid control also improved dramatically. The percentage of heart disease patients whose LDL – “bad cholesterol” – levels were within recommended standards increased from 22 percent in 1996 to 81 percent in 1999.
“We believe this improvement can be attributed to our ‘leave-no-stone-unturned’ approach to implementing guidelines for improving patients’ heart health,” said Dr. Levin. “Since 1990 we have consistently and thoroughly rolled out heart-related programs and tools at every level of the health care continuum, and we believe we are seeing the results of our efforts.”

A number of tools enable Northern California clinical staff to successfully treat many heart disease patients. These tools include comprehensive treatment plans; computerized patient databases to ensure tracking of progress; enhanced cardiac rehabilitation, cholesterol management, and congestive heart failure programs. Similar programs for members with elevated cholesterol, cardiovascular risk factors, and a variety of other conditions are in place or under development throughout Kaiser Permanente.

A second study, conducted by the California Office of Statewide Health Planning and Development, confirmed that Kaiser Permanente members have a significantly greater chance of survival from heart attacks than non-members. The study, released in February 2002, showed that the survival of heart attack patients at all Kaiser Permanente hospitals was better than the statewide average. Overall mortality was 8 percent versus the statewide average of 12 percent. Thirteen Kaiser Permanente medical centers were among the top 10 percent in the state demonstrating outstanding heart attack survival rates.

“This study demonstrates our ability to dramatically improve outcomes and survival for heart attack patients,” said Robert Pearl, MD, executive director and CEO of The Permanente Medical Group. “These findings are a tribute to the superb and timely care provided by our physicians, nurses and staff.”

The American Heart Association recently honored Kaiser Permanente’s San Francisco Medical Center for 20 years of excellence in treating cardiovascular disease. Currently, the Cardiovascular Surgery Division performs nearly 2,000 open-heart surgeries annually. Said Dennis Chamberland, executive director of the San Francisco American Heart Association: “Kaiser Permanente has demonstrated an outstanding level of commitment and excellence to its patients.”
Kaiser Permanente has long been a leader in providing quality health care and service to diverse populations. Under the direction of its National Diversity Council, the organization has become a leader in the health care industry in advancing culturally competent care. Culturally competent care means the delivery of health care that acknowledges and understands cultural diversity in the clinical setting, respects members’ health beliefs and practices, and values cross-cultural communication.

“Kaiser Permanente serves one of the most culturally diverse communities in the world,” said Ronald Knox, vice president, Diversity. “We’ve had a defined diversity agenda since 1993, and we continually seek ways to improve the quality of care to our diverse membership.”

The San Francisco Center of Excellence in Linguistic and Cultural Services provides language-specific primary care medical clinics in Spanish and Chinese, as well as on-site services by interpreters proficient in other languages and dialects. At the end of 2001, the interpreters had participated in more than 32,000 encounters, using 14 languages and dialects. In addition, a telephone call center for Chinese-speaking members throughout Northern California handled more than 93,000 calls in the past two years. Kaiser Permanente provides bilingual newsletters, reference manuals, and other written materials for use in medical facilities across the organization.

A Center of Excellence focusing on the African-American population has been established at Kaiser Permanente’s

“Ensuring that members’ cultural needs are considered and respected at every point of contact is integral to culturally competent care.”

Through its Institute for Culturally Competent Care, Kaiser Permanente has established “Centers of Excellence,” innovative clinical models across the organization.

A LEADER in CULTURALLY COMPETENT CARE

Barbara Langham, RN (left), pediatric asthma care coordinator at Kaiser Permanente’s Fairfield Medical Offices in Northern California, provides instruction in Spanish to Milly Rodas and her son, Edgar, on the proper use of an asthma inhaler.
West Los Angeles Medical Center. With an African-American patient population exceeding 45 percent, the center focuses on the diagnosis, treatment, and management of conditions with increased prevalence among African Americans: sickle cell disease, congestive heart failure, and prostate cancer.

In 2001, Kaiser Permanente’s Colorado Region established a Latino Center of Excellence as part of a multi-pronged approach to providing culturally competent care. La Clinica de la Familia, the clinical component of the Latino Center of Excellence, provides primary care through a family medicine bilingual practice. It addresses specific health needs of the Colorado Region’s growing Latino membership and includes prevention and education, particularly regarding diseases highly prevalent in the Latino population.

