

## **Kaiser Foundation Health Plan Inc. Is Committed to Quality**

The Department of Managed Health Care (the “Department”) conducted a Non-Routine Medical Survey (“Survey”) of Kaiser Foundation Health Plan, Inc.’s (“Kaiser”) oversight of peer review and quality review processes which are part of Kaiser’s overall quality assurance program. The audit resulted in identifying enhancements to our overall quality review approaches that will be implemented over the next twelve months.

Kaiser embraces the opportunity that the Department’s Survey presents to augment those aspects of our existing quality assurance program that were examined by this Survey. In this regard, Kaiser and its contracted providers, The Permanente Medical Group, Inc. (“TPMG”), Southern California Permanente Medical Group (“SCPMG”) (collectively, the “Permanente Medical Groups”, or “PMGs”), and the twenty-six community hospitals owned and operated by Kaiser Foundation Hospitals (“KFH”) are fully committed to meeting Kaiser’s regulatory accountabilities.

Kaiser’s quality assurance program encompasses an extensive array of activities in collaboration with TPMG, SCPMG, and KFH, including but not limited to monitoring clinical performance, care delivery systems, and the quality of care and service experienced by our members and patients; analyzing and learning from experience, including errors; providing clinical and administrative support to help health care practitioners enhance their performance; systematically promoting evidence-based medicine and clinical best practices; and establishing and pursuing clinical strategic goals that result in care management practices at the practitioner-patient level designed to improve the health and quality of life of our patients. Responding to feedback provided by the Survey, our actions include improving consistency and documentation of the quality reviews prompted by member complaints or other reasons and standardizing the processes by which Kaiser monitors and evaluates the quality reviews. Months before the Department issued its Final Report, Kaiser began implementing a plan of improvement that comprehensively addresses the Department’s findings. We are committed to the successful implementation of this plan. And we are committed to continuing our existing quality improvement efforts to provide high-quality care to our members, which efforts go far beyond the activities reviewed by the Department.

### **Recognition of Kaiser’s Quality Assurance Program**

The Survey did not attempt to evaluate the overall quality of care provided to Kaiser members or the totality of Kaiser’s quality assurance program. Other state and national organizations have examined Kaiser’s performance against well-established benchmarks of clinical quality and have recognized Kaiser’s achievements.

- The National Committee for Quality Assurance (“NCQA”) awarded both California Kaiser regions the highest possible score in every survey category and an overall accreditation finding of “excellent” for both its commercial and

Medicare plans. State of Health Care Quality 2006, NCQA (web.ncqa.org/portals/0/publications/resource%20library/sohc/sohc\_2006.pdf).

- Kaiser achieved the highest ranking among California HMOs on 21 of 30 measures in the California Cooperative Healthcare Reporting Initiative (“CCHRI”) 2006 Report on Quality. In many of these quality measures, Kaiser’s results are well above the national mean and often at or above the national 90<sup>th</sup> percentile. CCHRI Report on Quality, 2006, (cchri.org/reports/cchri06\_QualtiyReport.pdf).
- Kaiser achieved higher scores on overall quality of care ratings relative to other HMOs in the State of California Office of the Patient Advocate’s (“OPA”) 2006 Healthcare Quality Report Card. 2006 Healthcare Quality Report Card, OPA, (opa.ca.gov/report%5fcard/hmorating.aspx).
- The Integrated Healthcare Association (“IHA”) recognized TPMG and SCPMG as among the top performing physician groups in California. (lha.ncqa.org/reportcard/).

These results from independent third parties are objective validation of Kaiser’s longstanding efforts to improve the health and quality of life of our patients. We believe the ongoing commitment and collaboration of Kaiser and its contracted providers, Southern California Permanente Medical Group, The Permanente Medical Group, Inc., and Kaiser Foundation Hospitals are key factors in this success. And we intend to continue that commitment and collaboration as we implement the action plan related to the Survey.

### **Our Quality Promise - Providing the Best Care Possible**

Integral to Kaiser’s charitable mission is to provide quality care and to seek to improve the health and wellness of our patients and the communities we serve. Kaiser, KFH, TPMG, and SCPMG are separate organizations who have aligned their goals, marshaled their resources, and collaborate in furtherance of these purposes. Together we are approximately 120,000 people – physicians, nurses, health care workers, and other personnel – who live in the communities we serve and the vast majority of us are also members/patients who entrust our health and lives to the care we receive. We care about quality and we care about the continuously improving the quality we provide and receive.

