Kaiser Permanente Overview: Innovation, Integration, Information Technology, and “System-ness” in Health Care

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Saskatchewan Medical Association
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Kaiser Permanente was born out of the challenge of providing medical care to industrial workers during the Great Depression and World War II, when most people could not afford to go to the doctor, and where those workers' locations typically had no physician services available.
Our Visionary Founders

• Prepayment – encourages systematic care planning and prevention
• Multispecialty group practice – enhances communication and coordination
• Prevention focused, rather than procedure focused.
• Strong primary care foundation
• Population-based approach
• “Ownership” of the patients across the continuum
• Enabled by integrated clinical documentation, which later became IT
By the numbers

- 101,368 babies delivered
- 44.7 million doctor office visits
- 980,741 mammograms
- 137,798 inpatient surgeries
- 78.3 prescriptions filled
- 1.9 million colorectal cancer screenings
- 5.37 million members registered on kp.org
- 22.3 million secure emails sent
- 40.5 million lab test results viewed online
- 19.3 million online prescription refilled online
- 4.7 million online requests for appointments

Data: Kaiser Permanente 2015 Annual Report
Located in Maryland, Virginia and the District of Columbia

More than 701,000 members

More than 1,300 Mid-Atlantic Permanente Medical Group physicians

More than 8,000 employees

30 medical facilities (incl. 5 full service hubs)

24 hours / 7 days / 365 days care available

11 Core hospitals at which MAPMG physicians directly care for members
The typical US health care model

Disease management

Insurance company

Primary Care doctor

Specialists

YOU

Emergency Room/ Urgent Care

Lab

Radiologist/ X-ray/ imaging

Pharmacy
Philosophy: Member-centered engagement
How our model comes together to make Kaiser Permanente

Kaiser Permanente is a partnership of corporate entities

“Kaiser Permanente Medical Care Program”

- Kaiser Foundation Health Plan*
  501(c)3 not-for-profit health plan

- Kaiser Foundation Hospitals*
  not-for-profit Community hospitals

- 8 independent self-governed Permanente Medical Groups**

* common Board of Directors

**separate Boards of Directors

Health plan collects premiums from employers & government programs; premiums and cost sharing from individuals; takes risk for hospitalization, pharma, and owns capital.

Medical groups coordinate provision of all medical services, ensure top quality and appropriate utilization; hold financial risk for all professional services, inpatient and outpatient.
Hospitals and Care are *not* thought of as “Revenue Centers,” rather as population health opportunities.

**How it works**

**REVENUE**

- Hospitals and Care are not thought of as “Revenue Centers,” rather as population health opportunities.

**EXPENSE**

- Physicians are NOT employed by Kaiser; they are employed by their medical group.

- Capitation to the Group $\rightarrow$ salary to the physician; very minimal monetary incentives for anything (surprise!!)
Integration in Fragmented World

**SPECTRUM OF INTEGRATION**

- **Traditional (not integrated)**
  - Single MDs
  - Small groups
  - Single hospitals
  - IPAs
  - Single specialty groups
  - Hospital chains
  - Hospital staffs
  - Some faculty practices

- **Non-traditional (integrated)**
  - Multi-specialty group practices – Hospital affiliation
    (e.g., Marshfield Clinic, Harvard Vanguard, Vanderbilt University, California Groups)
  - Integrated delivery system
    (e.g., Henry Ford, Mayo, Geisinger, Oschner)
  - Fully integrated systems
    (Kaiser Permanente)
Our Capital Model –
The innovative Garfield / Kaiser “value prop” drove us there

We offer “one-stop shopping,” i.e., co-location for most services

* Not all services are available at every building
31% of the seven hundred thousand patients would otherwise have been seen in an ED

23% decrease in hospital days and ED visits per thousand members from 2009 - 2014

20% increase in the number of patients reporting an “excellent” overall experience on CAHPS since launching the hubs

The NEW ENGLAND JOURNAL of MEDICINE (CATALYST)

How Multi-Specialty Hubs Fill a Major Gap in the Care Continuum
June 22, 2016

“...providing complex and urgent care 24/7. Hubs cost less to build and to operate than a hospital, and serve as part of a more traditional large outpatient multi-specialty center during regular business hours. A hub model offers the potential for newly formed accountable care organizations to expand and fill in a crucial missing piece in the care continuum.”

