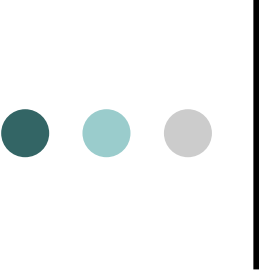


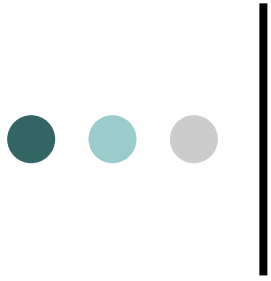


Improving Quality and Value in a Large Integrated Health Care Delivery System

**Presented by: Alide L. Chase
Kaiser-Permanente**

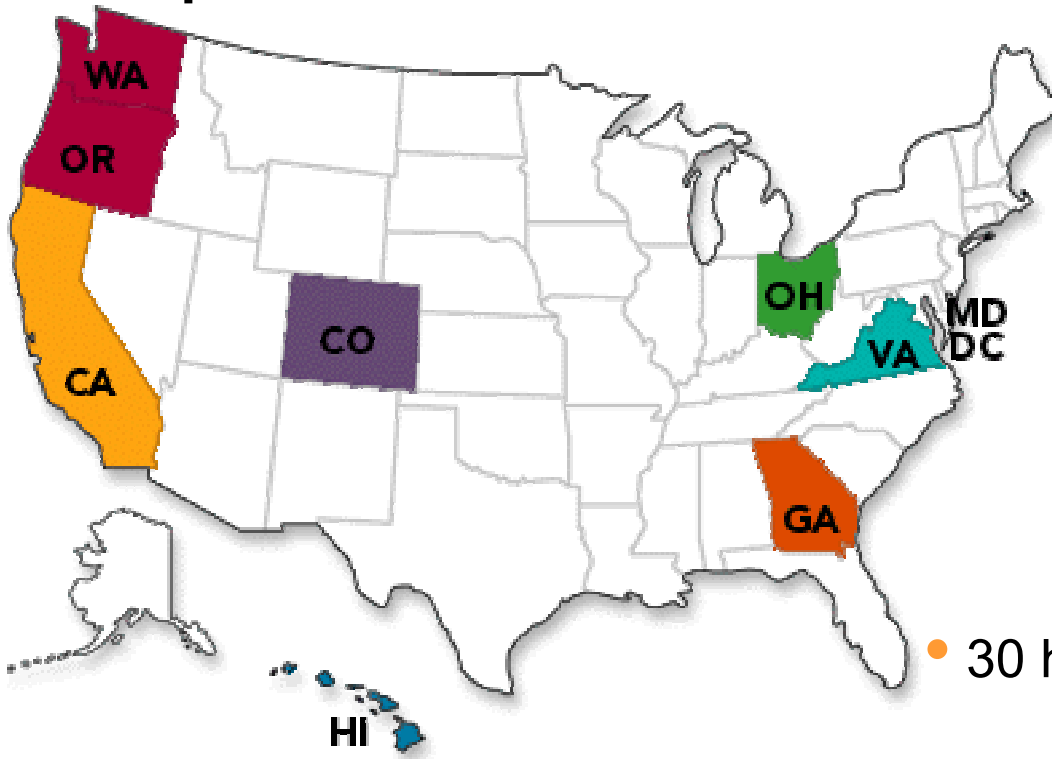
March 3, 2005

- 
- I. Who are we?
 - II. How do we use our “integrated” structure to drive clinical performance improvement?
 - III. Examples of performance improvement initiatives
 - IV. New tools and new relationships pushing forward



