

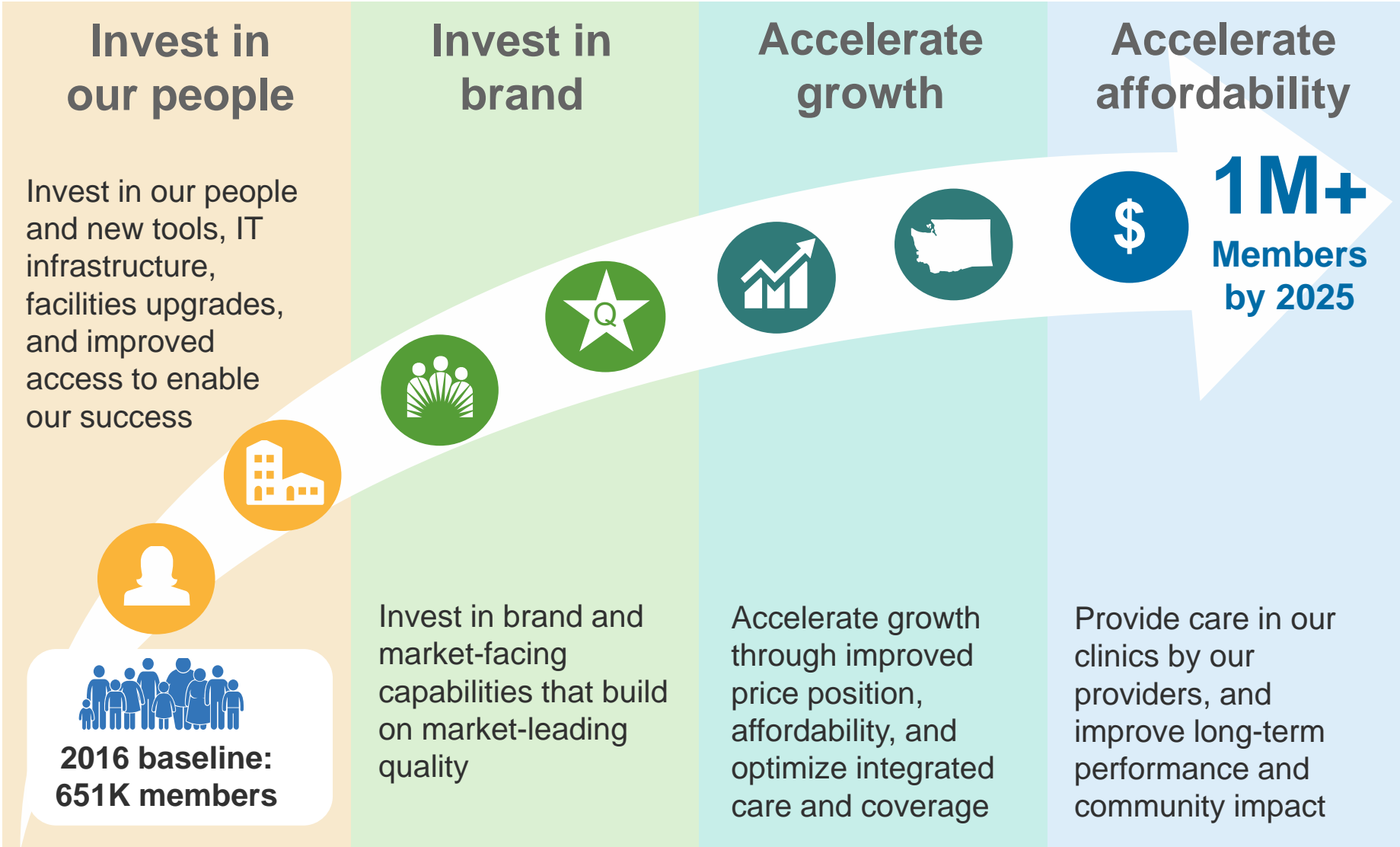
A BETTER WAY to take care of business

Susan Mullaney

President

Kaiser Permanente Washington

Kaiser Permanente Washington Strategy



Joe Smith

Vice President

Marketing, Sales, & Business Development

MSBD Washington leadership team

Connie Marvik
Senior Director
Large Group

Fred Armstrong
Senior Director
Strategic Accounts

Melinda Hews
Senior Director
Small Group & Individual and Family

Karen Lewis-Smith
Senior Director
Medicare, Medicaid, & Public Programs

Lonnie Goodell
Director
Producer Relations & Small Group

Rick Henshaw
Director
Individual and Family & Medicare



Kaiser Permanente

exists to provide high-quality, affordable health care services and to improve the health of our members and the communities we serve

Leading the way in quality



Top-rated health plans
in the nation — NCQA

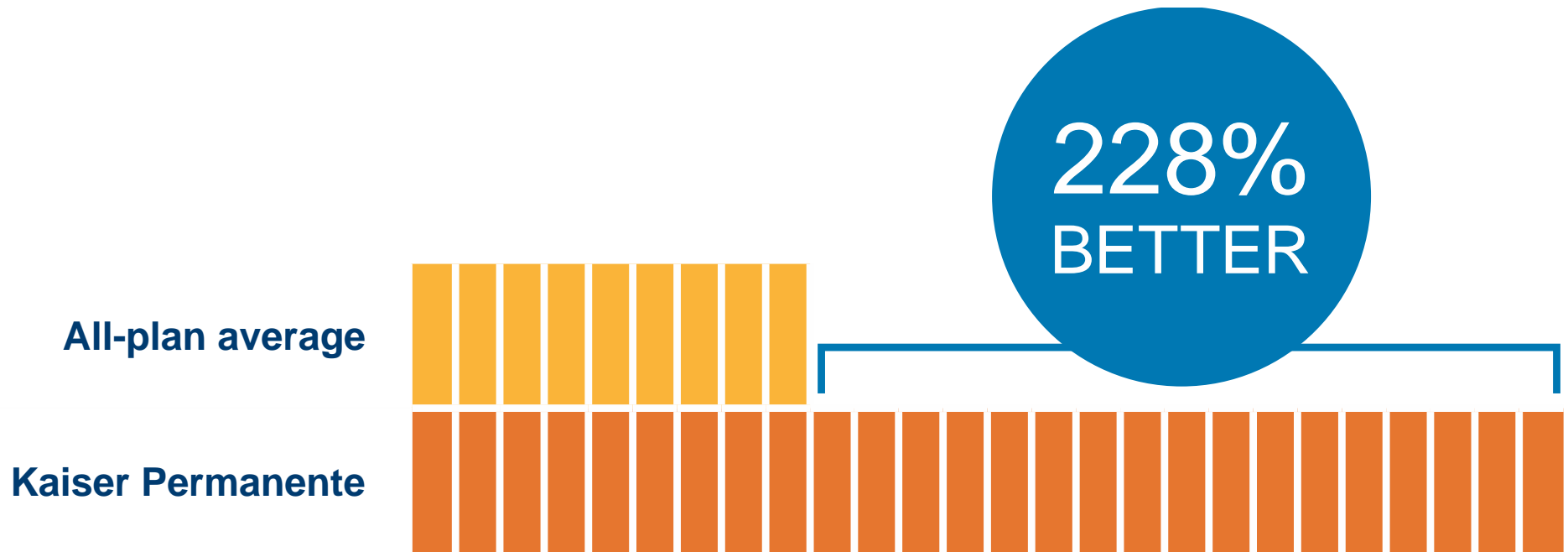
**Top Performer on
Key Quality Measures®**
— The Joint Commission