“Diabetes disproportionately affects Mexican Americans,” said Diego Osuna, MD, medical director for the center. “We provide group sessions for diabetic patients on topics such as diet. We’ll give patients recipes and practical cooking tips that are relevant to the diet of their culture – for example, cooking beans in olive oil instead of lard.”

While Latinos comprise 32 percent of the total population in Denver, people from other backgrounds also benefit from Kaiser Permanente’s commitment to culturally competent care. Members who speak Russian, Vietnamese, Korean, Cambodian, Cantonese, Mongolian, Farsi, and Arabic languages also receive interpretation services. In fact, Kaiser Permanente in Colorado provides sign language services for deaf members and arranges for phone interpretation for over 120 languages.

The expertise and clinical practices developed by Kaiser Permanente’s Centers of Excellence for Culturally Competent Care result in better quality of care and improved quality of life for people from many different backgrounds. Speaking through an interpreter, member Domipila Chavez said that La Clinica de la Familia has made a difference. “Because Dr. Osuna speaks Spanish, I am able to communicate with him clearly,” Chavez said. “He understands what my health problems are, and I understand better what I should do.”
Kaiser Permanente is an industry leader in harnessing the power of information technology to support quality health care and service. The innovative use of technology is enabling physicians and patients to receive personalized information and services quickly and conveniently.

The organization has made a multi-billion-dollar commitment to launching integrated electronic medical records systems across the organization. The electronic medical record replaces the traditional, cumbersome paper chart and provides physicians and other members of the health care team real-time, secure access to a member’s medical information. It enables physicians to order and receive results from the pharmacy, laboratory and radiology departments from computers in exam rooms or in physicians’ offices. Most importantly, an electronic medical record system enables physicians, pharmacists, nurses, and other health professionals to quickly receive up-to-date clinical information and determine successful clinical practices to improve patient care, service and safety.

Electronic medical record systems are already in place in Kaiser Permanente’s Northwest and Colorado Regions. During 2001, an electronic medical record known as the Clinical Information System was introduced at several facilities in Hawaii, and is scheduled for implementation in Southern California in late 2002.

“This changes the way we practice medicine,” said Peggy Latare, MD, a family practitioner and physician sponsor of the Clinical Information System in Kaiser Permanente’s Hawaii Region. Dr. Latare said that an electronic medical record system will improve communication among health care teams and will allow physicians to order patient medications online during medical office visits for immediate pick-up in the pharmacy.

“The timely access to information will also improve communication between physicians and members. “If a patient was referred to a specialty clinic for a biopsy,” said Dr. Latare, “the referring physician can look up the test result and the specialist’s notes while the patient is still on the telephone.”
The power of information technology extends beyond health professionals; it is within easy reach of consumers who increasingly use the World Wide Web for health care services and information. More than 620,000 Kaiser Permanente members have registered to use the members-only section of Kaiser Permanente’s public Web site, www.kp.org. Kaiser Permanente is an industry leader in the range and quality of information and services available through its Web site.

On the site, members can research medications, symptoms, diseases, and medical tests, or find basic information about common health concerns and current health issues. Members also can request appointments at their local medical center or send questions to an advice nurse or pharmacist. Kaiser Permanente is currently testing two secure messaging systems, one in the Colorado Region and one in the Mid-Atlantic States Region, that permit members to communicate with their physicians and their medical teams online. In most locations, members can order prescription refills through the Web site. They also can join discussion groups with other members and Kaiser Permanente staff on a variety of health topics.

Users of the members-only Web site are enthusiastic. “I believe the way of the future is the Internet, and I’m so glad Kaiser Permanente has pursued this avenue for us,” wrote a Northern California member. “It makes health questions, appointments, and prescription orders and refills very easy and less time consuming. Thanks for your forward thinking.”

“Whether they are receiving care in Kaiser Permanente’s medical facilities or accessing information and services on our Web site,” said Francis J. Crosson, MD, executive director, The Permanente Federation, “our members get quality medical information and personalized care that they can trust.”
Kaiser Permanente’s enduring mission is to improve the health of its members and the communities it serves. One of the organization’s many compelling community benefit programs employs actors to use the power of drama to educate, entertain, and change behavior to improve the quality of life in communities across the country.