I. Who are we?

The Nation's Largest Integrated Delivery System

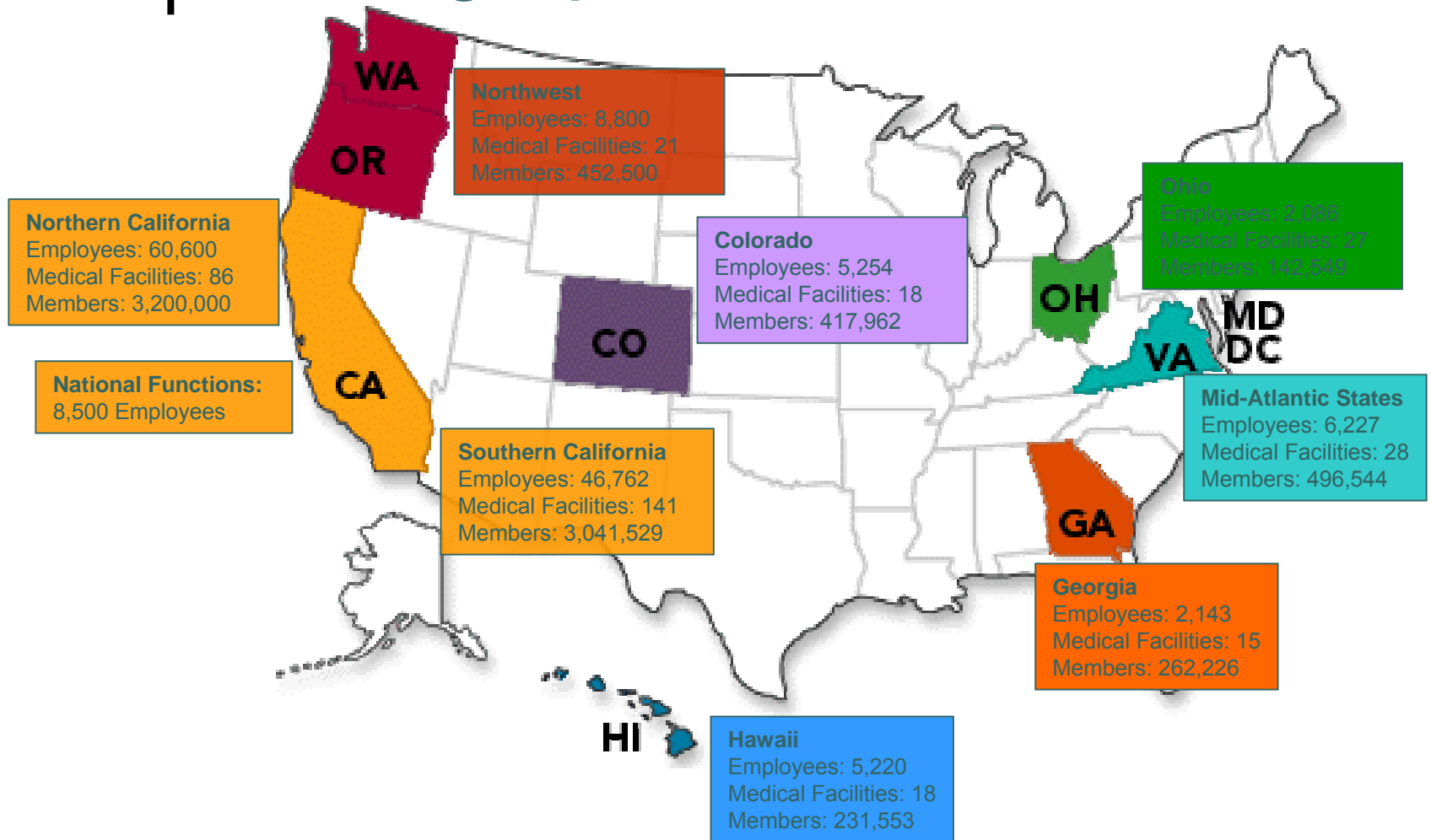


- Integrated health care delivery system
- 8.2 million members
- 11,000+ physicians
- 130,000 employees
- 8 regions serving 9 states and D.C.
- 30 hospitals and medical centers
- 431 medical offices
- *\$25 billion annual revenues



* 2003 revenues

Kaiser Permanente Demographics



The Kaiser Permanente Mission

Kaiser Permanente is committed to providing affordable, high quality health care services and to Improving the health of our members and the communities we serve.



