

The Permanente Federation

# ANNUAL REPORT 2018



# 2018 FAST FACTS

**22,914** TOTAL PHYSICIANS

**12.2 M** TOTAL MEMBERS SERVED

**9** LOCATIONS (8 STATES AND D.C.)

**39** HOSPITALS

**694** MEDICAL OFFICES AND OTHER CARE FACILITIES

## To the physicians and employees of the Permanente Medical Groups

The Permanente Medical Groups (PMGs) were founded on the principles of Permanente Medicine – physician-led, evidence-based, high-quality, team-based, and culturally responsive care that embraces the most effective medical innovations. This enduring philosophy guides how we care for patients, our communities, and each other. It represents our commitment to medical excellence and population health, which improves and saves countless lives. It is care that fulfills the true promise of medicine, delivered with the utmost respect, dignity, and compassion – the kind of care that we insist upon for our loved ones and for ourselves.

As physician leaders of The Permanente Federation, we're proud of the mission-driven work of our nearly 23,000 Permanente physicians and over 80,000 clinicians and administrative staff of the PMGs who believe medicine is a calling, not just a job. Your dedication and commitment to the well-being of more than 12.2 million Kaiser Permanente members and patients delivered a year of tremendous growth for the Program.

Together with our Kaiser Foundation Health Plan and Hospitals partners, the PMGs established an ambitious vision for applying advanced technologies such as virtual care across all Kaiser Permanente geographies for a consistent, convenient, high-quality care experience. We launched the National Safety Committee to strategically guide the enterprise's safety initiatives, working in collaboration with workplace and clinical quality leaders with the

▲ Continued

Continued

goal of making Kaiser Permanente the safest place to give and receive care.

In 2018, Kaiser Permanente was the highest (or tied for the highest) rated commercial and Medicare plan in every geographic region we serve, according to the annual National Committee for Quality Assurance's (NCQA) Health Insurance Plan Ratings. In NCQA's separate Quality Compass report, Kaiser Permanente's commercial plans were named highest performing for 30 clinical quality measures, including hypertension and cervical cancer screening. For the 10th year in a row, Kaiser Permanente plans were the highest performing among nearly 500 U.S. commercial health plans - a testament to the day-to-day work of our Permanente physicians and clinical care teams.

In 2018, Kaiser Permanente received the Centers for Medicare & Medicaid Services' inaugural Health Equity Award, recognizing the organization's commitment to reducing and eliminating disparities in health care quality and access for patients who receive Medicare benefits. We're proud of our collective efforts to leverage our integrated care system and interdisciplinary teams to address the social determinants of health and improve health outcomes for our patients, members, and the communities we serve.

What enables our continued success is our ability to look beyond what we have accomplished and be pioneers for the future of medicine - focusing on delivering patient-centered, outcomes-oriented, innovative care. Building on our nation-leading care delivery technology programs, we

continued to evolve our "Future of Permanente Medicine and KP Health Care Delivery" initiative, which defines our leadership role in strategic areas such as precision medicine and genomics, telemedicine, predictive analytics, and artificial intelligence.

The Federation - of which we are all a part and whose work helps our medical groups reach new heights every day in improving care for our patients - further advanced its purpose by adopting a renewed mission statement and vision.

Mission: To serve and lead Permanente Medicine, the Permanente Medical Groups, and Kaiser Permanente in support of our patients and members.

Vision: Kaiser Permanente, powered by Permanente Medicine, is the recognized leader in health care.

This mission and vision incorporate the core tenets of Permanente Medicine that so inextricably bind us as a care team and family.

Health care in the United States faces unprecedented challenges, yet our confidence in you, Permanente Medicine, and Kaiser Permanente has never been stronger. At this critical moment in history, our organization must continue to lead - within our own medical groups, in our communities, and across the nation. Through our shared values, relentless pursuit of improvement, and with your support, we will lead the movement to transform health and health care in America.

Geoffrey S. Sewell, MD, FACP

Chair, National Permanente Executive Committee  
The Permanente Federation LLC  
President and Executive Medical Director  
Hawaii Permanente Medical Group, Inc.

Mary L. Wilson, MD, MPH

President and Executive Medical Director  
The Southeast Permanente Medical Group, Inc.

Richard S. Isaacs, MD, FACS

Co-CEO, The Permanente Federation LLC  
CEO and Executive Director  
The Permanente Medical Group, Inc.  
President and CEO  
Mid-Atlantic Permanente Medical Group, P.C.

Imelda Dacones, MD

President and CEO  
Northwest Permanente, P.C.

Edward M. Ellison, MD

Co-CEO, The Permanente Federation LLC  
Executive Medical Director and  
Chairman of the Board  
Southern California Permanente Medical Group  
Chairman and CEO  
The Southeast Permanente Medical Group, Inc.

Margaret Ferguson, MD, MBA

President and Executive Medical Director  
Colorado Permanente Medical Group, P.C.

Stephen Tarnoff, MD

President and Executive Medical Director  
Washington Permanente Medical Group, P.C.