Highest ratings
in effectiveness of care

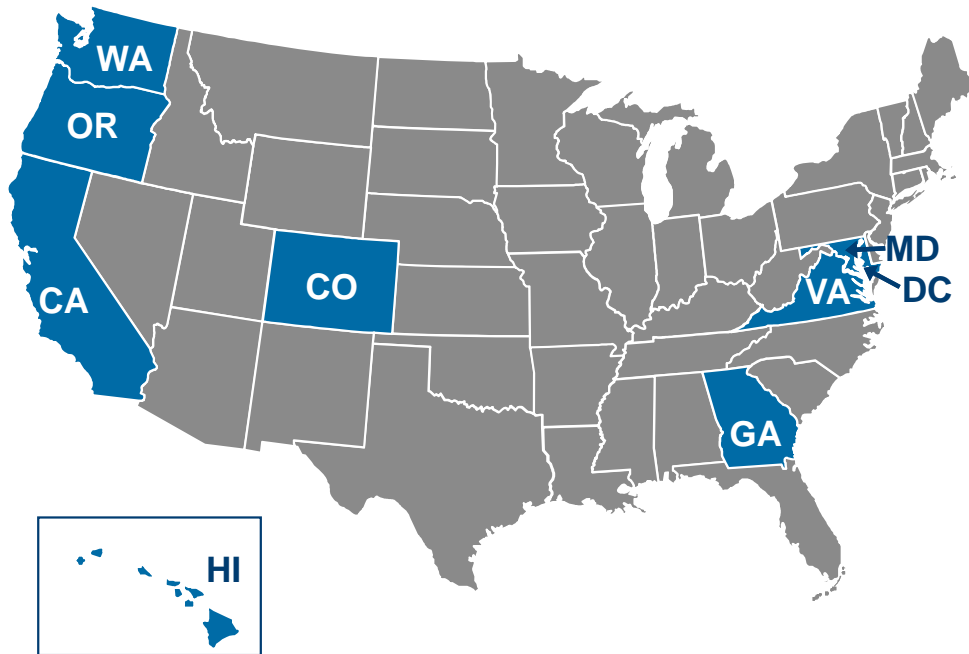
— HEDIS®

Best in clinical quality seven years in a row



Aon Hewitt Health Value Initiative benchmarking study – Kaiser Foundation Health Plan, Inc.
Aon Hewitt, September 24, 2015

National snapshot



Membership as of Dec. 31, 2016	
Colorado	663,240
Georgia	284,213
Hawaii	249,687
Mid-Atlantic States (VA, MD, DC)	665,402
Northern California	3,992,501
Northwest (OR, WA)	552,651
Southern California	4,264,119
Washington	651,000

Nation's largest nonprofit health plan

- More than 11.3 million members
- 21,584 physicians
- 199,320 employees
- 38 hospitals
- 661 medical offices
- \$64.6 billion total operating revenue (FY 2016)

Smart growth to serve our members

Expansion helps us improve access for members and bring high-quality care to more communities.

- Addition of Kaiser Permanente Washington region
- Expanding service in Colorado's Mountain region, Maui, and Kauai
- Partnership with Dignity Health to jointly own St. Joseph's Medical Center in Stockton, California
- Numerous new facilities around California



How we're combating rising costs

To increase value for your clients and their employees, we're focusing on three key areas:



Enhance care quality and efficiency



Streamline operations and expense management



Expand access to care through innovation

Producer partnerships

Our partnerships are key to success

Percent of Washington business from producers:

Large Group
96%



Small Group
86%



**Individual
& Family**
44%



Medicare
28%



Continued commitment to you

- Build on strong relationships in Washington
- Bring the Kaiser Permanente philosophy of collaboration and continuous improvement

California Broker Customer Feedback System

Percent included in final recommendations (Large Group)

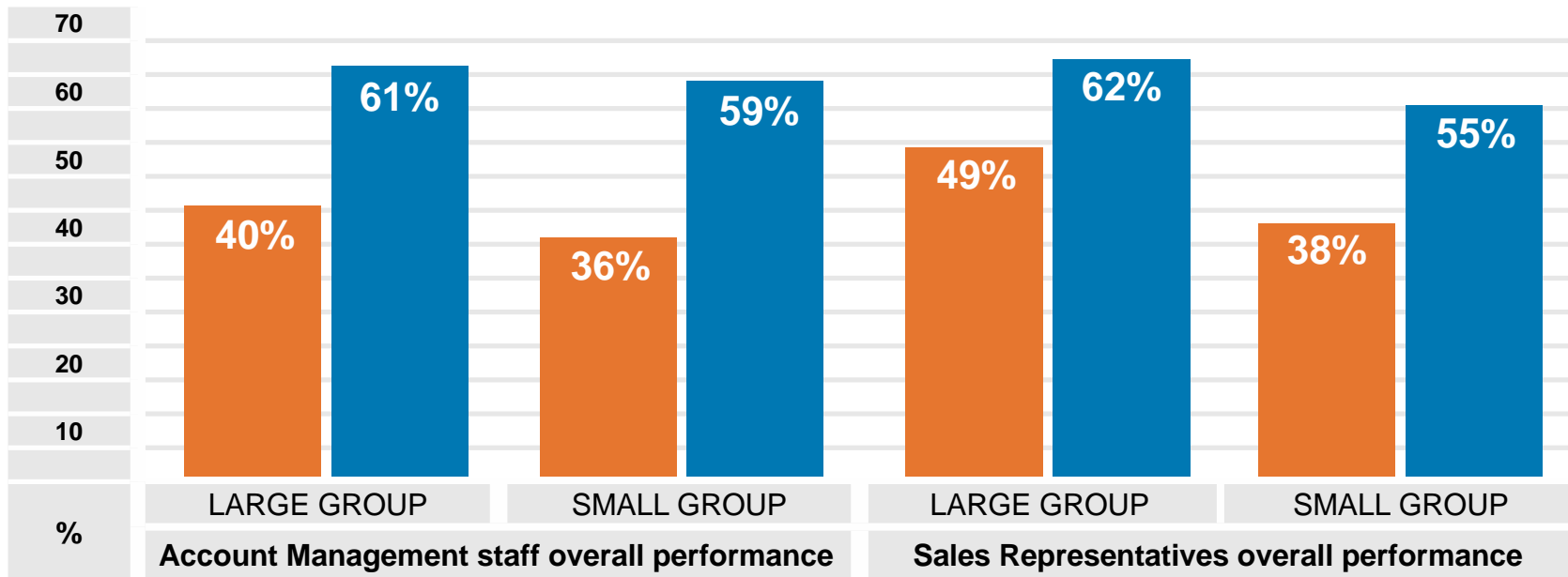


Continued commitment to you

- Build on strong relationships in Washington
- Bring the Kaiser Permanente philosophy of collaboration and continuous improvement

California Broker Customer Feedback System

Producer Satisfaction (% Rating Excellent/Very Good)






● Closest competitor ● Kaiser Permanente

Product and service highlights

Stability for members. Same great care.

- Same local medical centers, doctors, networks, and community hospitals
- PPO model continues with our integrated care model as a central element

Our vision for serving Washington communities

-  Improve access to quality, affordable care
-  Ensure excellent member experience
-  Lead the market as care and coverage provider