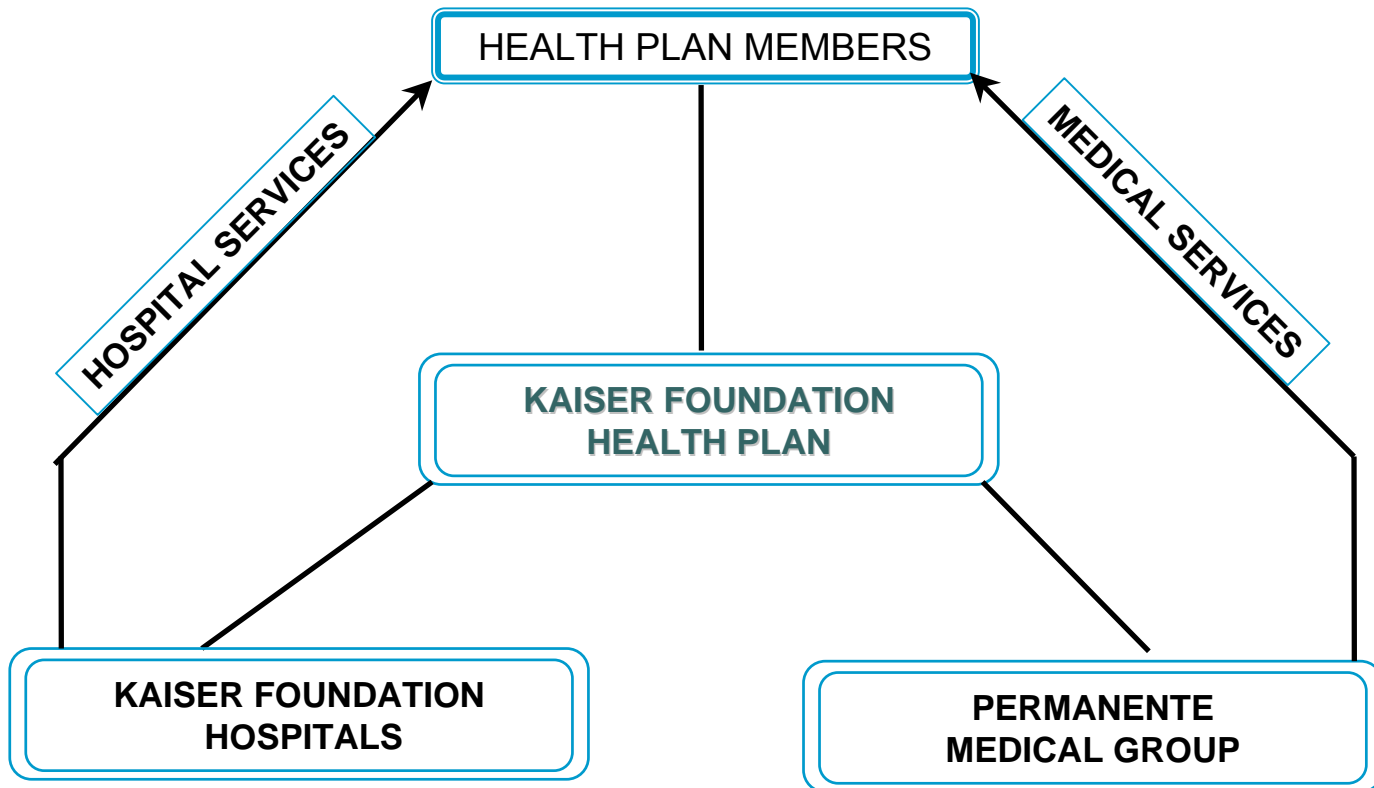


KP Volume of Care

- # doctor office visits - 34.6 million
- # babies delivered - 85,055 million
- # prescriptions filled - 113.2 million
- # surgeries - 452, 122 (inpatient and outpatient)