53 M Secure emails sent  
31 M Lab test results viewed online  
120,000 Prescriptions refilled online  
28 M Babies delivered

### Care Delivery IT

2018 was a productive year for Care Delivery Information Technology (IT). We prioritized and executed on 57 projects funded by the Care Delivery Portfolio Approval Council, 12 Kaiser Permanente HealthConnect® projects, and 12 telehealth projects focused on improving technology-enabled care.

The Telehealth Leadership Group focused on 5 foundational capabilities – telephony, video, remote patient monitoring, text reminders, and cross-regional clinical care. With commitments from all Kaiser Permanente Regions, the group developed metrics to guide the work using a Quadruple Aim framework. We also partnered with Kaiser Foundation Health Plan and Hospitals’ (KFHP/H) marketing team on draft collaterals for programwide telehealth marketing.

The Care Delivery IT team also developed strategy papers for the executive medical directors (EMDs) on artificial intelligence, data governance and user access, predictive analytics, telehealth, and cross-regional clinical care. To improve privacy and security, we have partnered with KFHP/H on initiatives such as “phishing” training and threat-attack surveillance.

### Care Management Institute

We welcomed a new co-executive director, Joan Gelrud, RN, who joined Scott Young, MD, in leading the Care Management Institute (CMI) in 2018. The team continued to maintain the Kaiser Permanente Clinical Library and began work on a significant refresh of the online resource scheduled for early 2019.

We’ve improved our capabilities in mental health and suicide prevention by embedding tools in Kaiser Permanente HealthConnect that help us screen at-risk patients and develop a safety plan that gets them on the right path to care.

We also helped deploy Kaiser Permanente

HealthConnect tools to all regions to assess patients’ experiences and preferences for life-care planning and palliative care. With feedback from our patients and clinician leaders, we developed a set of guiding principles to inform programs that will help us deliver end-of-life care and start important conversations about transforming the medical communities’ perceptions.

### Center for Total Health

In 2018, the Center for Total Health in Washington, D.C. prominently featured several PMGs and their physician executive leadership:

- ▲ Kaiser Permanente’s Institute for Health Policy hosted 3 health policy forums in 2018: “Strengthening America’s Mental Health Workforce,” “Addressing Trauma in School-Aged Children,” and “Addressing High Drug Pricing,” headlined by Permanente Medical Group experts for a national audience.
- ▲ Mid-Atlantic Permanente Medical Group physician leaders led several small-group sessions for visiting executive MBA programs in order to better educate future business leaders about Permanente Medicine.

### Clinical Quality

Last year, our ongoing work to improve clinical quality for our patients included collaborating on the launch of the National Safety Committee, a joint effort of KFHP/H and The Permanente Federation. Its primary focus is to implement the Safety Management System, align and prioritize safety efforts based on organizational

performance, and collaborate with workplace safety leaders to improve overall safety.

Our group made progress on several national clinical quality initiatives. For example, 59.5% of Kaiser Permanente members with end-stage renal disease received an Optimal ESRD Start (either peritoneal dialysis, hemodialysis via an arteriovenous fistula or graft, or a preemptive kidney transplant) in Q4 2018 – well above the U.S. average (about 30%). We also supported the continued adoption of successful practices for the National Total Joint Replacement Initiative, resulting in a reduced average length of hospital stay from 1.11 days in Q4 2017 to 0.71 days in Q4 2018.

### Clinical Education

This past year, the Federation’s Clinical Education program supported 40 Continuous Medical Education (CME) activities to advance clinical knowledge. These included in-person symposia, online modules, learning reinforcement, and self-study support, as well as Maintenance of Certification (MOC) quality improvement projects in all regions. Permanente physicians completed more than 900 MOC Part IV quality improvement projects. In addition,

▲ Continued

### ▲ Continued

more than 1,300 physicians received CME/Continuing Education Unit (CEU) credit for participation in other activities.

Clinical areas ranged from primary care to surgical sub-specialties to internal medicine, with special emphasis on interdisciplinary team-based learning.

### External Affairs, Communications, and Brand

In 2018, we completed the first phase of building the Permanente Medicine ingredient brand and established a brand management infrastructure in collaboration with KFHP/H leadership. Together, we developed the new Permanente Medicine-branded visual and verbal identity elements and guidelines, core PMG applications and templates, and audience-specific messaging to support the pan-PMG rollouts – set to occur in 2019.

We continued to expand our social media imprint by launching a Permanente Medicine Facebook page and Instagram account. Our team also oversaw the branding of the Permanente Medicine website, [permanente.org](http://permanente.org), which received a fresh, new look heading into 2019.

The Permanente Medicine podcast launched in 2018, creating a new platform for physician leaders and health care industry experts to discuss important topics in medicine today. In addition, after establishing our public relations program for the Federation early in the year, we succeeded in placing several EMDs and National Permanente Leadership Team (NPLT) executives in high-profile national media and speaking engagements.

### Finance and Labor

In 2018, we evaluated and remediated the “EDG Master File” for unspecified clinical terms and developed internal controls to maintain accuracy. The file is KP HealthConnect’s reference table for ICD-10 diagnosis codes and associated clinical mappings.