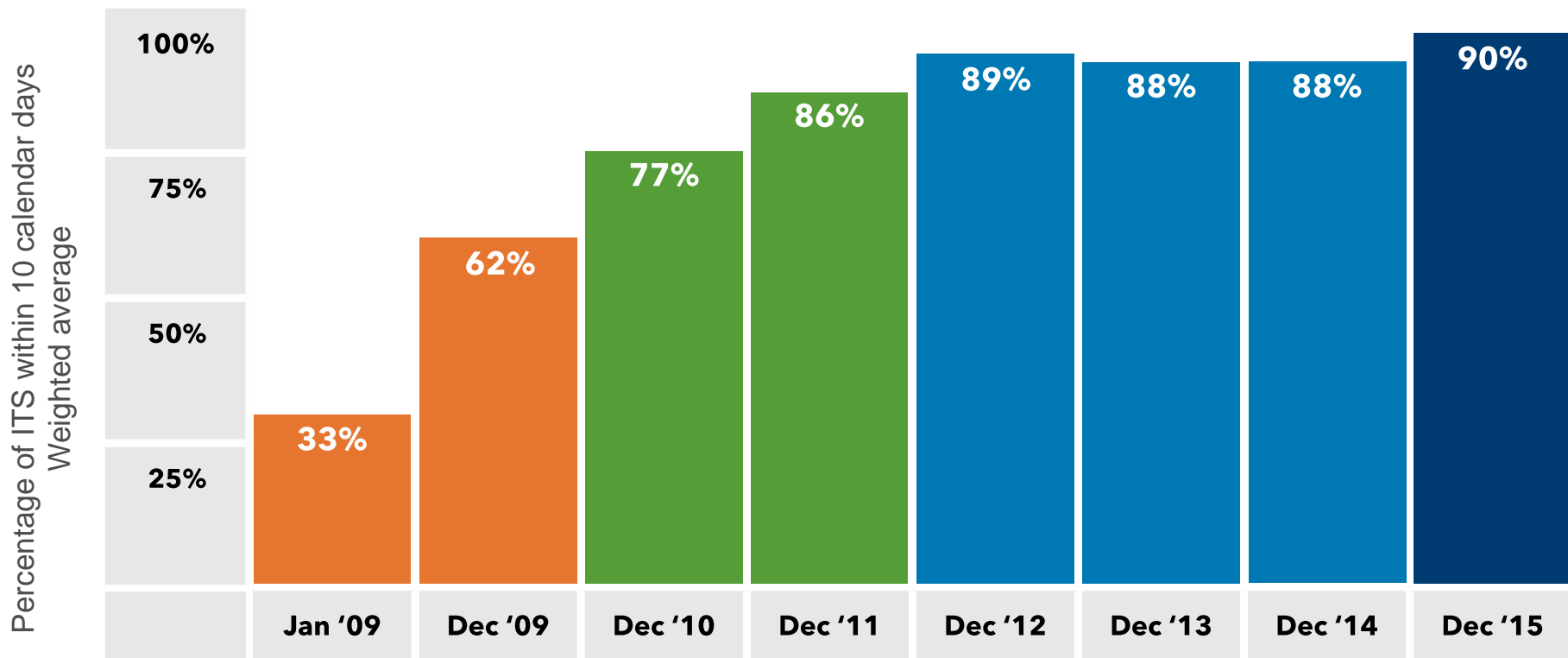
Improving member experience

- New member outreach
- Increased customer service staffing
- Continuous improvement



KP capabilities: access

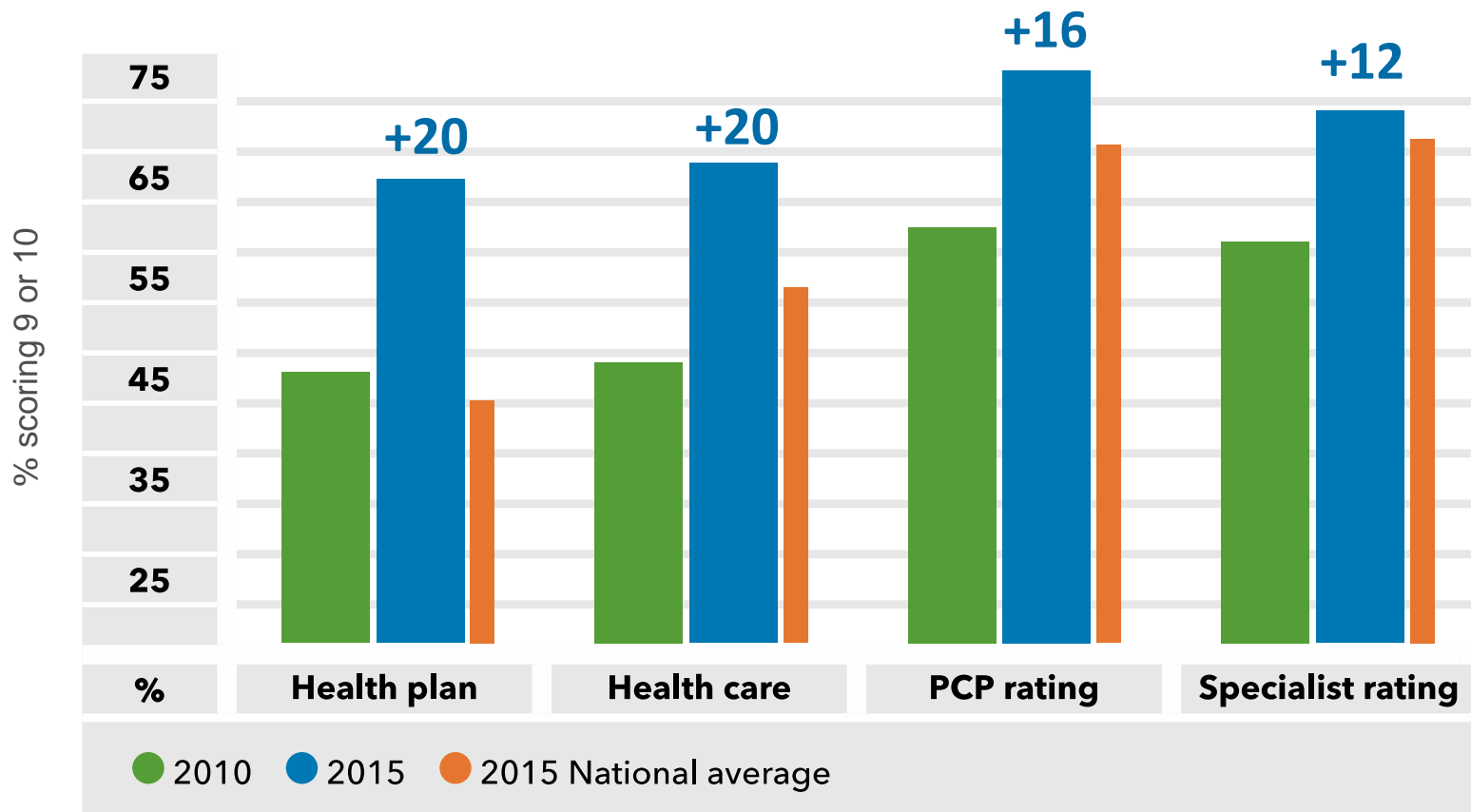
On average, over 85% seen within 10 calendar days for specialty care
(Mid-Atlantic States)



KP capabilities: member satisfaction

Patient Experience (Service/Satisfaction)

2010 versus 2015 CAHPS results for Mid-Atlantic States



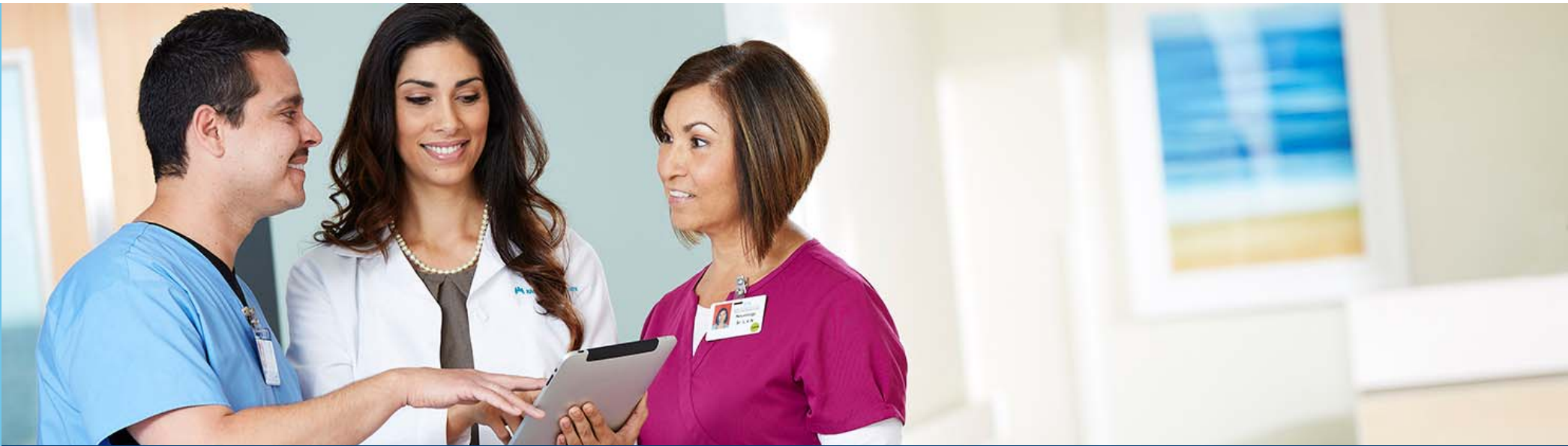
Resources to support a healthy workforce