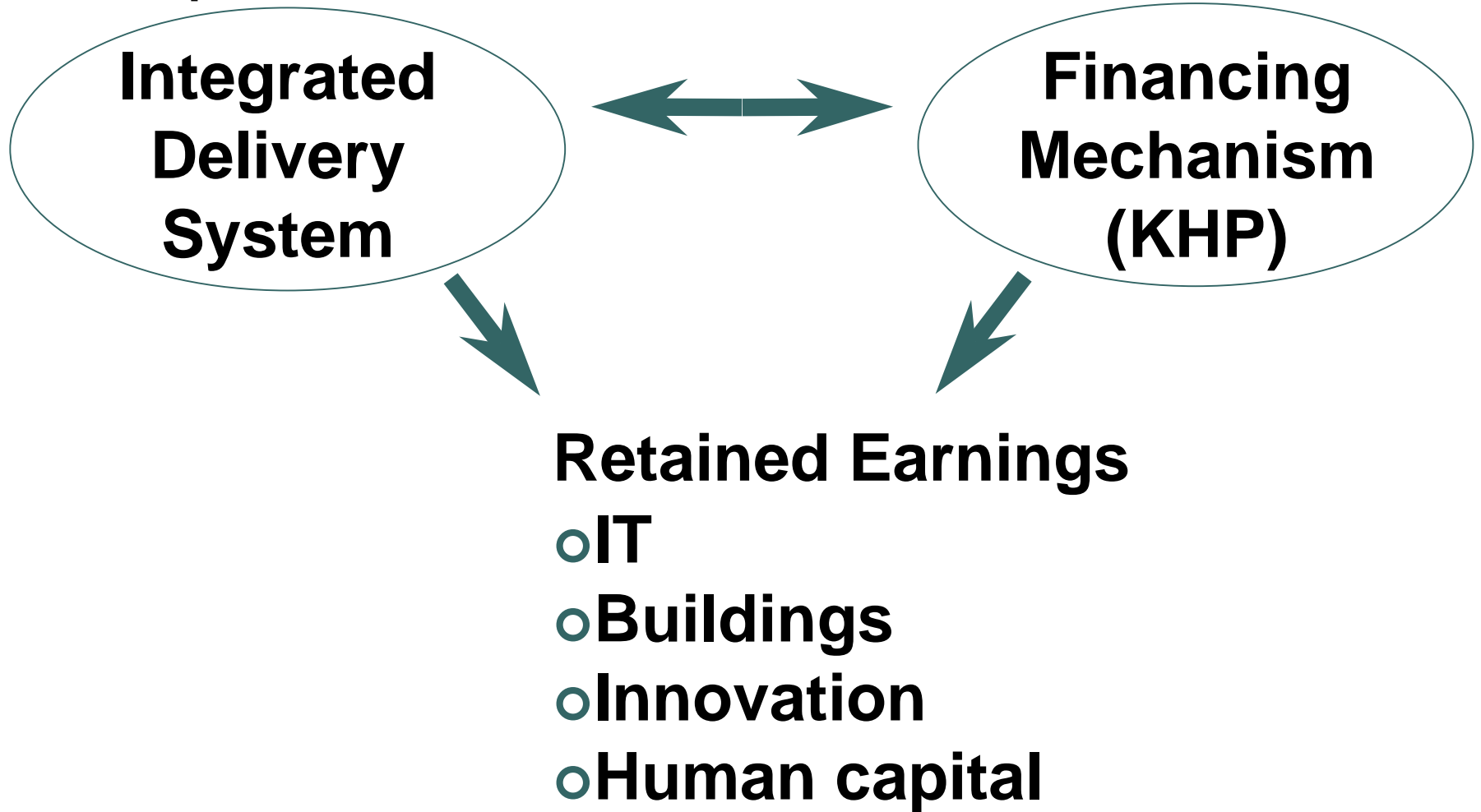
*Numbers reflect 2003 volumes

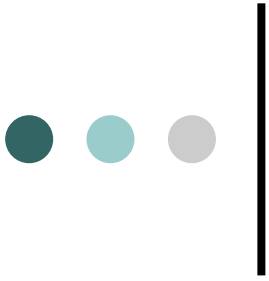
KP An Integrated Healthcare System





The Real Story





II. How Do We Use Our “Integrated” Structure To Drive Clinical Performance Improvement?

Leadership Structure

- Health Plan / Permanente Leaders

“Partnered” at every level of the organization



George C. Halvorson
Chairman and CEO
KFHP and Hospitals



Francis J. Crosson, MD
Executive Director of The
Permanente Federation



Louise Liang, MD
SVP, Quality and Clinical
Systems Support



Jed Weissberg, MD
Assoc. Exec. Director for Quality &
Performance Improvement





Exclusive Arrangement

with integrated medical group

- Encourages appropriate referral practices Between Primary and Specialty Care
- Encourages appropriate resource utilization (i.e., care settings, diagnostics, treatment course, pharmacy)
- Builds in Performance standards into network contracts (i.e., transplants)
- Transparency with performance to entire group through an integrated chart
“Practicing in a fish bowl”



Centralized Quality Engine

\$'s from our members premiums are dedicated to Quality Activities

- Care Management Institute (CMI)
 - Memorandums of Understanding (MOU)
- New Technology Assessment
- Dedicated physician staffing to Quality infrastructure
- Established Departments of Research



What is CMI?

Building on a foundation of evidence-based medicine and population based care, CMI supports members, clinicians, and payers by making the right thing easier to do.

Areas of work include:

- Managing clinical knowledge,
- Improving performance,
- Communicating value, and
- Creating community benefit.