We continued to focus on documentation and reporting improvement. For example, we secured resources for Washington Permanente Medical Group (WPMG) and Northwest Permanente (NWP) and are in the process of defining resource needs for Hawaii Permanente Medical Group (HPMG). We also worked with WPMG to implement new clinical documentation workflows and risk-adjustment reporting tools.

We worked with KFHP/H leadership to reach an agreement with the new Alliance of Health Care Unions, which is composed of 8 unions and approximately 47,000 employees. Physicians and Permanente leaders have continued to support the Labor Management Partnership, particularly the unit-based teams.

### Future of Medicine

This body of work, supporting the EMDs’ mission to define the future of medicine at Kaiser Permanente, continued in 2018 with explorations of precision medicine and genomics. With designated precision medicine and genomics leaders from the PMGs, we evaluated the current Kaiser Permanente and external landscape, identified operational opportunities and infrastructure requirements, and established clinical priorities for 2019. We also facilitated a meeting of more than 50 clinical and operational leaders across PMGs, KFHP/H, and the Federation on future work and advocated for the capabilities needed to achieve our goals.

### Government Relations and Public Policy

Building off the work of External Affairs, Communications, and Brand, we developed Permanente Medicine brand messages for policymakers. In addition, we launched a digital grassroots advocacy tool — known as Permanente Action — for physicians to promote Permanente Medicine and Kaiser Permanente, learn about key policy issues, and communicate with their elected officials. In 2018, we placed several physician leaders on the boards of influential trade associations and supported their engagement in the federal policy process.

### People and Leadership Strategy

In 2018, the Permanente People and Leadership Strategy’s (PPLS) Workforce Workgroup identified and selected a method for affirmative action planning, presented at the inaugural PMG Recruiters Summit, and formed the PMG Benefit Leaders Forum to share best practices on issues, such as benefit communications and vendor contracts.

The PPLS Leadership Development workgroup cataloged all coursework currently offered by each of the PMGs and identified curriculum gaps and areas in which collaboration across the PMGs and with KFHP/H might provide more efficient and effective training. This workgroup also helped redesign the Kaiser Permanente Executive Leadership Program to provide more opportunities for the application of learning in the workplace.

Facilitated by the PPLS Health and Wellness Workgroup, 6 of 8 PMGs had abstracts and/or oral presentations accepted by the International Conference on Physician Health in 2018. The PPLS Permanente and PMG History Workgroup adopted a charter and operating norms, and facilitated PMG appointments to the Advisory Committee for the Smithsonian’s National Museum of American History exhibit on the history of medicine.

At the Permanente Certified Professional Coder (CPC) Leadership conference in January, we established the Four Habits Model – a communication skills framework – as a foundation for all CPC courses across all PMGs, and 4 CPC work streams were identified and launched. To build on Permanente Medicine recruitment messaging, the PPLS Permanente Medicine People Engagement workgroup was formed. Also, the PPLS Equity, Inclusion, and Diversity (EID) workgroup developed key priorities and is in discussions with KFHP/H about collaborating on an EID strategy for the Program.