No health care organization is perfect, as the Institute of Medicine recognizes in its ground breaking report “To Err is Human, Building A Safer Health System”.<sup>1</sup> Indeed, the principle of “continuous quality improvement” in health care recognizes that there are always learning opportunities for individual practitioners, for health care systems, and for quality improvement programs. We believe our efforts in this regard have positively impacted our members, patients and communities. Our continuing goal has

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<sup>1</sup> Linda T. Kohn, Janet M. Corrigan, and Molla S. Donaldson, Editors; Committee on Quality of Health Care in America, Institute of Medicine of the National Academies, November 1, 1999.

always been to leverage our collaboration and integration to extend what we learn and improved throughout our care delivery system and indeed to share it with the broader community as well.

### **Continuous Quality Improvement Is Important**

Within Kaiser Permanente, work is being done to re-engineer important aspects of health care delivery. Many in health care know that pioneering Kaiser Permanente programs focused on diabetes and heart disease have reduced complications and improved life spans for people with those medical conditions. What is less well known is that additional programs focusing on the processes of care delivery have also had exceptional results.

One example is the process improvement being implemented to get the most accurate information transferred from nurse to nurse at the beginning and end of each shift change. Studies have shown that many common errors happen in hospitals at the point where staff changes shift. Inside of Kaiser hospitals, teams of nurses and physicians now have new and better processes to both improve the accuracy of the information and create more time for the nurses to be with the patients.

Hospital process improvements are focused on many evidence-based areas to eliminate potential harm or injury to patients. Kaiser Foundation Hospitals have a strategic partnership with the Institute for Healthcare Improvement (IHI) to reliably put processes in place that will protect patients from mistakes like wrong-site surgeries, medication errors, hospital-acquired infections and ventilator-acquired pneumonia. Major improvements in care for patients with heart attacks and heart failure have been achieved by teams of health practitioners working together across multiple settings to improve the caregiving process so patients receive the right care at the right time as they go from the Emergency Department to different hospital units, and then back home again and to their doctor's office. The new electronic medical record system that allows physicians to see a patient's most current and complete information from any setting within Kaiser Permanente will help us optimize care and make transitions from care site to care site effective, efficient and reliable.

This electronic medical record system, KP HealthConnect™, is a comprehensive health information system that includes one of the most advanced electronic health records available. When fully deployed, it will connect 8.6 million Kaiser Permanente members across the country. their health care teams, their personal health information, and the latest medical knowledge - taking advantage of Kaiser Permanente's integrated approach to health care. Ultimately, KP HealthConnect will help members and Kaiser Permanente professionals communicate with greater ease and convenience.

The development, implementation, and maintenance of KP HealthConnect represents a multi-billion dollar strategic investment for Kaiser Permanente. We believe the project will improve the quality of our care and service to our members. It will ensure patient safety and quality care by providing access to comprehensive patient information and the latest best practice research in one place. KP HealthConnect will also coordinate

patient care between the physician's office, the hospital, radiology, the laboratory, and the pharmacy - and will eliminate the pitfalls of incomplete, missing, or unreadable charts. The system will ultimately enable us to streamline and retire many outdated systems. When fully deployed, it will directly or indirectly support the majority of our hospital and health plan operations nationwide.

Within the year, Kaiser Permanente will publish a set of learnings for the greater American hospital community on topics such as building more effective hospital “crash teams” for patients in critical care emergencies. Pilots in several areas have been rolled out to multiple sites, and the learnings are being developed in a way that should influence and guide community care models.

Kaiser Permanente is also pioneering computer simulations in techniques like the use of “training dummies” to allow practitioners to develop and practice skills needed for categories of patients. These trainings, coupled with innovative programs to redesign both hospital and clinical work flows and physical plants, are also helping to improve quality.

Quality improvement occurs both locally and regionally at Kaiser Permanente, and it happens continuously. It occurs through the collaborative work of Kaiser, KFH and Permanente Medical Group committees and through the efforts of individual PMG physicians, health care practitioners and individual clinical departments. Quality improvement is a process that never ends. Indeed, the principle of continuous quality improvement in health care recognizes there are always learning opportunities for individual practitioners, for health care systems, and for quality improvement programs.

Kaiser Permanente’s Care Management Institute (CMI) has received wide recognition for its pioneering work in medical best practice research. Likewise, the Kaiser Permanente Health Policy Institute has received national and international recognition for its programs to improve care quality and to better inform health care policy makers across the country. In addition, the Medical Directors Quarterly Review Group audits and makes recommendations relative to quality issues.