In 2001, Kaiser Permanente’s Educational Theatre Programs reached more than 570,000 children and adults. Since the program’s inception 15 years ago, more than 6.5 million people have attended performances about topics such as substance abuse, self-esteem, alternatives to violence, HIV prevention, and grief and coping skills. Performances, which are free of charge, are usually performed in schools and are often open to the public. Resource materials for students, teachers and parents reinforce the health messages in each production.

One production features a timely public health topic: organ donation. Currently, more than 79,000 individuals are waiting for organ transplants in the United States. Every day, 16 people die because a compatible organ is not available to save their lives. It is estimated that over 50 percent of persons who would qualify to be a donor never have their organs offered for possible donation. Even when people decide they want to become organ donors, permission from family or next of kin must be obtained at the time of death. And many potential organ donors neglect to inform family members of their wishes.

This urgent situation sparked the creation of *Unfinished Business*, a production developed by the Educational Theatre Department of Kaiser Permanente’s Ohio Region, in partnership with Northeastern Ohio Universities College of Medicine and the Bioethics Network of Ohio. This 45-minute play dramatically portrays personal issues in the decision to become an organ donor. The title refers to the story’s plot emphasizing the need for donors to share their decision with family members.

Using a six-person, ethnically diverse cast, *Unfinished Business* realistically explores the highly personal issues involved in considering donation. These issues include the reasons why some people object to donation, motives for becoming a donor, withdrawal of life-support, honoring a donor’s wishes, and family decision making in the context of emotional trauma due to sudden death.

“In Northeast Ohio, 1,333 patients are currently waiting for organ transplants. *Unfinished Business* is a creative, compelling way to get the message out about considering organ donation and communicating your wishes to your loved ones. We’re proud to partner with Kaiser Permanente on this public health initiative.”

Debbie May-Johnson
Executive Director of LifeBanc,
an organ procurement agency in Northeast Ohio
The play was created for audiences including the general public and high school, college, nursing, and medical students. It has also been performed for a variety of health care professionals. A representative of LifeBanc, the local organ procurement agency for Northeast Ohio, is present at performances and available to answer questions. Often, the performances are followed by panel discussions about organ donation, featuring physicians, nurses, medical ethicists, social workers, and religious leaders.

"Theatre can set the environment for dynamic, active learning," said Cassandra Wolfe, manager of educational theatre for Kaiser Permanente's Ohio Region. "The elements of a play, its plot, and characters help the audience identify and relate to the intended educational message. Themes are understood on a variety of levels, stimulating critical thinking and creating an opportunity for discussion and debate."

The show is making its point. An emergency specialist who works at a Cleveland hospital wrote, "The organ donation message was effectively communicated. I have personally seen stories like this unfold in the emergency room. This is what so often happens. A truly moving theatrical performance."

In the summer of 2002, the play will be performed at hospitals and businesses in Northeast Ohio. Federal Secretary of Health and Human Services Tommy Thompson has launched an organ donation initiative that includes workplace awareness-raising activities. "We believe that Unfinished Business is the perfect vehicle to assist in promoting organ donation awareness," said Wolfe.

More than 6.5 million people have attended educational theatre performances about topics such as substance abuse, self-esteem, alternatives to violence, and HIV prevention.
Osteoporosis is a condition that causes bones to thin and break easily. This health problem becomes more serious with age, and it can be life threatening for the elderly. Osteoporosis affects both men and women. Each year, approximately 80,000 men, mostly seniors, suffer hip fractures, and one-third of them die within a year of their injury. Women, however, face the greatest threat of developing osteoporosis. A woman’s risk for thinning bones is equal to her risk for breast, uterine, and ovarian cancer combined.

But osteoporosis is often preventable – through diet, exercise, smoking cessation, and hormone replacement therapy or medication in some cases. Bone mineral density scans can help clinicians identify people who are at risk for, or who have, osteoporosis.

Kaiser Permanente’s Mid-Atlantic States Region found itself faced with the challenge of how to provide convenient, state-of-the-art bone scanning services to members across a broad geographic area (about 100 miles north to south), along with quality health education information to help members prevent and treat osteoporosis. The innovative solution is the Scan Van – a new mobile osteoporosis scanner, for the prevention, diagnosis and treatment of osteoporosis.