How Kaiser Permanente delivers value: Integration

Kaiser Permanente has comprehensive clinical data access and workflows to achieve coordination, elimination of waste, and quality

- Disease registries
- Risk stratification
- Identification of subgroups needing care
- Patient management tools
- Targeted panel lists
- Inreach - Prompts, reminders for clinicians
- Outreach - Letters and automated telephone outreach to members
- Monitoring and process improvement measures/reports

KP Health Connect
- Secure Web-Based
- Universal Access
- Real Time
- Linked to Delivery System
- Electronic Ordering
- Digital Imaging
- Secure Messaging

KP.org and My Health Manager

Population Management Tools (enables wellness & prevention)
- Labs
- Inpatient
- Outpatient
- Emergency
- Pharmacy
- Imaging
- Immunization
- Membership
- Financial & Benefits
Without care integration?

- Study of 6,712 randomly selected adults in 12 cities
- Physician performance evaluated on 439 quality indicators for 30 medical conditions
- Patients received 55% of recommended care
- Physicians had a 45% rate of noncompliance with established evidence-based practice guidelines

Permanente value strategy

**GOAL: MAXIMUM VALUE**

\[
V \quad (\text{VALUE}) = Q \quad (\text{QUALITY}) + PE \quad (\text{PATIENT EXPERIENCE}) - C \quad (\text{COST})
\]
### Conventional Thinking - Network Size

- How many doctors and hospitals are in the network?
- Choice Based on Network Size not on Outcomes

**Key ideas:**
- All Health Care is the same
- Health Care is a Commodity
- Network Size, not Quality
- Rates and Benefits only

### Evolved thinking - Health Care Outcomes

- Does the plan keep the population healthy?
- How satisfied are members?
- Are system’s incentives aligned with those of purchasers?

**Key ideas:**
- Demonstrated Evidence of Quality
- Patient Satisfaction
- Network Quality is more important than size
- Value Based Purchasing
Focused execution drives the value equation: NCQA Results (current)

For the second year in a row, Kaiser Permanente of the Mid-Atlantic States earned the highest possible score (5.0) for our commercial plans, and the highest rated plan in Maryland, Washington, D.C. and Virginia in Medicare Health Insurance Plan Ratings.

### Private/Commercial Rated Locals Plans

<table>
<thead>
<tr>
<th>Rating</th>
<th>Plan Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.0</td>
<td>Kaiser Foundation Health Plan of the Mid-Atlantic States Inc.</td>
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<tr>
<td>5.0</td>
<td>Johns Hopkins US Family Health Plan</td>
</tr>
<tr>
<td>4.0</td>
<td>Cigna Health and Life Insurance Company - Maryland</td>
</tr>
<tr>
<td>4.0</td>
<td>Johns Hopkins Employer Health Programs</td>
</tr>
<tr>
<td>4.0</td>
<td>Optima Health Plan</td>
</tr>
<tr>
<td>4.0</td>
<td>MD - Individual Practice Association Inc.</td>
</tr>
<tr>
<td>3.5</td>
<td>Aetna Life Insurance Company (MD/DC)</td>
</tr>
<tr>
<td>3.5</td>
<td>Aetna Life Insurance Company (Virginia)</td>
</tr>
<tr>
<td>3.5</td>
<td>Aetna Health Inc. (Pennsylvania) - Maryland</td>
</tr>
<tr>
<td>3.5</td>
<td>Coventry Health Care of Virginia Inc.</td>
</tr>
<tr>
<td>3.5</td>
<td>HealthKeepers Inc.</td>
</tr>
<tr>
<td>3.5</td>
<td>Anthem Health Plans of Virginia Inc.</td>
</tr>
<tr>
<td>3.5</td>
<td>Group Hospitalization and Medical Services Inc. (GHMSI)</td>
</tr>
<tr>
<td>3.5</td>
<td>CareFirst BlueChoice</td>
</tr>
<tr>
<td>3.5</td>
<td>Group Hospitalization and Medical Services Inc. (GHMSI)</td>
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<tr>
<td>3.5</td>
<td>CareFirst of Maryland Inc.</td>
</tr>
<tr>
<td>3.5</td>
<td>Cigna Health and Life Insurance Company - Virginia/District of Columbia</td>
</tr>
<tr>
<td>3.5</td>
<td>UnitedHealthcare Insurance Company (Maryland)</td>
</tr>
<tr>
<td>3.5</td>
<td>UnitedHealthcare of the Mid-Atlantic Inc.</td>
</tr>
<tr>
<td>3.0</td>
<td>Mamsi Life and Health Insurance Company</td>
</tr>
<tr>
<td>3.0</td>
<td>Optimum Choice Inc.</td>
</tr>
<tr>
<td>3.0</td>
<td>UnitedHealthcare Insurance Company (Washington DC)</td>
</tr>
<tr>
<td>3.0</td>
<td>UnitedHealthcare Insurance Company (Virginia)</td>
</tr>
</tbody>
</table>