- Workforce Health
- Kaiser On-the-Job[®]
- Tools and resources to develop and manage an effective wellness strategy
- Value through integration



David Grossman, MD, MPH

Senior Associate Medical Director
Market Strategy and Public Policy



Pursuing medical excellence: the path forward

Better results through integration



Washington Permanente
Medical Group

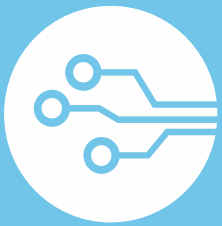


Kaiser Foundation
Health Plan of Washington

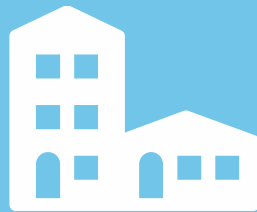


Kaiser Permanente Washington

Investments for better patient care



**Information
technology**



**Facilities and
equipment
replace and
refresh**



**Increased
capacity**



**Excellent
care
experience**

Improving care access

> Personnel

- Improved staffing in medical centers
- Expanding medical group

> Facilities

- New walk-in clinics: Port Orchard, Tacoma, Puyallup
- New CareClinics (from 10 to 15 locations): Des Moines, Silver Lake/Everett, Gig Harbor, Redmond Town Center, Snoqualmie
- New Burien medical center in the fall

> Advancements in virtual care and telemedicine

A foundation of excellence in Washington



Washington Health Alliance
2016 Community Checkup



Commercial HMO 2016
eValue8 Survey



Medicare plans, highest
accreditation, "Excellent"



MEDICARE STAR QUALITY

2017	★ ★ ★ ★ ☆
2016	★ ★ ★ ★ ☆
2015	★ ★ ★ ★ ★
2014	★ ★ ★ ★ ★
2013	★ ★ ★ ★ ★
2012	★ ★ ★ ★ ★

Like Group Health,
Kaiser Permanente is a great
place to receive care

Kaiser Permanente School of Medicine

Slated to open in Fall 2019 in Pasadena, California. Designed around our care delivery model, which emphasizes:

- Patient-centered medicine and population health
- Innovation and advanced health information technology
- Diversity and inclusion



Garfield Innovation Center

The largest health care innovation center in the country, the Garfield Innovation Center, inspires the people of Kaiser Permanente to imagine new care solutions and gives them tools to make it happen.

Recent innovations:

- Enhanced interactive patient technology that helped reduce readmission rates
- Streamlined operating room emergency checklists
- Safer medication protocols that decreased response time to patient medication administration



Leading health care research that saves lives

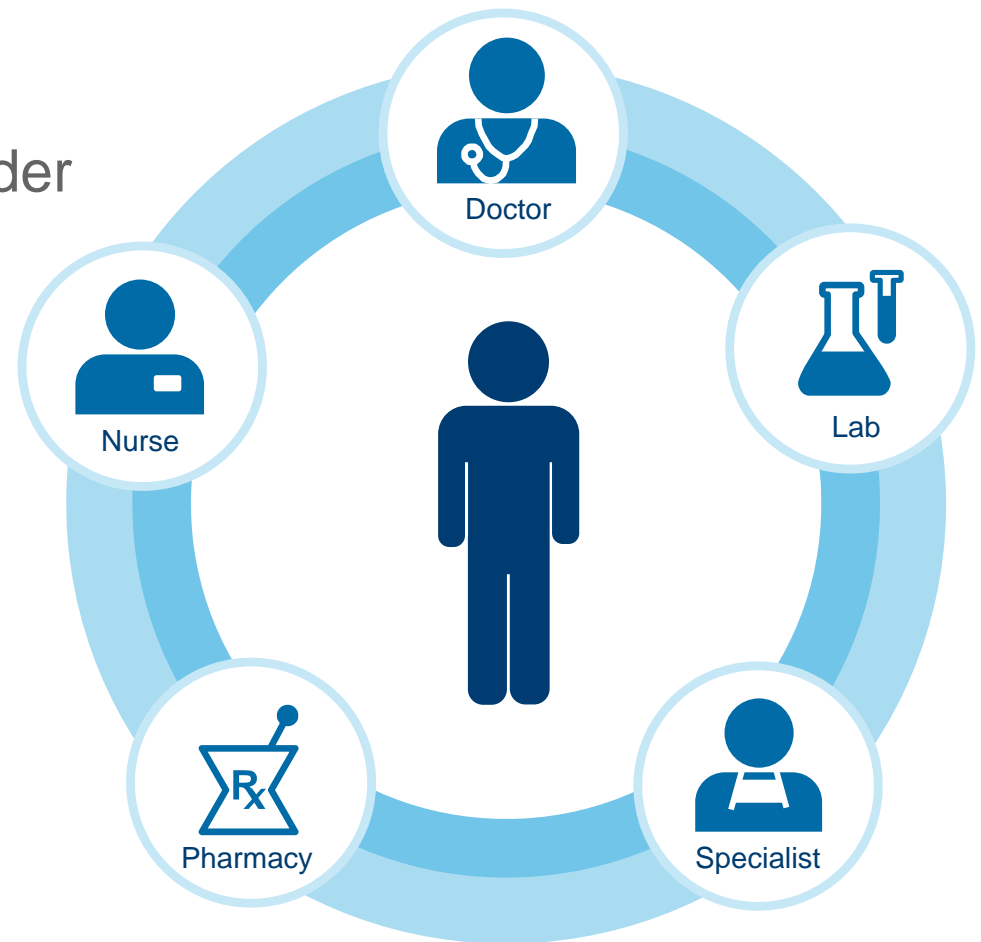
Kaiser Permanente researchers conducted **4,500+ studies** and published **1,100+ articles** in 2015



- 5-year, \$7.3 million grant from the National Cancer Institute to expand our innovative clinical trials program
- Groundbreaking genetic research powered by our electronic health record
- “Pioneering innovations” in implant registries
- Former Group Health Research Institute is now Kaiser Permanente Washington Health Research Institute, broadening resources and impact

Delivering excellence and value through coordinated care

- In our coordinated care model, doctors work together. They order only the tests a patient needs, which helps to streamline care and reduce medical errors.
- This helps **manage costs** and **improve outcomes**.
- Aon Hewitt recognizes Kaiser Permanente as a **national leader in cost efficiency**.*



*Aon Hewitt, October 12, 2016.

An aerial photograph of a massive crowd of people, diverse in age and ethnicity, forming a large circle. In the center of the circle is a wide, light-colored path that leads towards the viewer. The text "Excellence in population health" is overlaid on this central path.

Excellence in population health

Tom Carter

Vice President

Workforce Health Consulting Group and Kaiser On-the-Job®



Workforce Health customer engagement

New paradigm in employee benefits

Health is a critical lever in driving improved productivity, not simply a component of employee compensation.

Presenteeism

The loss of productivity that occurs when employees come to work while ill and can't perform well.