The Scan Van is equipped with state-of-the-art scanning technology to help clinicians determine whether patients have or are at risk for osteoporosis. Also on the van are computers that feature information about preventing osteoporosis, including nutrition, physical activity and smoking cessation tips. The van staff also share video and printed educational materials with patients.

“Education is central; it’s part of every patient appointment,” said Mid-Atlantic physician Michael J. Moriarty, MD, vice president and associate medical director, Quality and Health Management. “We want even patients at low risk of osteoporosis to understand the keys to prevention.”

Member Dipa Choudhury, a college math professor, was referred to the Scan Van by her obstetrician/gynecologist. “We had discussed hormone replacement therapy,” Choudhury said, “but before making a decision about that, the doctor wanted me to get a bone density scan. The person who did the scan was amazing. He not only did the scan, but also gave me brochures and discussed how to take calcium properly throughout the day. It was a good educational experience.”
Rather than conduct scans at a single facility, which would be inconvenient for many members, Kaiser Permanente began to explore the idea of a mobile scanner. “To deliver on our commitment of convenience for our members, we all had to think a little differently,” Dr. Moriarty said.

Staffed by Stephen Moki, radiology technologist and health educator, and Pat Brown, clinical assistant, the Scan Van currently rotates among several Kaiser Permanente medical centers. It typically spends one to three weeks at each facility before moving on. “It brings a new standard of convenience and accessibility to our members,” said Stacey Chantker, MPH, RD, a health educator who serves as director of the Mid-Atlantic States Region’s Self-Care and Prevention Programs.

The van is also proving to be a valuable community outreach tool. Community organizations frequently call to request a visit from the van. “I think that it helps to affirm our image as an innovator and a quality health care provider,” said Dr. Moriarty.
Providing quality and service in the increasingly complex world of health care requires a team approach, where the member’s physician works in concert with specialists, nurses, administrative staff, and other professionals. Kaiser Permanente’s Georgia Region has taken service to a higher level with its team-based approach to care, scoring the highest patient satisfaction results in the organization.

Perhaps the best view of service success in Georgia can be found at the Southwood Medical Center in Jonesboro. The Southwood staff had a reputation of providing quality health care, but the staff seized an opportunity to take service to the next level. Regional and facility leaders created a project to increase patient satisfaction by developing a vision of how health care teams at Southwood could work most effectively.

Among the teams, Southwood’s Health Care Team B made some of the largest and most impressive service score increases. Robert Cohen, MD, lead physician, and Jackie Johnson, RN, lead nurse of Health Care Team B, worked in collaboration with project developers to communicate that vision to the rest of their staff. The vision included professionalism in the way the team conducted itself, courtesy to members without any hesitation, and a collaborative and supportive work environment.

Johnson instituted a float policy that allowed assistants to rotate working with various clinicians so that team members could learn each other’s work styles and duties. This provided team members with the training to fill in for each other successfully, as well as to broaden their job skills and satisfaction. Now, whatever it takes to get the job done, any team member can do it.

“Jackie Johnson and I had to embody the vision of how we could work,” Dr. Cohen said. “We had to walk the walk and talk the talk. We had to show that the things we asked the staff to do, we were always willing to do ourselves. It gave us credibility.”
Georgia’s patient care teams not only take care of members when they’re visiting the doctor, they also reach out to members with “Extra Touch” phone calls in anticipation of member questions or concerns. They also contact members after their appointments to see how they’re doing, schedule follow-up appointments, and answer any additional questions.

Both patients and employees have benefited from the positive changes of team-based care. Team members have increased their job satisfaction, and they say they look forward to coming to work and feel good about their work at the end of the day. Patients have noticed their cheerfulness and feel more welcome and cared for – exactly the result the teams were working hard to achieve.

Success compels Health Care Team B and the other teams to work even more effectively to continue raising the service bar. Team members regularly share and implement their own insights about how to make the team and their own roles even better. The teams also review member satisfaction results carefully, share praise for their accomplishments, and plan how to take service to the next level.

“Team maturity takes nurturing, focused work, and a commitment to performance,” said Carolyn Johnson, vice president of Health Care Operations for the Georgia Region. “Team B is one of our benchmark teams, not just here in Georgia, but throughout the organization. We’re really proud of them.”