### Permanente Advantage, LLC

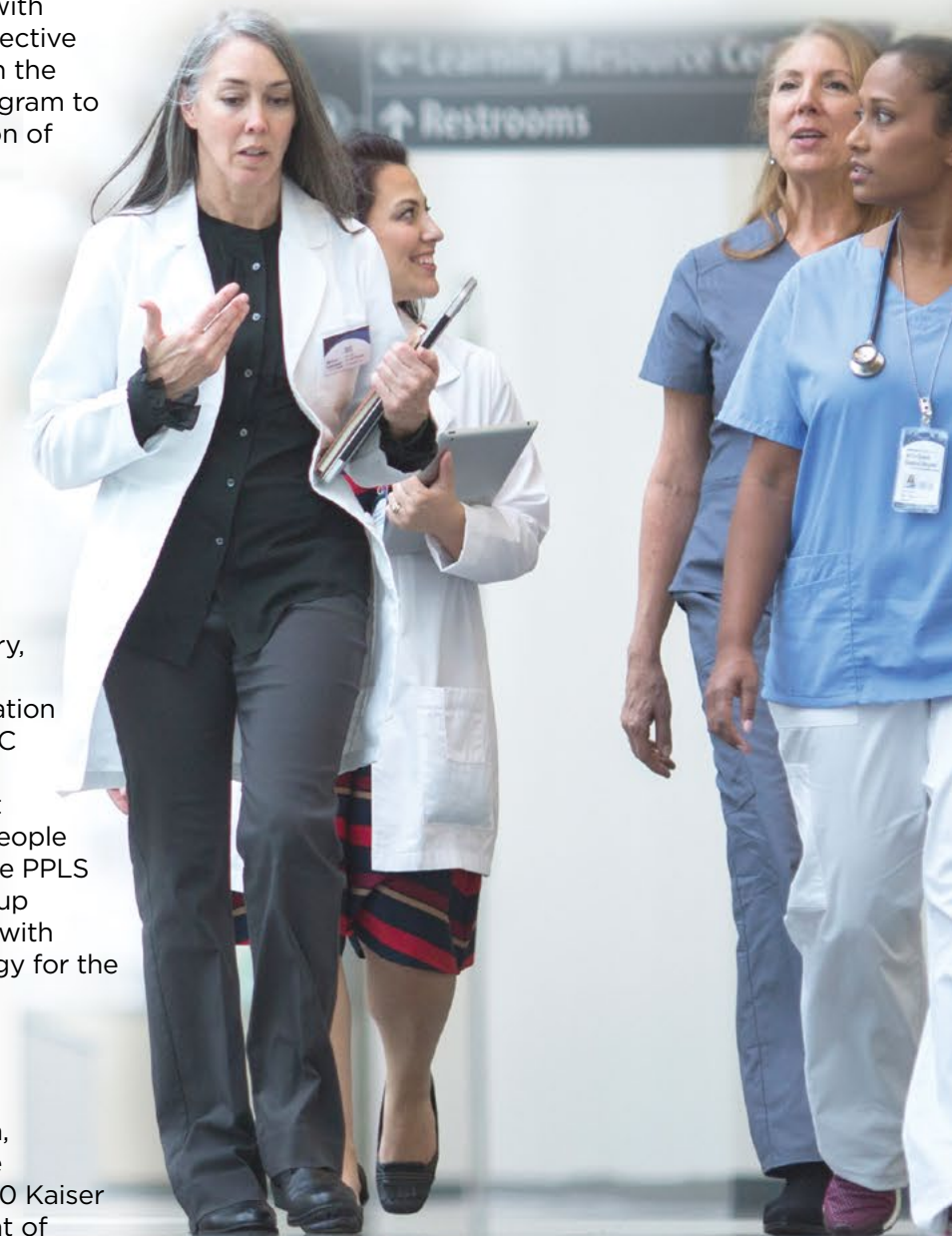
As a fully owned subsidiary of the Federation, Permanente Advantage continued to provide outstanding care and service to nearly 30,000 Kaiser Permanente Insurance Company (KPIC), point of service (POS), and Preferred Provider Organization (PPO) members in the California, Hawaii, Colorado, and Mid-Atlantic Regions. Highlights for 2018 included successful management of several acute case management situations (cancer, transplant, and other conditions), repatriation to the HMO for higher quality

care, and arranging for single-case agreements for patients being cared for by out-of-network providers. We ended 2018 preparing for both the Georgia Region’s KPIC legacy/new Dual Choice PPO go-live and management of Kaiser Permanente Hawaii HMO membership on the mainland.

### Products, Sales, and Marketing

Last year, the national Physician Market Leaders completed 253 engagements with national employer groups – a 25% increase over 2017. Partnering

### ▲ Continued





▲ Continued

with the External Affairs, Communications, and Brand team, we developed the first of 15 clinical “story” presentations, demonstrating the market-differentiating power of Permanente Medicine.

These decks will be used with employers, brokers, and KFHP/H sales executives.

We supported the creation of a guardrail framework for the new Georgia Region’s Dual Choice PPO product. In partnership with Corporate Development, we co-created 2 strategy papers on select topics for the EMDs. With Finance, we worked to understand PMG remuneration for Kaiser Permanente Washington PPO traveling members. Finally, we partnered with KFHP/H Marketing, Sales, and Business Development Strategic Consulting Group on Kaiser Permanente’s approach to employer-requested onsite clinics or second-opinion vendors.

Strategy and Corporate Development

Throughout 2018, we assessed growth opportunities and worked on due diligence, financial model, and business case elements for Kaiser Permanente. In addition, we supported regional strategic relationships that included applying the Inpatient Quality Management approach to support a long-term relationship with Emory Healthcare in Georgia.

In collaboration with KFHP/H, we continued to reflect on how to advance our collective work in a more effective and efficient way.

We also convened and engaged the PMG External Provider Management (EPM) physician leaders to discuss common issues and infrastructure opportunities and completed deep dives in 2 PMGs. We initiated an EPM IT systems inventory that will address gaps in our capabilities to manage and administer contracted providers. Additionally, we developed white papers and briefings on select topics for consideration by the EMDs.

Ventures

In 2018, we completed 8 follow-on investments in current Kaiser Permanente Ventures (KPV) portfolio companies, totaling \$11.6 million in invested capital. The program also returned \$8.5 million to program sponsors via exits and key milestones within the active portfolio. We currently maintain ownership and play an active role in 32 innovative companies.

Our team drove meaningful engagement with Kaiser Permanente and the external community, including the continuation of our KPV Speaker Series, publication of a quarterly KPV newsletter, and hosting of our Portfolio Spotlight Series for Kaiser Permanente audiences.