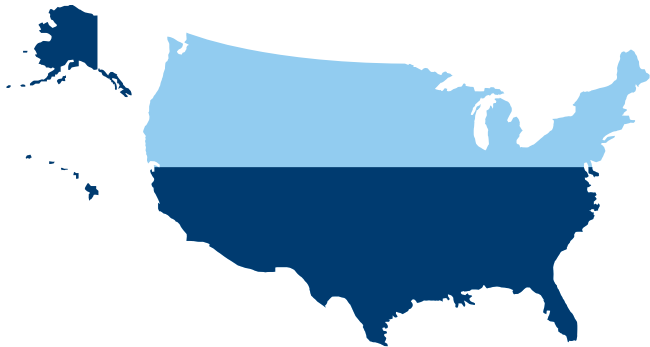
Absence management

The management of occupational and non-occupational reasons for employee absence.

Health & productivity management

New paradigm for collaboration between employers, employees, the health care delivery system, and the community.

Alarming trends in chronic conditions

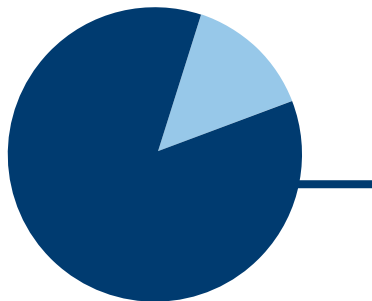


Nearly half of Americans

suffer from **one chronic condition**¹

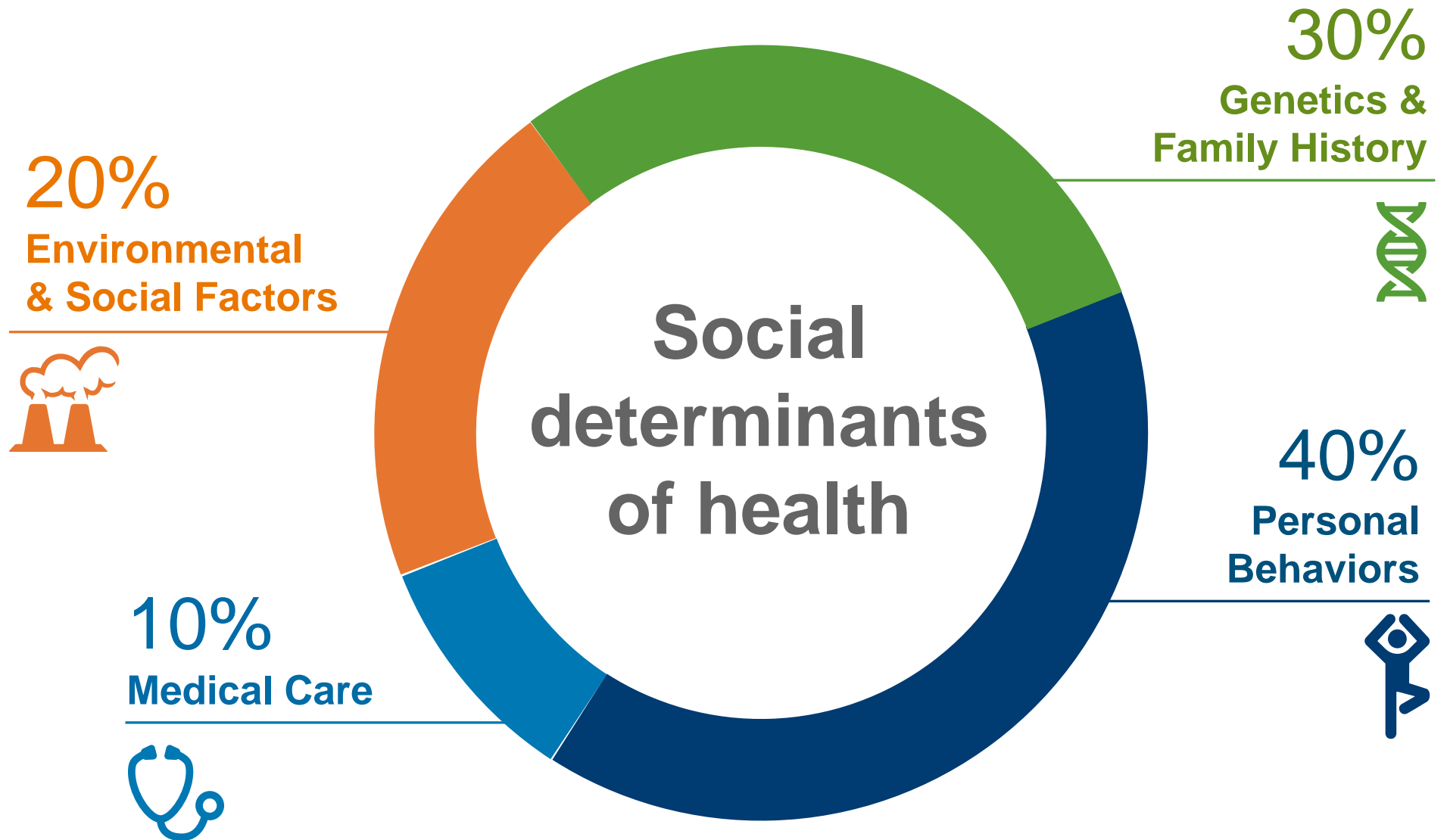
25% of Americans have **two or more**²

61% of Washington adults are **overweight or obese**³



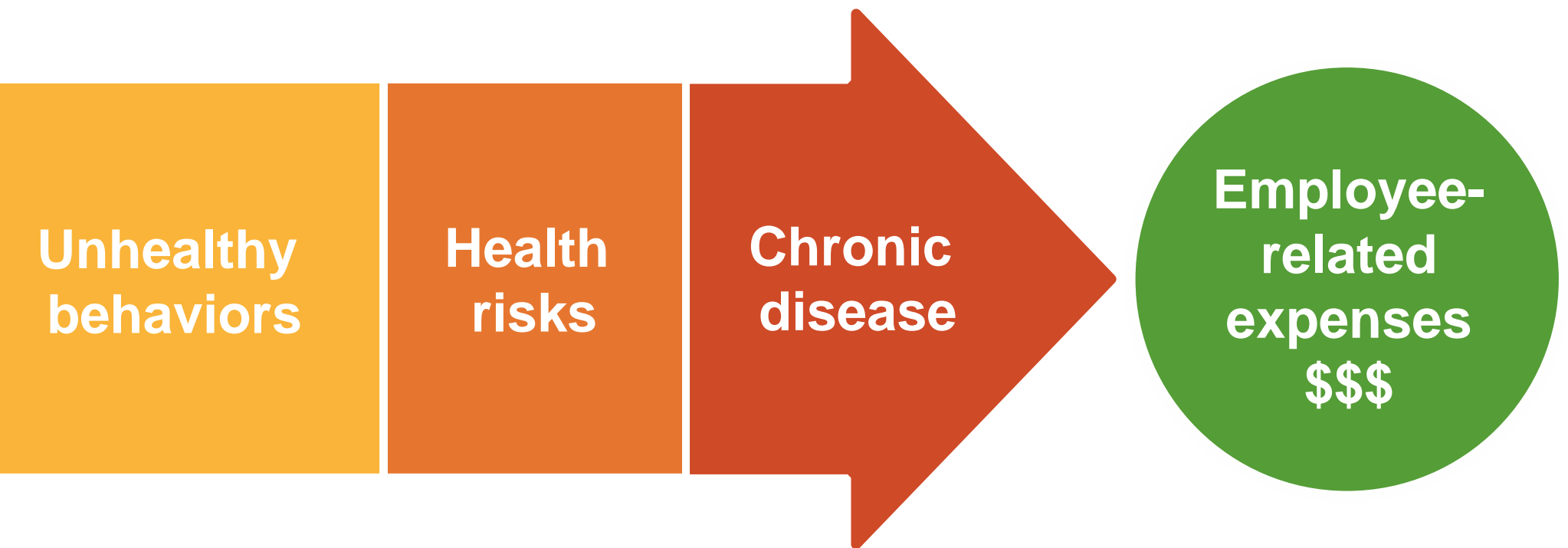
Chronic conditions account for **86% of health care costs**⁴

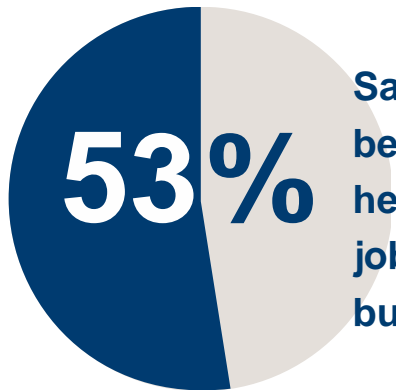
¹ CDC, cdc.gov/chronicdisease/overview/, accessed April 30, 2015. ² See note 1. ³ Health of Washington State, Washington State Department of Health, Obesity and Overweight, updated: 01/16/2014. ⁴ See note 1.