Georgia’s health care teams are also helping the Region earn public recognition for quality, service and leadership. The American Medical Group Association earlier this year selected The Southeast Permanente Medical Group – the Georgia Region’s physician practice – as the winner of the prestigious Medical Group Preeminence Award, in part for its transition to health care teams.

“The breadth of the accomplishment . . . is an inspiration,” said Donald W. Fisher, PhD, AMGA’s president and CEO. “We were especially impressed by their ability to maintain a high level of quality while in the midst of such a thorough transformation.”

Ramona Bright has been a Kaiser Permanente member for more than 20 years. Bright has multiple health problems, including diabetes and hypertension. She is a frequent visitor to Health Care Team B. “This effort has been very impressive,” she said. “The services are excellent – and I emphasize – excellent.” Bright sometimes needs to see her personal physician, Dr. Cohen, on an urgent basis. Bright said she can always get an appointment with Dr. Cohen or a member of Health Care Team B. “Every member in the waiting area has high praise for every person on that team.”
Providing quality you can trust at Kaiser Permanente means knowing patients as people and meeting their individual needs. Case in point: access and service for members with disabilities. A new, far-reaching agreement between Kaiser Permanente and Disability Rights Advocates, a nonprofit agency in Oakland, California, will dramatically improve service to members with disabilities in California. By taking a collaborative approach to help disabled members who use Kaiser Permanente facilities in the state, both organizations were able to avoid conflict and focus instead on a solution.

Sid Wolinsky of Disability Rights Advocates lauds Kaiser Permanente for taking unprecedented steps to ensure that its facilities and services are accessible to people with disabilities. “Kaiser Permanente will become a model health care system with respect to how patients with disabilities are served,” Wolinsky said.

Specifically, Kaiser Permanente has committed to installing medical equipment and removing barriers to improve accessibility for people with disabilities in each of its 27 medical centers and 282 medical offices in California. The equipment includes devices such as weight scales that a person in a wheelchair can use and examination tables that can be lowered. The organization’s Riverside and San Francisco medical centers have been designated as “model facilities,” serving as laboratories for the development of effective policies to enhance health care for disabled members, including those with vision, hearing, cognitive, and speech disabilities.

The improvement plan, announced in April 2001, includes a disability training program for health care professionals, handbooks for providers and consumers, outreach to members, the appointment of an access coordinator, and evaluation of specialized clinical programs in disability care. Ongoing input from the disability community continues to enhance the plan.

“This is a unique and precedent-setting partnership for quality.”

“Meeting our members’ needs has been a cornerstone of Kaiser Permanente since its founding in Oakland almost 60 years ago. Improving access to health care services for all members in our communities, including those with disabilities, is a critical goal for our organization. I am pleased Kaiser Permanente and Disability Rights Advocates could collaborate rather than litigate to benefit our disabled members.”

Richard D. Cordova
President
Southern California Region
“It is very gratifying – and highly unusual – to see a corporate entity taking such a positive perspective on a problem and dealing with it so directly,” said John Lonberg, a 30-year Kaiser Permanente member who suffered a spinal cord injury in 1983 and uses a wheelchair.

Lonberg received an invitation from Michael Neri, MD, medical director of Riverside Medical Center, asking him to join a discussion about the needs of disabled members. “We took an extended tour of the facility, and I pointed out the physical barriers,” Lonberg recalled. “Until then, I’m not sure they realized the extent of the physical barriers to mobility- and vision-impaired members.”

Beyond access and equipment, the Riverside Medical Center is creating additional ways to meet the needs of disabled members. One innovation under way, for example, is the development of a database that will identify members with disabilities and their specific needs. Ultimately, the facility administration hopes to link the database with the computerized appointment-making system. When a disabled member makes a medical appointment, the appropriate equipment and people who can provide assistance would also be scheduled for that same time.

“This is a unique and precedent-setting partnership for quality,” said Laurence W. Paradis, executive director of Disability Rights Advocates. He said the improvement plan developed by Kaiser Permanente and Disability Rights Advocates “is more than an extraordinary, statewide initiative on the part of Kaiser Permanente and the disability community. It sets a new standard for meeting the unique needs of men, women and children with disabilities in this country.”
Loren Thayer used to have a black-and-white view about the risks of motorcycle riding. “I figured when you got in an accident, you either died or you healed up.” But that was before his serious motorcycle accident three years ago. “I didn’t know there was a limbo where you could live in constant pain.” Thayer sheared off a telephone pole with his bike, shattering three vertebrae and his left leg. Once a construction worker who could easily lift 200 pounds, he spent the next eight months in bed.