Value added through:

- Leveraging economies of scale,
- Diffusing successful practices,
- Promoting the KP Brand and Promise, and
- Evolving new work.



CMI Networks

- Implementation Network
- Analytic Network
- Knowledge Management Network
 - Regional evidence consultants, evidence methodologists, content authors
- Content Clinical Leads
 - for major population management programs
- Clinical Library Editorial Advisors



Population Care Management Program

- Asthma
- Diabetes
- Cardiovascular disease — CAD and CHF
- Elder care
- Depression
- Chronic pain
- Obesity
- Cancer (adjunctive therapies)
- Shared decision-making and self-care
- Culturally competent care



CMI get its work done by...

- Examples:
 - Creating inter-regional, evidence based guidelines, tools and support for KP HealthConnect
 - Creating inter-regionally comparable measures, reports and surveys of members with chronic conditions
 - Providing access to guidelines, general information, journals and textbooks at your finger tips (Clinical Library)
 - Creating venues, including regular conference calls and an annual retreat for the Networks to learn and share
 - Partnering with community providers and systems to reduce disparities in health care
 - Working with large national purchasers to understand the benefits of chronic disease management from Kaiser Permanente



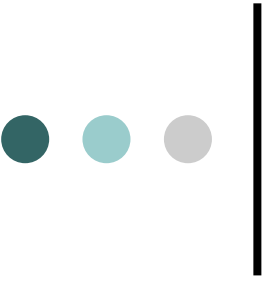
Incentives for ongoing Quality /
Service Performance Improvements
built into annual agreements between
Health Plan and Medical Group

- Mutually agreement
- Applied to entire group
- Small pilots for innovation
- Frequently aligned with executive leaders and unionized staff incentive systems