Kaiser’s quality assurance program uses many methods to improve the quality of the care members receive and to produce results that positively impact members’ lives and health. These include, for example, the Permanente Medical Group physicians developing new clinical practice protocols for the treatment of diseases such as diabetes or heart disease based on evidence of good outcomes gathered throughout the network of PMG physicians; staff instituting new processes at KFH medical centers to decrease the possibility of medical errors or developing interdisciplinary team approaches to the treatment of various diseases or conditions to address all the needs (physical, social and emotional) of members who are dealing with long term illnesses or disabilities; and PMG physicians monitoring drug research and the effects of drugs on our members through our pharmacy and therapeutics committee to ensure that the medications members take are safe.

As these examples illustrate, Kaiser's quality assurance program encompasses a multitude of strategies, methods and activities and a philosophy of continuous improvement.

### **Increasing Quality Care in the Community**

Kaiser Permanente has shared its best practices with practitioners in the community for many years so that all patients in California can benefit from how Kaiser Permanente delivers medical care. As the latest example of this, Kaiser Permanent is now making available its lifesaving Healthy Heart program information to all California physicians and the general public. Kaiser Permanente is also collaborating with public hospitals and community caregivers to bring its innovative cardiovascular care program to underserved populations, so that others may benefit from the program that has saved thousand of lives in the nation's largest integrated health care system.

The *Healthy Heart Program* provides tools and guidelines to assess the risks of cardiovascular disease, manage those risks, and ultimately reduce a patient's risks that can lead to death. Kaiser Permanente's "open source" approach to the general public and community caregivers includes:

- A new public Web site, featuring Kaiser Permanente's cardiovascular disease prevention tools and clinical content.<sup>2</sup>
- Grants to community clinics and public hospitals to fund expanded cardiovascular intervention programs along the lines of those successful programs at Kaiser Permanente.
- Consulting services and resources have been made available at no cost to community clinics, health centers and public hospitals across California. These are especially important in rural areas of the state, where physicians may not have exposure to the kind of numbers and best practice information Kaiser Permanente can now share with them.

The transfer of these best practices to the recipient health care organization should benefit their patients and the broader health care community.

### **Kaiser Permanente's Research and Quality Improvement**

Kaiser Permanente is committed to continuing as a leader in both quality health care and health care improvement. Kaiser's medical care research program is now the largest of any non-academic organization in the country. Because of our integrated system of coverage and care and extensive data base, we are able to conduct

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<sup>2</sup> [www.kp.org/HealthyHeart](http://www.kp.org/HealthyHeart)

significant clinical research that saves lives and improves the quality of care world wide. For example:

A new research study released on July 21, 2007 provides important information on the relationship between hormone replacement therapy (HRT) for women and breast cancer.

Earlier in July 2007, Kaiser Permanente researchers released data showing more effective ways of treating HIV patients who have a drug-resistant AIDS virus. That research will help save lives. This research and Kaiser Permanente's HIV treatment programs have been well recognized.

Recent Kaiser Permanente medical research studies addressed follow-up care needed for patients with heart stents and the increased rate of heart attacks for patients using Vioxx and made a significant contribution to the care of large numbers of patients around the world. In each of those cases, Kaiser Permanente researchers used the extensive Kaiser Permanente data base to identify treatments that will benefit Kaiser members directly and patients in other communities. The Kaiser Permanente research on sudden infant death syndrome demonstrated how to reduce the death rate from that tragic situation by up to 90 percent.

Kaiser Permanente's ability to do health care research will be enhanced by the powerful new electronic health care data base that is nearly completed. Medical researchers across all countries already recognize the quality of health care leadership coming from Kaiser Permanente. That leadership will be enhanced by our growing research agenda.

Kaiser Permanente's health care research is essential to our quality improvement efforts because it provides the data to determine when medications, procedures, or protocols are unsafe. This information is invaluable in assisting Kaiser to provide high quality care for our members.

## **Conclusion**

Kaiser, the Permanente Medical Group physicians and KFH are all committed to continuing to improve the quality of care provided to Kaiser members. The processes and systems we are implementing as the result of the Department's Survey will enhance these quality improvement activities and are consistent with the commitment and mission of the people of Kaiser Permanente to the goal of continuous quality improvement and to serving our members and the broader community. We know that these improved processes and systems will help make quality at Kaiser Permanente even better now and in the future.