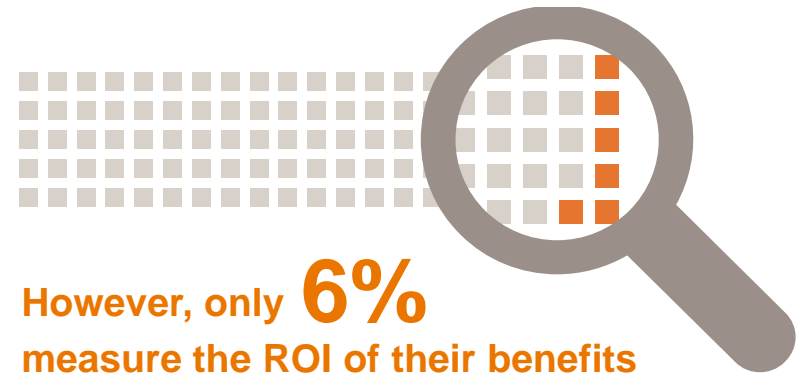
Source: Determinants of Health and Their Contribution to Premature Death. JAMA 1993

Unhealthy behavior = more risk, higher costs





Say they would be able to make better decisions about benefits if health-related improvements in job performance were linked to business metrics



However, only **6%** measure the ROI of their benefits

And only **23%** measure any outcome.



MISSING THE BOAT

HR and benefits leaders can add value and drive business success by focusing on achieving tangible business results as well as benefits cost and wellness program participation levels.

Workers' compensation and disability costs

Did you know?

- **PEOPLE WHO SMOKE** 40% more likely to have work injuries
- **PEOPLE WITH DIABETES** 5x higher workers' comp medical costs when injured
- **PEOPLE WHO ARE OBESE** 2x as likely to have work injury
7x higher workers' comp medical costs
13x more days away from work

-
- "San Francisco Launches Citywide 'Make Today the Day' Quit Smoking Campaign," American Lung Association press release, January 5, 2010.
 - "The Impact of Comorbid Conditions on Workers Compensation Costs," Coventry Workers Comp Services, 2010

There are great opportunities to use the workplace to support positive changes that can impact business performance.



Your role: change the conversation with leaders

- To what degree has the vision for a healthy and productive company been defined?
- To what degree is the vision aligned with business strategy?
- To what degree has this strategy been adequately resourced?
- To what degree has the responsibility for implementation been clearly assigned?
- To what degree is senior leadership modeling and cheerleading toward success?

Here is where workforce health is heading

Plug & Play Wellness “Programs”

- Business as usual
- Off-the-shelf wellness newsletters or fitness fair
- No ROI
- Lack of leadership support
- Not integrated with health insurance
- Reward participation with trinkets

Comprehensive Workforce Health Strategy

- Align with business goals
- Integrate processes to incorporate wellness strategies and disease management
- Track and measure workforce health, including data analytics
- Partner with comprehensive health care management
- Implement sophisticated rewards and communications

Reframing the insurance conversation

Insurance mindset

- Risk pool management
- Products
- Benefits
- Rates
- Churn

Population health management mindset

- Impact of poor health on business: productivity, premiums, workers' comp costs
- Integrated care management drives employee engagement
- Comprehensive health data

**Move conversations over here.
We can help manage this conversation.**

Where can we focus our reform energy?



Customers need our advice more than ever



“When push comes to shove, I want people who’ll push.”

Julija Gelazis

Director

Member Marketing & Experience



Visual brand changes

New building signage



Medical center experience

Members will see staff wearing Kaiser Permanente badges, lanyards, and lab coats

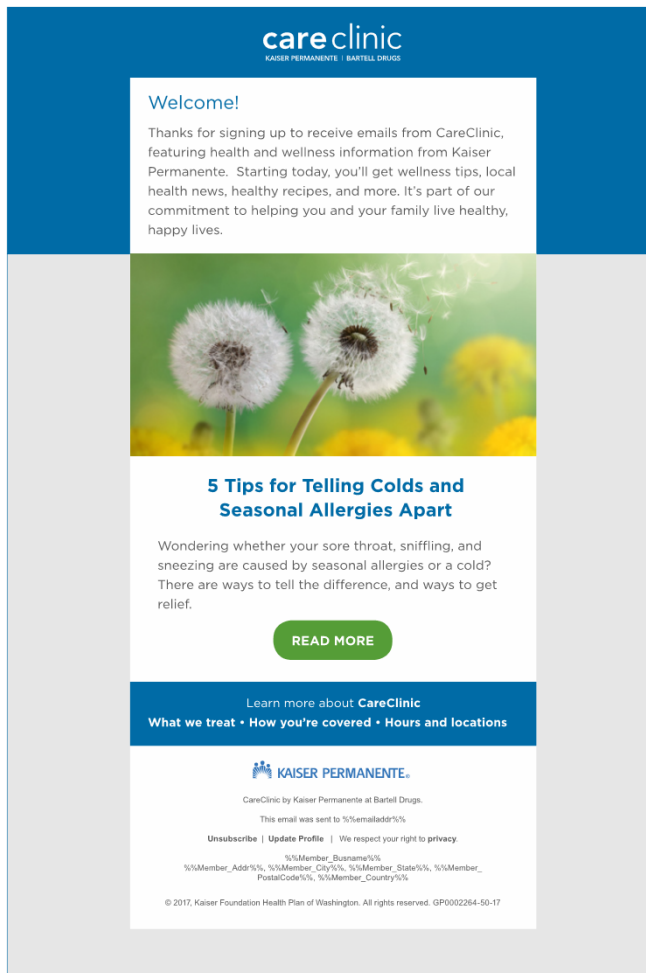


Medical center experience

Welcome bags



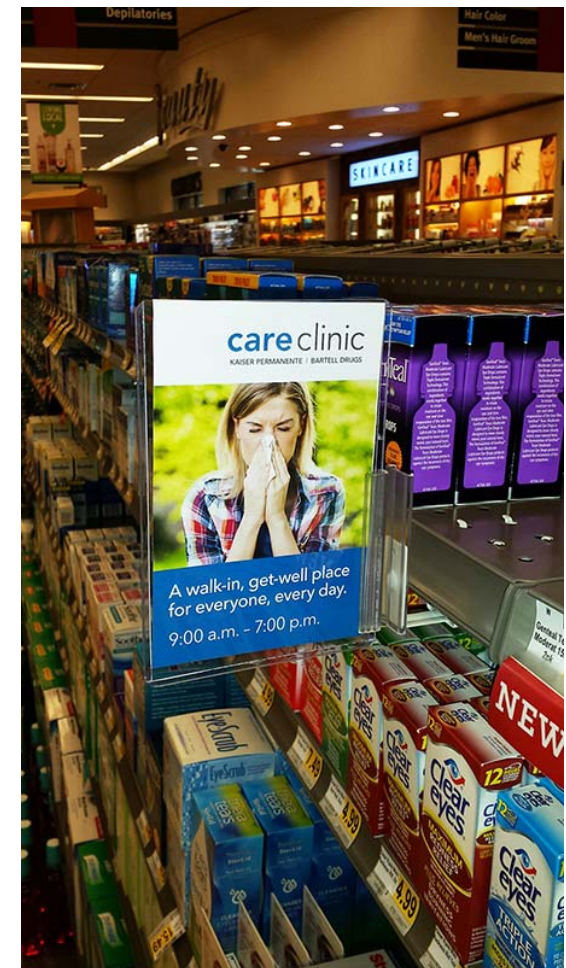
CareClinic by Kaiser Permanente at Bartell Drugs