4 Medicare Health Plans with 5 stars (highest rating) from The Centers for Medicare & Medicaid Services (CMS)

42 No.1 rankings in NCGA quality measures

29 Hospitals rated “high performing” in U.S. News and World Report’s annual survey

38 Medical centers received the American Heart Association/American Stroke Association’s “Get With the Guidelines” award for stroke care

### Colorado Permanente Medical Group

In 2018, we came to the critical realization that to stay competitive in an increasingly challenging market, we would need to define a sustainable strategy, change the way we operate, and commit to building a more unified, collaborative, and engaged culture. Together with our Kaiser Foundation Health Plan and Hospitals (KFHP/H) and Labor partners, we are transforming by creating efficiencies in care delivery, outside medical expenses, and pharmacy costs. We are committed to being in Colorado for another 50 years and beyond, while providing our patients and members with high-quality, affordable care.

An important part of this evolution is ensuring that members with chronic conditions have their annual wellness visit. By the end of 2018, we averaged more than 1,700 annual wellness visits for Medicare Advantage members each week, outpacing our historical average of 600 to 800 weekly visits.

We expanded operating room capacity and introduced 23:59 services at the Kaiser Permanente Ambulatory Surgery Center (KASC) located at our Lone Tree Medical Offices. Members are now able to recover in an ambulatory surgery center while being observed overnight for no longer than 23 hours and 59 minutes after certain outpatient procedures. Permanente physicians led the internalization of appropriate ambulatory procedures within KASC.

Our physicians continued to deliver an excellent care experience, receiving improved patient satisfaction scores, as well as higher ratings on the Consumer Assessment of Healthcare Providers and Systems survey.

A total of 36 Colorado Permanente Medical Group physicians were recognized in 5280's annual "Top Doctors" list of Denver/Boulder area physicians, as voted by physician peers.

We launched the website [specialtycarecolorado.kaiserpermanente.org](http://specialtycarecolorado.kaiserpermanente.org) to promote the medical excellence our Permanente physicians and care teams provide.

Headquarters: **Denver**  
President and Executive Medical Director:  
**Margaret Ferguson, MD, MBA**  
No. of physicians: **1,234**  
No. of non-physician staff: **146**  
Members served: **647,000**



### Hawaii Permanente Medical Group

This past year we worked to improve pain management by optimizing our opioid reduction initiative with the launch of the Mālama Ola integrated wellness program, which offers treatment alternatives to patients with chronic pain. Through this and other efforts, Kaiser Permanente Hawaii has experienced a 60% reduction in high-dose, high-risk opioid use since 2014.

A record number of leaders from our medical group presented their clinical research and innovative projects at the 2018 Hawaii Permanente Medical Group (HPMG) Research & Innovation Symposium. Topics included primary care process improvements and practice efficiencies by the Make It Simple Team, an examination of concussion trends in youth sports, and an exhibit for the soon-to-be-built West Oahu Medical Office Building at Kapolei.

We sponsored Native Hawaiian medical students attending the 2018 Pacific Region Indigenous Doctors Congress in Hilo, Hawaii, as part of an ongoing strategy to support the development of physicians and providers with Native Hawaiian ancestry and address social determinants of health and care gaps among Hawaii's host culture. Accompanied by our physicians and providers with Native Hawaiian ancestry, we coordinated a service day for participants at the Haleolono Fishponds.

We celebrated the graduation of our first class of internal medicine residents with a traditional "kihei" ceremony - a celebration that honors the achievement and commitment of our young doctors of Native Hawaiian ancestry - before members of the medical group.

Physicians and providers from the HPMG Health and Wellness Committee contributed 8 presentations and posters about HPMG's evidence-based SELF CARE model at the 2018 International Conference on Physician Health. In June 2018, we held our 3rd Professional Development Day dedicated to physician and provider health and wellness.

Headquarters:  
**Honolulu**  
President and Executive  
Medical Director:  
**Geoffrey Sewell, MD, FACP**  
No. of physicians: **473**  
No. of non-physician staff: **96**  
Members served: **252,900**



### Mid-Atlantic Permanente Medical Group

**We** continue to lead the nation in clinical excellence. Out of more than 1,000 health plans evaluated this year, Kaiser Permanente of the Mid-Atlantic States (“Mid-Atlantic States”) was the only plan to receive a 5.0 out of 5.0 rating from the National Committee for Quality Assurance for every private, Medicare, and Medicaid plan offered. Mid-Atlantic States has been the top-rated private plan in Virginia and Washington, D.C. since 2011.

The Centers for Medicare & Medicaid Services (CMS) rated the Mid-Atlantic States as 1 of only 13 organizations in the nation to earn 5 stars for our Mid-Atlantic Medicare health plans – the highest possible quality rating that CMS bestows. Only a small number of plans in the nation attain 5 stars. Thanks to the hard work of our physicians, we are celebrating a seventh consecutive year of this 5-star rating for our Medicare plans.

The Commission on Cancer, a quality program of the American College of Surgeons, granted 3-year accreditation with commendation to the Mid-Atlantic States’ cancer program. This Comprehensive Community Cancer Program accreditation recognizes the extraordinary quality of care that our Permanente physicians deliver.