The hit-and-run driver who crushed Marsha Overton’s car at a busy intersection stopped only long enough to pick up his belongings before driving away, leaving Overton to wait for the “Jaws of Life.” She had to quit her job as a teacher because she could no longer bend or lift. It took more and more Vicodin just to get through the day.

Both Thayer and Overton were referred by their physicians to Kaiser Permanente Northwest Region’s Pain Management Program, based in Portland, Oregon. This integrated, multidisciplinary program includes consultation, group visits, specialty care, medication management, counseling, education, and anesthetic procedures. Groups of 20 to 30 patients meet two hours a week for six weeks. Registered nurses, clinical nurse specialists, social workers, physicians, pharmacists, and physical therapists discuss and demonstrate various techniques for dealing with pain from the perspectives of their various disciplines. Each participant develops an individual treatment plan with his or her primary care physician.

Some 50 million Americans are partially or totally disabled by chronic pain. In the past, chronic pain patients were often viewed as having psychiatric, not physical, disorders. Many were suspected of being drug-seeking addicts. Today, health professionals have a better understanding of the complex – and very real – problem of chronic pain.

Thayer described his chronic pain as being “like a kid constantly pulling on your hand saying, ‘Come on! Come on!’ You can’t ignore it for long. Only instead of someone pulling your hand, it’s like someone...”
Thayer’s pain was so incapacitating that he could stand for just 10 minutes a day. He said, “For most of us, there’s no cure. You work toward being able to go to the grocery store. It becomes like going to Disneyland.” His long-term goal was to be able to pick up his daughter.

Marilee Donovan, RN, PhD, is the driving force behind the Pain Management Program. “In the scientific literature, no therapy is consistently effective for more than 50 percent of those who use it,” Donovan said. “That’s why we include a lot of therapies, to make it more likely that each person will find what works for them.”

Group members also learn from each other. “Being able to talk to other people in the same situation helped me immensely,” Thayer said. “The people in the class all had different problems – back pain, fibromyalgia, headaches, injuries – but pain is pain.”

The Northwest Region’s Pain Management Program recently received the Kaiser Permanente James A. Vohs Award for Quality, which recognizes exceptional efforts to meet challenging quality and service needs. Its goal is to highlight multidisciplinary improvements that are measurable and transferable to other areas within the organization.

After completion of the Pain Management Program, participants experienced a 43 percent drop in emergency room visits, and one-third fewer outpatient visits. Member satisfaction surveys showed dramatic increases in satisfaction as well, with 82 percent being satisfied or very satisfied.

As part of the program, both Overton and Thayer had their medications adjusted or changed until they were able to function without worrying about feeling sick, groggy or high. “I deal with pain differently now,” Overton said. “This is the first time in years that I’ve felt comfortable and optimistic.” She is now working with children again.

Thayer, who suffered more severe injuries, is now able to stand for three or four hours, spread throughout the day. He’s even taken up a hobby – slowly carving life-size sculptures with a small chain saw. But for him, the most important moment was when he was finally being able to pick up his daughter. “It took two years and she was standing on the couch when it happened, but it was all worth that one hug.”
A HEALTH CARE INDUSTRY LEADER

Kaiser Permanente's philosophy of preventive care, pioneered nearly 60 years ago, helped change the way much of American medicine is practiced today. Similarly, the organization's present focus on the principles and practice of evidence-based medicine continues to influence the way medical care is provided in America. The organization's care management expertise, health policy activities, and research capabilities contribute to its leadership role within the health care industry. And as an industry leader, Kaiser Permanente is better able to carry out its mission of improving the health of its members and the communities it serves.

One of the many areas where Kaiser Permanente is making a difference is in the treatment of chronic conditions. By the year 2010, 40 percent of the U.S. population will be living with one or more chronic conditions, according to a report from the Robert Wood Johnson Foundation. Already, chronic disease accounts for nearly 60 percent of all medical costs in the United States. Kaiser Permanente's experience in providing comprehensive, integrated care to millions of Americans has provided the organizational knowledge base to pioneer the most effective methods for treating chronic conditions.