Email



Brochure



In-store signage

Member website: kp.org/wa

The screenshot displays the Kaiser Permanente member website interface. At the top, the logo and navigation links for 'Member services', 'Pay bills', 'Find a form', and 'Locations' are visible, along with a 'Sign on' button. A search bar is positioned in the upper right. Below the navigation, a large banner features a photo of two women and the text 'New member? Start here. Get the tools you need to live your healthiest life.' To the right, a 'GROUP HEALTH JOINS Kaiser Permanente' banner is present, followed by news updates. A central 'I want to...' menu lists actions like 'Make an appointment' and 'Request reimbursement'. The main content area is divided into three columns: 'Need health insurance?' with a 'LEARN MORE' link, 'New member?' with a 'GET STARTED' link, and 'Need care now?' with a 'FIND LOCATIONS' link. A 'Featured resources' section lists various services. The bottom of the page includes a 'News & Announcements' section with multiple articles, a 'Customer Service' section, a 'Pay Bills Online' section, and a 'Governance & Participation' section. Social media icons and footer text are located at the very bottom.

Producer website and news blog

Get Appointed | **Producer Log In**

KAISER PERMANENTE | Producer

Tools | Our Value | Plans + Services | News Blog | Resources | Contact Us

Check Out Our 2017 Health Plans

Take a look at our 2017 individual and family, and Medi Advantage health plans. Our updated website provides details you need to evaluate—and start selling—our 2017 products. Small group health plans for 2017 will be available soon.

News From Producer Pulse Blog

Welcome to the All-New Producer Pulse

90-Day Notice Mailings for SBG Employers and Employees

UPDATE: 2017 Individual and Family Plans 90-Day Notifications

Visit the Blog

Events and Activities

Dec. 1, 2016 EBPA Educational Program

Our Clients Say it Best

Check out our small business profiles and video series. Hear directly from small employers about the value of offering a health plan—and the value of Kaiser Permanente plans.

Small Business Profiles and Videos

You asked. We answered.

Read the synopsis of our Fall Producer Workshops, and find links to information about our 2017 plans, and answers to the questions you have this Open Enrollment season.

Fall Producer Workshop Recap

Site Map | Disclaimer | Help | Privacy Policy | GHC.ORG

© 2017 Kaiser Permanente

PRODUCER SITE | GET APPOINTED | PRODUCER LOGIN

KAISER PERMANENTE | Producer Pulse

Health Plan Updates | Legislative News | The KP Difference | Insider Insights | Upcoming Events | Contact Our Team

Type and hit enter to Search

Past News

December 2016

November 2016

October 2016

August 2016

June 2016

April 2016

February 2016

More

Tell us what you want to hear more about.

Closing care gaps contributes to high quality rankings

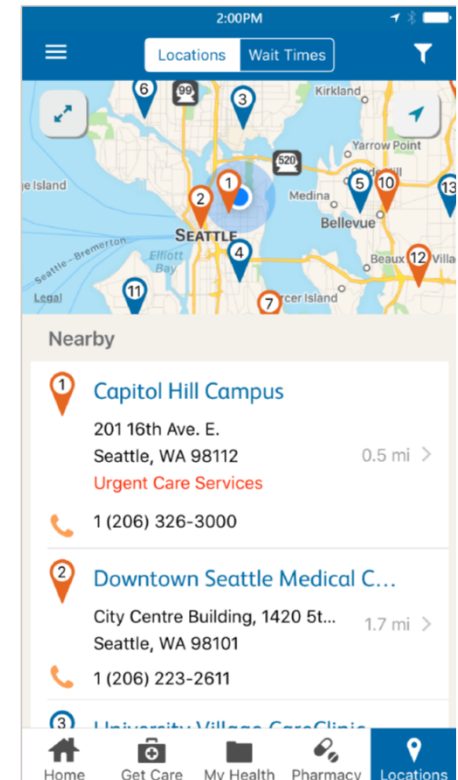
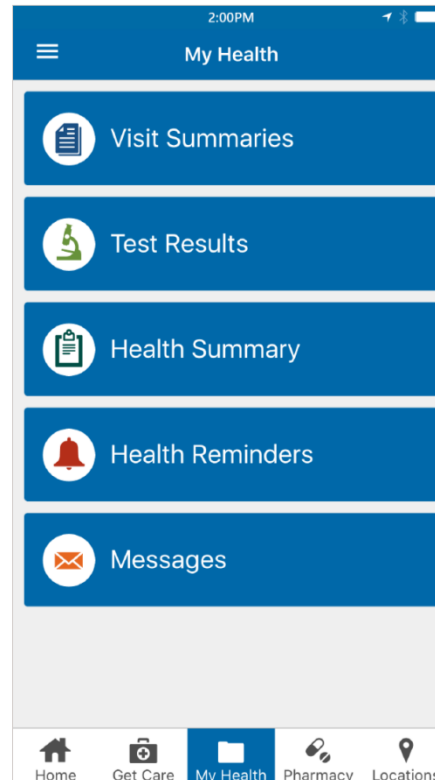
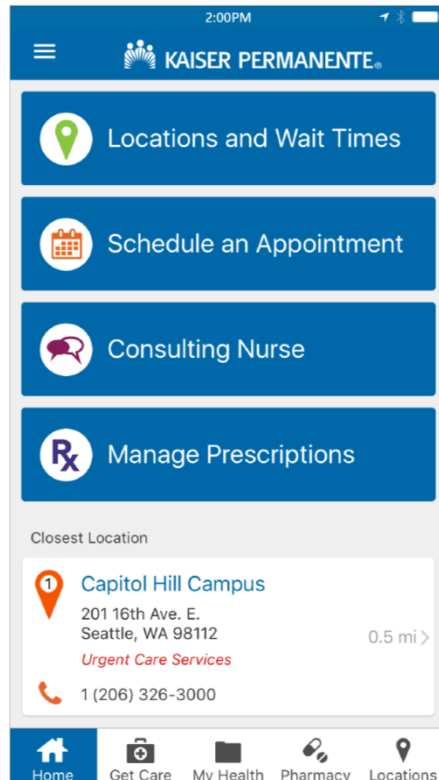
Site: kp.org/wa/producer