The Mid-Atlantic States region was awarded the 2018 Vohs Award for Quality from Kaiser Permanente’s national program for our Hepatitis C Care Cascade, which has also won 2 World Health Organization commendations. The region, in partnership with Permanente physicians, developed a technology and care coordinator-supported pathway to improve screening, diagnosis, and triage to treatment. Since implementation, total hepatitis C virus testing has doubled, and screening among high-risk baby boomers has grown from 21 to 60%.

Headquarters: **Rockville, Md.**  
President and CEO:  
**Richard S. Isaacs, MD, FACS**  
No. of physicians: **1,536**  
No. of non-physician staff: **274**  
Members served: **766,000**



### Northwest Permanente

**We** achieved a new milestone in 2018 – 600,000-plus members. In addition, Consumer Reports named Kaiser Permanente Sunnyside Medical Center one of just 18 U.S. hospitals to earn top scores for both bypass and valve replacement surgery. The medical center achieved the Society of Thoracic Surgeons’ highest marks – 3 stars – for quality ratings for coronary artery bypass grafting, aortic valve replacement, and mitral valve repair/replacement. Sunnyside had the highest overall composite score – 99% – among 3-star-rated programs.

We received accreditation as a Cystic Fibrosis Center and received a Quality of Care Award (just 21 of 285 Cystic Fibrosis Centers nationwide earned this distinction). Our region opened the Tanasbourne Medical and Dental Office and the Beaverton Next Generation Medical Office Building (MOB) – the first next-generation MOB for Kaiser Permanente outside California.

The Northwest Region continues to lead in addressing social determinants of health. A recently completed pilot program for social services screening and referrals resulted in more than 18,000 referrals for nearly 8,000 patients to 6,500 community-based organizations to address needs for medical support as well as access to food, transportation, housing, and public utilities.

We were named No. 48 out of 100 on the Healthiest Employers® list and the healthiest midsize employer in Oregon for the second year in a row by Portland Business Journal.

For the second straight year, we were recognized by B The Change as a “Best for the World Honoree” in the categories of “workers” and for “overall.” We also completed B Corp recertification and increased our impact score. This is in addition to our distinction of being the first physician group in the world to receive B Corp status, a recognition for businesses that meet standards of social and environmental performance, public transparency, and legal accountability to balance profit and purpose.

Headquarters:  
**Portland, Ore.**  
President and CEO:  
**Imelda Dacones, MD**  
No. of physicians: **1,261**  
No. of non-physician staff: **339**  
Members served: **626,167**





## Southern California Permanente Medical Group

In 2018, Kaiser Permanente Southern California received a 5.0 rating from the National Committee for Quality Assurance for its Medicare insurance plan for the fourth consecutive year. The region's commercial health insurance plan tied for the highest-rated plan in the state, receiving a 4.5 rating. Kaiser Permanente Southern California plans also achieved a total of 68 Healthcare Effectiveness Data and Information Set measures and ranked among the top 20 in the nation for both its Medicare and Commercial plans.

Our 5-year cancer survival rates continue to outperform the Surveillance, Epidemiology, and End Results Program national average, resulting in more than 4,000 lives saved.

Rollout of our Target Clinics continued with an additional 8 clinics opened in 2018, bringing us to a total of 16. Since their inception, more than 100,000 visits have taken place.

Our regional Virtual Medical Center launched, transforming how we handle appointment services, care coordination, and care delivery. We expanded our online self-booking options and introduced a new technology (KPATHS 3.0) that gives call center agents quick access to member, facility, and provider information. We now offer virtual and indirect care via our new "Digital Doctors" platform, which makes it easier and more convenient for members to connect with our physicians through appointments that can take place over the phone.

2018 brought the most challenging flu season in decades, according to the Centers for Disease Control and Prevention. We also achieved a record-breaking 51% vaccination rate.

Fostering a culture of wellness remains a priority. SCPMG physician Ramona Snipes, MD, was appointed as assistant executive medical director for People and Culture, a new role for the organization.

Headquarters: **Pasadena, Calif.**  
 Executive Medical Director and Chairman of the Board:  
**Edward M. Ellison, MD**  
 No. of physicians: **7,649**  
 No. of non-physician staff: **40,256**  
 Members served: **4.5 million**



## The Permanente Medical Group

We continued to distinguish ourselves as a national leader in clinical excellence in 2018. The exceptional work of our physicians and staff helped Kaiser Permanente Northern California earn a rating of 5.0 from the National Committee for Quality Assurance for its Medicare program and 4.5 for its Commercial program (No. 3 in the nation). The health plan also received 5 stars from the Medicare Star Rating System and 5 stars from Covered California while earning the highest overall marks in the state.

Kaiser Permanente Northern California achieved national top-10 ratings in 28 Healthcare Effectiveness Data and Information Set measures, including No. 1 in the nation for cervical cancer screening and No. 3 in the nation for asthma care.

A study published in 2018 by Gastroenterology confirmed that Kaiser Permanente Northern California members are 52% less likely to die from colorectal cancer since we launched a comprehensive, integrated screening program in 2000 - through which 83% of members are current in their screenings. The study also showed there was a 26% decline in the total number of colorectal cancer cases.