### Medicare Rated Local Plans

<table>
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<tr>
<th>Rating</th>
<th>Plan Name</th>
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<tbody>
<tr>
<td>4.5</td>
<td>Kaiser Foundation Health Plan of the Mid-Atlantic States Inc.</td>
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<tr>
<td>4.0</td>
<td>Aetna Health Inc. (Pennsylvania) - Maryland</td>
</tr>
<tr>
<td>4.0</td>
<td>Aetna Life Insurance Company (MD/DC)</td>
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<tr>
<td>4.0</td>
<td>Aetna Life Insurance Company (Virginia)</td>
</tr>
<tr>
<td>4.0</td>
<td>UnitedHealthcare Insurance Company - Maryland (Medicare)</td>
</tr>
<tr>
<td>4.0</td>
<td>UnitedHealthcare of Wisconsin, Inc.(South)- KY/NC/TN/VA</td>
</tr>
<tr>
<td>3.5</td>
<td>UnitedHealthcare Insurance Company - Virginia (Medicare)</td>
</tr>
<tr>
<td>3.0</td>
<td>Cigna-HealthSpring Mid-Atlantic, Inc.</td>
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<td>3.0</td>
<td>Humana Insurance Company</td>
</tr>
<tr>
<td>2.5</td>
<td>Piedmont Community HealthCare, Inc.</td>
</tr>
</tbody>
</table>

Chart Note: NCQA’s Private Health Insurance Plan Ratings 2016-2017; NCQA’s Medicare Health Insurance Plan Ratings 2016-2017
CAREPOINT—proactive care at every visit in every department (Inreach)

PROACTIVE CARE DRIVEN BY TECHNOLOGY
Automatic prompts at *every visit in every department*

- **Care Gap Identification**
  - Immediate electronic action / order placement / booking to address
  - Systematized workflows / Smart Sets

- **Document the Right Info**

  - **Medical vitals:**
    - blood pressure
    - temperature
    - pulse

  - **plus**
    - BMI
    - Smoking
    - Exercise
    - Alcohol

**EXAMPLE**
Patient visit to Ophthalmologist can prompt for needed mammogram
ACCOUNTABILITY – THE PERMANENTE WAY

Physicians are measured by quality of care metrics. Physician leaders hold doctors accountable, ensure transparency and best practice sharing to improve results.
Population Health Built-in: Disease Management

DISEASE MANAGEMENT NOT AN OVERLAY

Population health tools allows us to identify members in need of outreach. Owned by the primary care team, not a 3rd party

- **Disease registries**
  - Not opt in or out
  - Algorithms
  - Physician definition
  - Enriched with clinical data, not simply claims

- **Search/Query on demand**
  - Each PCP has access
  - Drive outreach calls, letters, email

- **Robust Health Ed tools**
  - Classes, Coaches, etc.
  - Complete Care Journal
We have a structural incentive to “catch them at every turn” but provide the systems to make it easy on the provider (and the patient)

**Population Health Built-In**

**Forward-sweep**
When patients contact KP for any reason, preventive health and disease management reminders are either reviewed by protocol, or automatically displayed in our EMR, helping individuals get care they are due for.

**Backsweep, Re-sweep**
Have a systematic way to catch misses. “If we didn’t reach you before you came in, and we didn’t reach you while you were in, we’ll reach you after you leave.”
**Value differentiation: Quality**

### Summary – Local Plans: Count of Local #1s

Count of times (out of 46 measures *used in NCQA Ratings*) the Health Plan had the highest rate amongst all the other Health Plans on this list\(^*\)