To make the most of these capabilities, Kaiser Permanente established the Care Management Institute five years ago. By complementing and extending the expertise and successful practices found in the medical offices and hospitals across the organization, CMI has helped position Kaiser Permanente as an industry leader in disease management.

CMI delivers on its mission of “making the right thing easier to do” by providing an integrated, evidence-based approach to disease management. This solution is unmatched by any other organization in terms of quality and breadth – CMI’s disease management efforts are more developed and touch more lives. Using Kaiser Permanente’s integrated care approach, CMI is able to take advantage of economies of scale and a broad range of innovation to address the prevention and care needs of people with one or more chronic conditions. All of this takes place not just in the primary and specialty care physicians’ offices, but also within the health care team, in the clinic and hospital, and over the telephone and Internet, so that members receive consistent information across the continuum of care.

“Again and again, our union members tell us how deeply they care about quality and service. That’s where our Labor Management Partnership comes in. Throughout the organization, union members and managers are sharing information, responsibility, and decision making – so we can make Kaiser Permanente the best place to receive care and the best place to work. The Partnership is putting everyone’s ideas and expertise to work, to create a culture characterized by ongoing, real-time innovations in the care and service we deliver.”

Peter diCicco
Executive Director
Coalition of Kaiser Permanente Unions, AFL-CIO

Kaiser Permanente conducts more research than any other non-academic institution in the United States.
People with multiple chronic conditions have more care needs, and the ability of medical care teams to anticipate and accommodate those needs is a critical factor in improving health. For example, almost half of Kaiser Permanente patients with coronary artery disease also have one or more other chronic conditions, including diabetes, depression and heart failure. Kaiser Permanente’s integrated delivery system and multispecialty group practice allow CMI to take a long-term, prevention-oriented view in anticipating, preventing and caring for the needs of these members.

By conducting sophisticated, large-scale outcomes studies, CMI has evidence that its approach works. For example, CMI’s latest National Diabetes Outcomes Study, which looked at approximately 380,000 members with diabetes, demonstrates Kaiser Permanente’s industry leadership in key diabetes interventions. For members, these interventions mean less time in the hospital, fewer heart attacks, and greater success in prevention of blindness and kidney failure.

Another avenue to leadership in the health care industry is Kaiser Permanente’s ongoing research to advance medical knowledge. Providing quality health care is not just about serving patients today, but also about paving the way to new treatments and therapies that improve the quality of life in the future. The organization’s research centers across the nation conduct more research than any other non-academic institution in the United States.

In 2001, funding of more than $80 million supported some 1,200 Kaiser Permanente research projects. Funding came primarily from sources such as the National Institutes of Health, state funding, private foundation support, and other research contracts and grants. The Permanente Medical Groups and Kaiser Foundation Health Plan and Hospitals’ community benefit funds also support research efforts. The organization’s physicians and researchers publish major studies each year in peer-reviewed medical journals, distinguishing Kaiser Permanente’s contribution to medical research.

Among the many research projects at Kaiser Permanente in 2001-2002, here are a few examples:

- For patients with kidney failure, measuring the effectiveness of a potential vaccine for staphylococcus infections resulting from dialysis. Kaiser Permanente researchers Henry Shinefield, MD, and Steven Black, MD, of Kaiser Permanente’s Vaccine Study Center in
Oakland, California, found that patients receiving the vaccine were 57 percent more likely to avoid infection. The study was published in the February 14, 2002 issue of The New England Journal of Medicine.

- For teens at high risk for depression, a study led by Greg N. Clarke, PhD, senior investigator at Kaiser Permanente’s Center for Health Research in the Northwest Region, showed that brief cognitive behavioral therapy can prevent depression. The study was published in the December 2001 issue of the Archives of General Psychiatry.

- For people at high risk for type 2 diabetes, a major national clinical trial conducted by Kaiser Permanente in Colorado and 26 other medical centers found that diet and exercise can sharply lower the chances of getting the disease. The same study found that treatment with the oral diabetes drug metformin (Glucophage) also reduces diabetes risk, though less dramatically, in people at high risk for type 2 diabetes.