We successfully expanded our Advance Alert Monitor (AAM) program nationwide. AAM uses a first-of-its-kind algorithm to identify adult patients in our medical-surgical and transitional care units who are at risk for an unplanned deterioration within the next 12 hours - enabling physicians and nurses to provide treatment more quickly. Early estimates indicate that the program saves 80 to 100 lives a year.

Thanks to our Surgical Home Recovery program, an increasing number of patients who have lower-acuity surgeries (such as laparoscopic appendectomies, mastectomies, and total shoulders) are going home the same day. In 2018, 84% of patients across the region who were eligible went home the same day of their surgery, with no increase in adverse effects.

Headquarters:  
**Oakland, Calif.**  
 CEO and Executive Director:  
**Richard S. Isaacs, MD, FACS**  
 No. of physicians: **9,224**  
 No. of non-physician staff: **40,879**  
 Members served: **4.3 million**



### The Southeast Permanente Medical Group

In 2018, Georgia's membership grew by 25%, which was an increase of about 80,000 new members. Our clinicians and staff met the increased demand by expanding clinic hours, offering more appointments, working extra sessions, and expanding service offerings, such as interactive video visits. As a result, the region maintained its high rates of patient satisfaction and met overall access goals.

Multiple quality initiatives led to improvements that included reduced asthma rates, increased flu vaccinations, and improved medication adherence. These achievements led the nation in quality benchmarks. In addition, an interdisciplinary team dedicated to reducing opioid dependency achieved a 5.2% drop in median opioid dosage for chronic pain patients.

In October, Kaiser Permanente Georgia implemented a first-in-Program hospital affiliation model with Emory Healthcare, providing members with access to world-class hospitals where they can receive care from their own Permanente physicians and clinicians. The new hospital strategy has produced benefits for patients, the region, and our medical group.

Physicians, clinicians, and staff benefitted from a series of wellness initiatives. These included a new community-supported agriculture (CSA) program, the 21-Day Plant Power Challenge, mindfulness training, "Healing the Healer" workshops, and the Gratitude Challenge. Also, our KP HealthConnect Essentials class expanded, with more than 150 graduates of the program benefitting from this intensive, hands-on electronic medical record training course.

In the community, Martha Wilber, MD, was elected president of the Medical Association of Atlanta, with Ali Rahimi, MD, serving as secretary.

Headquarters: **Atlanta**  
President and Executive Medical Director:  
**Mary L. Wilson, MD**  
No. of physicians: **621**  
No. of non-physician staff: **475**  
Members served: **350,400**



### Washington Permanente Medical Group

In our first full year providing care to Kaiser Permanente Washington members, we accelerated our performance outcomes, opened a new clinic in Gig Harbor, and grew our inpatient hospital unit and palliative care services at our flagship Capitol Hill Medical Center. We retained our first-place Washington Health Alliance ranking for statewide clinical excellence, continued reducing serious safety events, and made progress toward our service and access goals.

In our highly competitive market, we added over 200 world-class clinicians, expanded our recruiting team, and ended 2018 with our best-ever Press Ganey mean provider score, which is a leading measure of patient experience and performance for health care organizations.

Our Healthcare Effectiveness Data and Information Set readmission rates steadily and significantly improved; Kaiser Permanente Washington had the highest level of performance throughout the organization in 2018.

We redoubled our focus on equity, diversity, and inclusion, and provided medical leadership at the 2018 Special Olympics USA Games in Seattle. Our Equity, Diversity, and Inclusion Advisory Group led the way toward a more inclusive workplace, and we added "equity" to our core values.