Focus on Key Clinical Initiatives

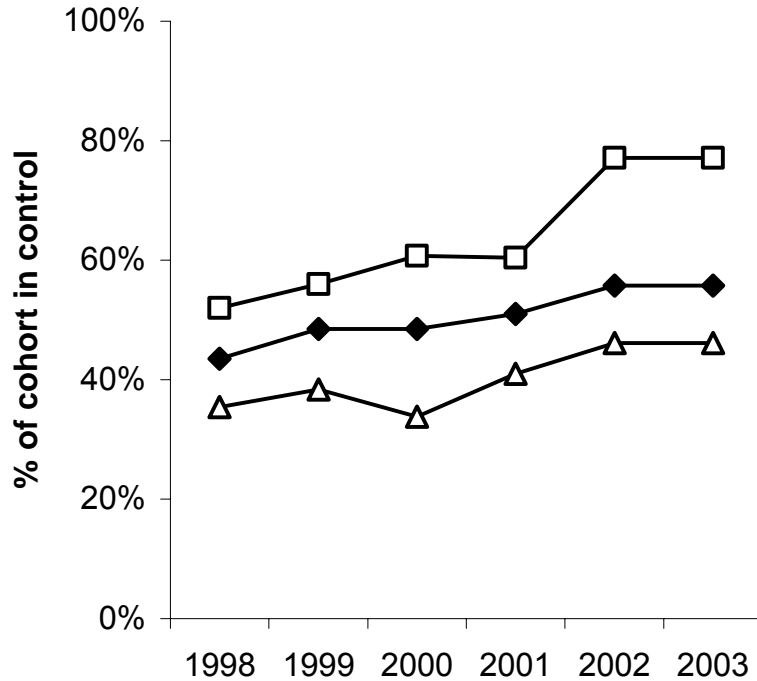
- Set by Physician Leaders and Health Plan
- Transparency with Performance
- Moderate spirit of competition between Regions
- Celebration of high achievers
- Transfer / diffusion from one site to another



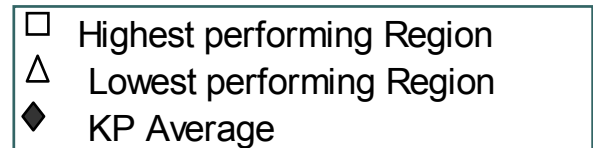
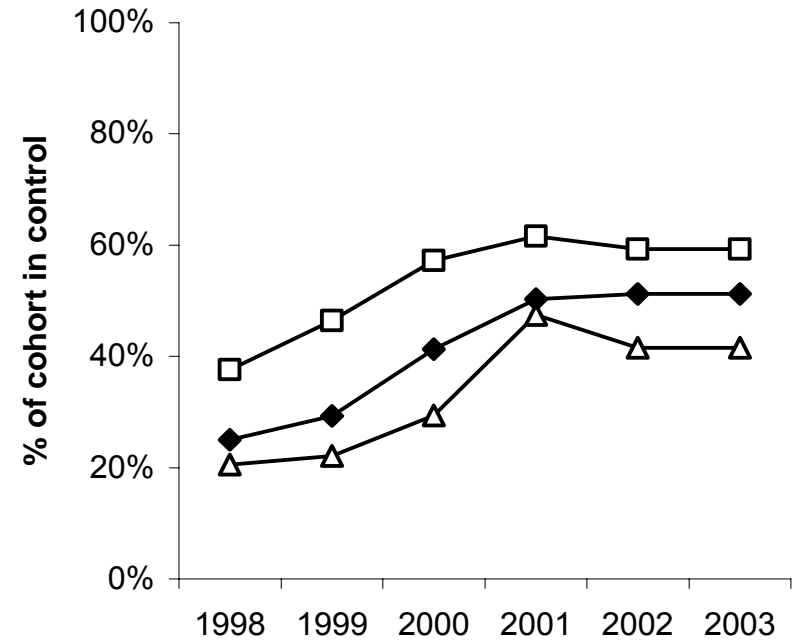
III. Examples of Performance Improvement Initiatives

Chronic Care Management

Known HbA1c Control for diabetics



Known Lipid Control for diabetics



Preventive Services for Women

2004 HEDIS Results — Commercial and Medicare

KP Compared to NCQA National and Regional Percentiles

Regions

	1	2	3	4	5	6	7	8
Cervical Cancer Screening	3.5	★	1.4	0.6		1.5	5.4	1.3
Breast Cancer Screening	2.5		0.2	1.5	4.2	0.9	1.6	0.9
Breast Cancer Screening—Medicare		3.6			0.8			★
Chlamydia Screening 16-20	★	★	★	★	★	★	★	★
Chlamydia Screening 21-25	★	★	★	★	★	★	★	★
Chlamydia Screening 16-25	★	★	★	★	★	★	★	★