Providing quality health care and advancing medical knowledge is not the whole story of Kaiser Permanente’s industry leadership. Through participation in an array of efforts to help shape the nation’s health policy agenda, and through government relations efforts in Washington, D.C., state capitals, and locally, Kaiser Permanente is helping to inform and advocate on behalf of its members, its communities, and for all Americans.

Kaiser Permanente’s Institute for Health Policy works in collaboration with foundations, policy institutes, research programs, policymakers, and other organizations to develop unbiased information about policy alternatives and their operational implications. For the past two years, the Institute for Health Policy has played an active role in advancing national patient safety policies that reduce medical and system errors. Through the Institute’s participation in national forums, assistance to the U.S. Agency for Health Care Research and Quality, and work on legislative initiatives to establish a voluntary medical error reporting system, Kaiser Permanente is viewed as an important voice on patient safety issues.

In addition to the work of the Institute, Kaiser Permanente seeks to promote sound national health policy on behalf of its members and communities by developing relationships with state legislators and with members of Congress. Kaiser Permanente’s legislative representatives continue to work for the enactment of health plan standards legislation that would adopt principles developed in 1997 by Kaiser Permanente, in collaboration with
two other nonprofit health plans and two consumer organizations. These principles were an important contribution in establishing a bill of rights and responsibilities for health care consumers.

Similarly, Kaiser Permanente, in collaboration with its labor partners, led the health care industry in supporting “safe sharps” legislation in Congress to protect health care workers from the dangers posed by needlesticks. Congress enacted the Needlestick Safety and Prevention Act in October 2000.

“It is important that members of Congress understand the contribution we are making in providing quality, affordable health care,” said Steve Zatkin, senior vice president, Government Relations. “It’s our unique features, such as our integrated system, our partnerships with physicians and labor, our nonprofit status, and our activities in support of the broader community, that make that contribution possible.”

As prescription drug costs have remained a major concern for consumers, insurers and employers, Kaiser Permanente helped to form RxHealthValue, a coalition to advocate for greater affordability of drugs and true innovation in drug development. Other participating organizations include AARP, Families USA, the National Consumers League, AFL-CIO member labor unions, as well as other employers, health insurers and providers. Together, they have worked with Kaiser Permanente to raise the profile of important issues, such as generic drug availability, appropriate marketing and prescribing of drugs, drug safety, and improving market competition.

Through its broad research agenda, public policy activities, and care management efforts, Kaiser Permanente is helping to spotlight the most effective clinical approaches and chart the future direction of health care delivery in the United States and the rest of the world.

“We view Kaiser Permanente as one of our key partners in supporting the health of our employees.”

Sally Welborn
Vice President, Corporate Benefits
Wells Fargo & Company
KAISER PERMANENTE
by the NUMBERS

Number of members: 8.4 million (as of June 2002)

Employees: 122,473 (full and part time)

Physicians: 11,345

Number of Labor Management Partnership participating unions: 28

Medical centers: 29

Medical offices: 423

2001 operating revenues: $19.7 billion

2001 net income: $681 million

2001 Fortune 500 rank, if Kaiser Permanente were a for-profit company: 103

Outpatient medical office visits annually: 30.7 million*

Surgeries (inpatient and outpatient) annually: 405,000*

Babies delivered annually: 87,000*

Prescriptions filled annually: 52.7 million *

Childhood immunizations: 80% (the national 90th percentile is 81.3%) **

NCQA Accreditation of commercial products: “Excellent” – seven Regions

* National Committee for Quality Assurance (NCQA) Quality Compass (HEDIS 2001 quality results)

**NCQA Combination 1: Four diphtheria/pertussis/tetanus; three polio; one measles/mumps/rubella; three Ha, and three hepatitis
TOTAL COMMUNITY BENEFIT SPENDING 2001

SELECTED HEDIS 2001 QUALITY RESULTS

MEMBERSHIP

OPERATING REVENUE
Credits

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Photography by Fredrik Nilsen, plus Terry Lorent (p. 4), Gary Hofheimer (p. 13), Anthony Gray (p. 14, 15), and Sheryl Schindler (p. 27).

For additional copies of the 2001-2002 Report, please visit Kaiser Permanente on the Web at www.kp.org/annualreport.