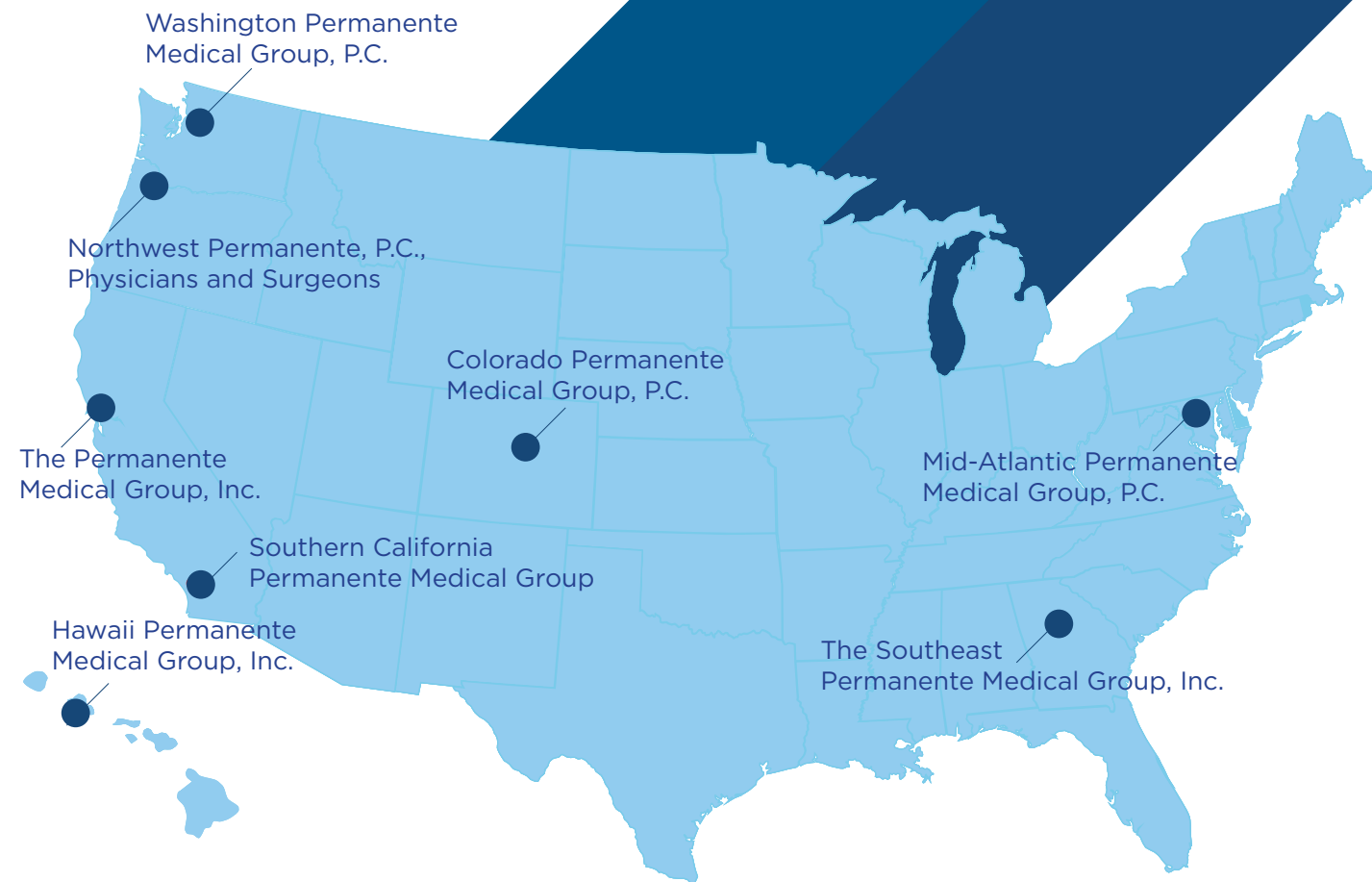
Our utilization efforts saved \$15 million in pharmacy costs through improved efficiencies. We exceeded our hospital targets and strengthened hospital discharge and primary care connections, helping vulnerable patients or those with chronic conditions stay on their care plans.

We invested in medical programs of excellence in 5 areas: women's health, cancer care, orthopedic joints, bariatrics, and transcatheter aortic valve replacement.

We developed online clinician profiles and made numerous technology investments to improve operational efficiencies. Our SMARTeam program centralized Family Medical Leave Act certification, saving nearly 2,000 hours of clinician paperwork time and helped get members the care they needed.

Headquarters:  
**Seattle**  
President and Executive Medical Director:  
**Stephen Tarnoff, MD**  
No. of physicians: **916**  
No. of non-physician staff: **386**  
Members served: **701,519**





**COLORADO PERMANENTE MEDICAL GROUP, P.C.**

**Margaret Ferguson, MD, MBA**  
President and Executive Medical Director

**HAWAII PERMANENTE MEDICAL GROUP, INC.**

**Geoffrey S. Sewell, MD, FACP<sup>1</sup>**  
President and Executive Medical Director

**MID-ATLANTIC PERMANENTE MEDICAL GROUP, P.C.**

**Richard S. Isaacs, MD, FACS<sup>1</sup>**  
President and Chief Executive Officer

**NORTHWEST PERMANENTE, P.C.**

**PHYSICIANS AND SURGEONS**  
**Imelda Dacones, MD**  
President and Chief Executive Officer

**SOUTHERN CALIFORNIA PERMANENTE MEDICAL GROUP**

**Edward M. Ellison, MD<sup>1</sup>**  
Executive Medical Director and Chairman of the Board

**THE PERMANENTE MEDICAL GROUP, INC.**

**Richard S. Isaacs, MD, FACS<sup>1</sup>**  
CEO and Executive Director

**THE SOUTHEAST PERMANENTE MEDICAL GROUP, INC.**

**Mary L. Wilson, MD, MPH**  
President and Executive Medical Director

**WASHINGTON PERMANENTE MEDICAL GROUP, P.C.**

**Stephen Tarnoff, MD**  
President and Executive Medical Director

EXECUTIVE OFFICERS

**THE PERMANENTE FEDERATION LLC**

**Chris Grant**  
Executive Vice President and Chief Operating Officer

**Pauline Fox**  
Executive Vice President and Chief Legal Officer

1. Member of the National Permanente Executive Committee, The Permanente Federation LLC



**PERMANENTE MEDICINE®**

**The Permanente Federation**

One Kaiser Plaza, 27th floor, Oakland, CA 94612

[www.permanente.org](http://www.permanente.org)