★ 90th Nat'l %tile

■ 75th Nat'l OR Reg'l %tile

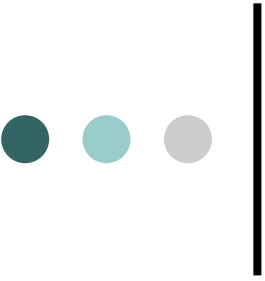
□ Performance Gap to 75th Nat'l or Reg'l %tile
(percentage point improvement needed in original measure, not percentiles)

Patient & Safety



*Perinatal Safety

- Evidence Based protocols for High Risk Care
- Team Training for Critical Events Assertiveness Training
- Common Language SBAR Maternal / Fetal Wellbeing
- Emergency Rehearsals / Drills
- System improvements scheduled Inductions escalation
- Policy code c/s policy Hospital transfer policy
- Multidisciplinary rounds



IV. New Tool Relationships Pushing Forward

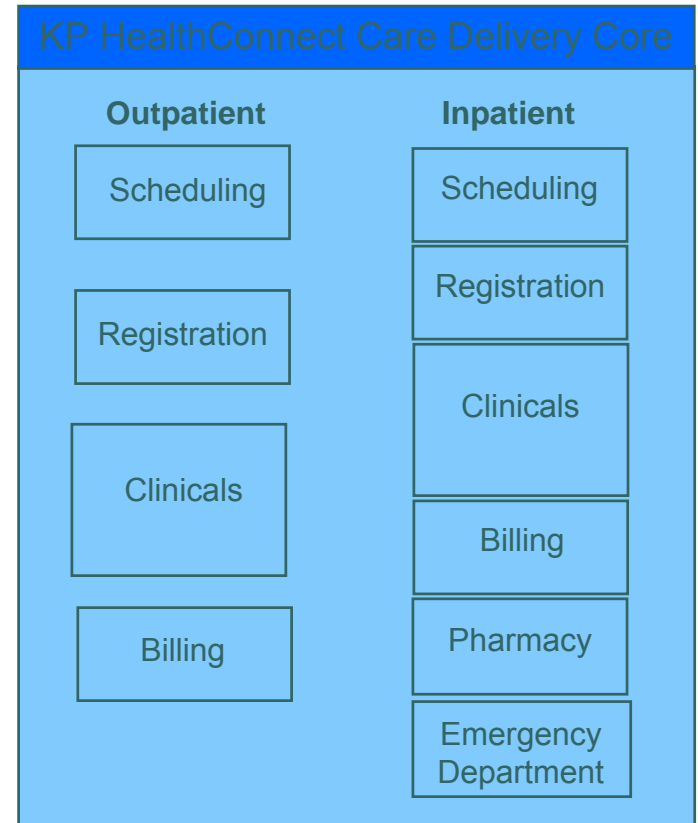
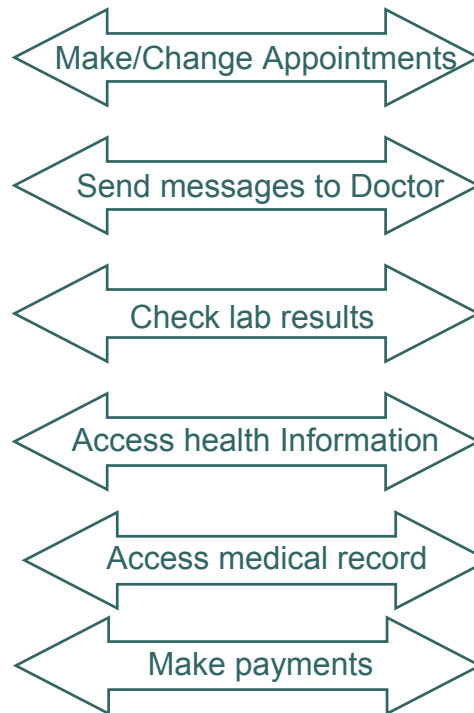


New Tools KP HealthConnect

- More than just an electronic medical record
- The development and deployment of a highly sophisticated information management and delivery system
- A program-wide system that will integrate the clinical record with appointments, registration and billing
- A complete healthcare business system that will enhance the quality of patient care and support the KP Promise

Members Can Actively Participate in Care

Expanded e-Health Capabilities



New Relationships