<table>
<thead>
<tr>
<th>Health Plan</th>
<th>Count of Local #1s</th>
</tr>
</thead>
<tbody>
<tr>
<td>KPMAS</td>
<td>24</td>
</tr>
<tr>
<td>Hopkins Tri-Care</td>
<td>8</td>
</tr>
<tr>
<td>Hopkins Employer</td>
<td>4</td>
</tr>
<tr>
<td>Aetna (HMO)</td>
<td>2</td>
</tr>
<tr>
<td>MD IPA (United)</td>
<td>2</td>
</tr>
<tr>
<td>Optimum (United)</td>
<td>2</td>
</tr>
<tr>
<td>Anthem (PPO)</td>
<td>1</td>
</tr>
<tr>
<td>CareFirst (PPO)</td>
<td>1</td>
</tr>
<tr>
<td>Cigna-MD (All)</td>
<td>1</td>
</tr>
<tr>
<td>United-MD (PPO)</td>
<td>1</td>
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<tr>
<td>Aetna-MD/DC (PPO)</td>
<td>0</td>
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<tr>
<td>Aetna-VA (PPO)</td>
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<td>0</td>
</tr>
<tr>
<td>United-DC (PPO)</td>
<td>0</td>
</tr>
</tbody>
</table>

\(^*\) Not all plans reported on all 46 measures, so they may not have had the chance to be highest rated 46 times. Listing of the 46 measures used can be found at [http://www.ncbi.nlm.nih.gov/books/NBK255385/](http://www.ncbi.nlm.nih.gov/books/NBK255385/)

### Share of #1’s in our service area

- **KPMAS**: 52%
- **Hopkins Tri-Care**: 17%
- **Hopkins Employer**: 9%
- **All other local plans**: 22%

*NOTE: The source for data contained in this publication is Quality Compass® 2015 Commercial data and is used with the permission of the Committee for Quality Assurance (NCQA). Quality Compass 2015 includes certain CAHPS data. Any data display, analysis, interpretation, or conclusion based on these data is solely that of the authors, and NCQA specifically disclaims responsibility for any such display, analysis, interpretation, or conclusion. Quality Compass is a registered trademark of NCQA. CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ).*
Recognized as national leader in breast cancer screening: 88.23%

- The breast cancer screening results below are illustrative of how KP Mid-Atlantic performs when compared to all local competitors...the entire US.

KPMAS vs. Competitors – Breast Cancer Screening - Total

Source: The source for data contained in this publication is Quality Compass® 2016 and is used with the permission of the National Committee for Quality Assurance (NCQA). Quality Compass 2016 includes certain CAHPS data. Any data display, analysis, interpretation, or conclusion based on these data is solely that of the authors, and NCQA specifically disclaims responsibility for any such display, analysis, interpretation, or conclusion. Quality Compass is a registered trademark of NCQA. CAHPS® is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ).
That's how many of our members diagnosed with high blood pressure have their blood pressure under control, compared to 57.44% nationally.

Kaiser Permanente MAS #1 in the US two years in a row (2015 – 2016)

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Patient Satisfaction has risen significantly since 2009

RECOGNITION BY OUR MEMBERS THAT THEY ARE GETTING WHAT THEY WANT

2010 versus 2016 CAHPS results for Kaiser Permanente of the Mid-Atlantic States

- Data Consumer Assessment of Healthcare Providers and Systems (CAHPS) 2015 (percent of respondents scoring question a 9 or 10 on 10 point scale)
- Due to the inclusion of the supplemental questions, the 2015 scores are not trendable with 2011-2014 scores. 2015 and 2010 scores are trendable because the questionnaires are the same.
Engaging our Members through Convenient Care

**Patient Experience:** Our unique services promote easy access

### Rapid Access
- Same day primary care for urgent needs (self-book or through call center)
- Over 40% of specialty referrals completed same or next day (electronic, directly booked specialty visits)
- Specialty consultations without face-to-face care
  - Telederm
  - pConsult
- “One-stop” shop redefines geo-access

### Free app to connect to your health
(mobile or from computer)
- View own medical record, all visits
- Securely email Permanente Doctor
- Schedule appointments
- Fill prescriptions (free home delivery)
- View lab test results
- Print immunization records
- Review list of medications

### 24x7 Care Options
- Advice and Telemedicine (no charge)
- CDU/Urgent Care
Impact of Successful Execution of Value Strategy on KP MAS Membership

KP Mid-Atlantic Membership Trend at Year End

- This region’s **highest** membership
- KP’s **fastest growing** (third year in a row) and 3rd-Largest Region
- Cumulative net growth of 48.8% since 2009
Our Visionary Founders

- Prepayment – encourages systematic care planning and prevention
- Multispecialty group practice – enhances communication and coordination
- Prevention focused, rather than procedure focused.
- Strong primary care foundation
- Population-based approach
- "Ownership" of the patients across the continuum
  - Enabled by integrated clinical documentation, which later became IT

Leadership

- Relationships
- Data
- Compensation

Sidney Garfield, MD (left) and Henry Kaiser (right)