Blog: kp.org/wa/pulse

Mobile app: iOS



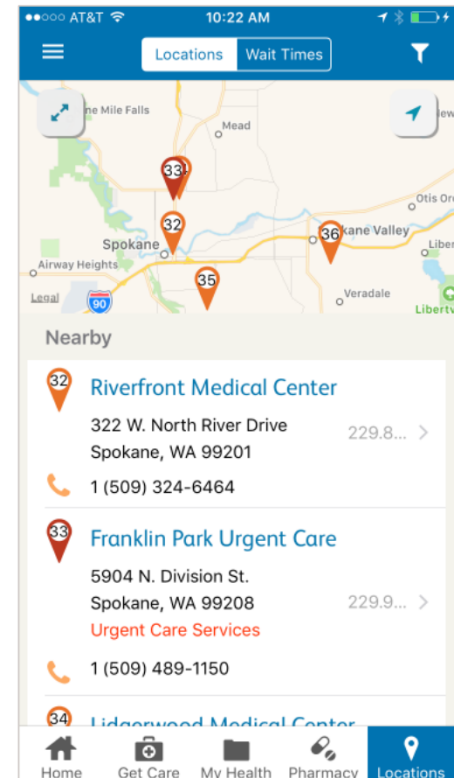
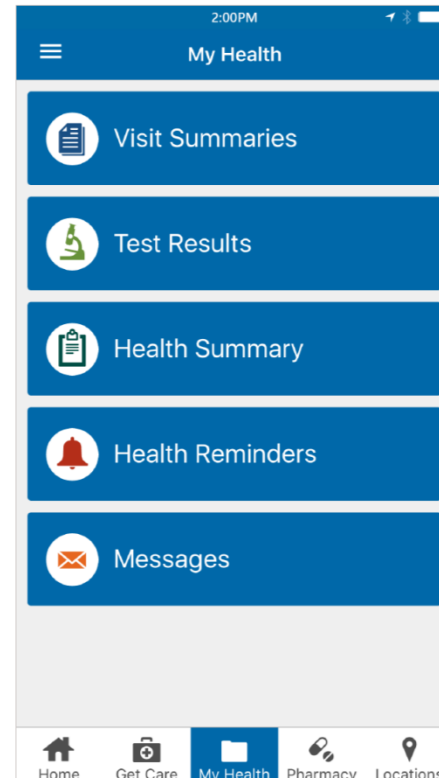
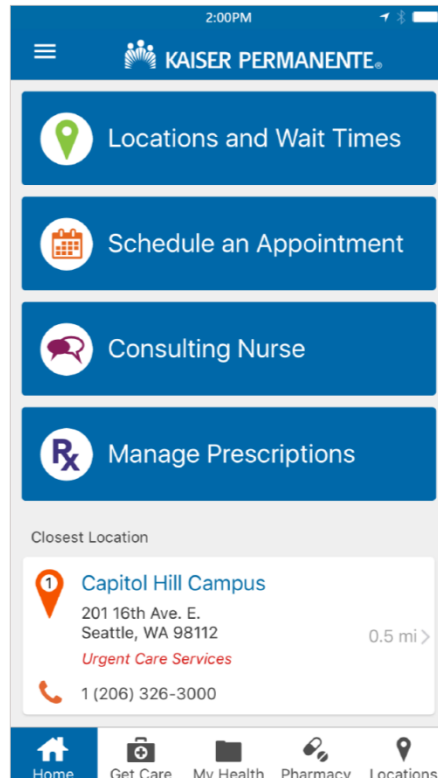
Icon



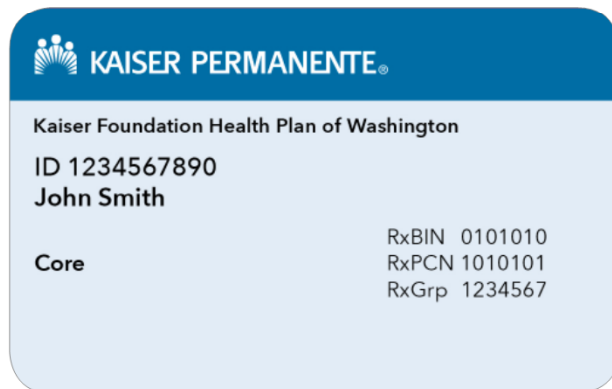
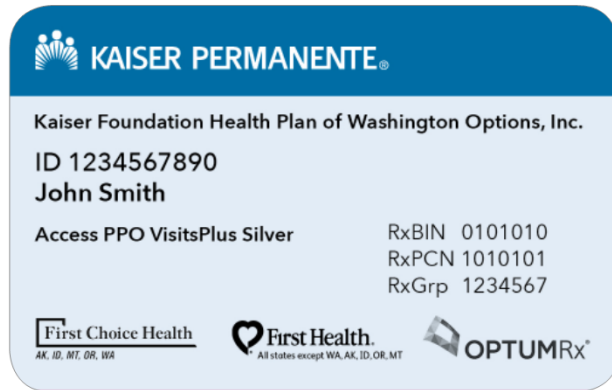
Mobile app: iOS



Icon



ID cards and card carrier



Welcome to Kaiser Permanente

Here's your new Kaiser Permanente card.

As a Kaiser Permanente member, you can continue to get coordinated care and coverage in the state of Washington. So even though the name on the card has changed from Group Health to Kaiser Permanente, you can still get care from the team you're familiar with at the same locations.

Plus, you're now part of a national health care system with facilities in eight states and the District of Columbia.

Kaiser Permanente delivers the care you know and trust.

- Your 2017 health plan premiums, benefits, and costs do not change.
- Your membership number does not change.
- You can keep your same care team at Kaiser Permanente medical offices, in the same locations.
- You can still call the Consulting Nurse Service for advice 24/7. (See the number on your card.)
- You can still manage your health online with your secure personal account.

Getting non-emergency care when you're out of your coverage area

Your access to out-of-area care will not change. You can get covered care from providers in your network only, just as you always have.

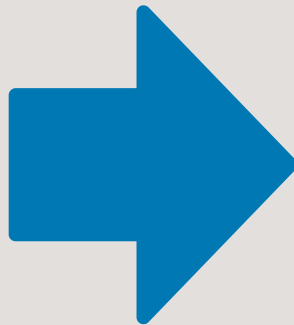
Your network name is printed directly below your name on your ID card. To find providers in your network, check the Provider Directory at kp.org/wa. And visit kp.org/wa/travel to learn about finding care while traveling.



Health plan name changes

Large Group network formerly known as “Group Health” will be renamed “Core”

Group
Health



Core

Page 8:

- *NCQA's Private Health Insurance Plan Ratings 2015–16*, National Committee for Quality Assurance, 2015; Kaiser Foundation Health Plan of Colorado — HMO (rated 4.5 out of 5), Kaiser Foundation Health Plan of Georgia — HMO (rated 4.5 out of 5), Kaiser Foundation Health Plan — Hawaii — HMO (rated 4.5 out of 5), Kaiser Foundation Health Plan of the Mid-Atlantic States — HMO (rated 5 out of 5), Kaiser Foundation Health Plan of Northern California — HMO (rated 5 out of 5), Kaiser Foundation Health Plan of the Northwest — HMO (rated 4.5 out of 5), Kaiser Foundation Health Plan of Southern California — HMO (rated 4.5 out of 5).
- Kaiser Permanente 2015 HEDIS[®] scores. Benchmarks provided by the National Committee for Quality Assurance (NCQA) Quality Compass[®] and represent all lines of business. Kaiser Permanente combined region scores were provided by the Kaiser Permanente Department of Care and Service Quality. The source for data contained in this publication is Quality Compass 2015 and is used with the permission of 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[®] and HEDIS[®] are registered trademarks of NCQA. CAHPS[®] is a registered trademark of the Agency for Healthcare Research and Quality.

Page 22:

- The source for this data is Quality Compass[®] 2010, 2015 Commercial data and is used with the permission of the Committee for Quality Assurance (NCQA). Quality Compass 2010-2015 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). Bar graph values are approximate.

Page 29:**Washington Health Alliance**

Based on more than 50 clinical measures of quality, including cancer screenings, immunizations, diabetes care, and more. Washington Health Alliance, 2016 Community Checkup, page 50. Scores listed under “Group Health Cooperative.”

eValue8

Earned under former name, Group Health Cooperative; 2016 eValue8 survey. Managed by the National Business Coalition on Health, eValue8 is an evidence-based resource created by business coalitions and employers like Marriott and General Motors to measure and evaluate health plan performance.

Medicare Star Ratings

Formerly Group Health Cooperative HMO. Centers for Medicare & Medicaid Services Health Plan Management System, Plan Ratings 2012-2017. Kaiser Permanente contract #H5050. Medicare evaluates plans based on a 5-star rating system. Star Ratings are calculated each year and may change from one year to the next.

National Committee for Quality Assurance (NCQA)

Kaiser Foundation Health Plan of Washington¹ Medicare (HMO) was rated 4.5 out of 5 in the National Committee for Quality Assurance (NCQA) Medicare Health Insurance Plan rankings 2015-2016. The National Committee for Quality Assurance (NCQA) is a private, 501 (c)(3) not-for-profit organization dedicated to improving health care quality. It issues health insurance plan ratings and Quality Compass Health Plan Quality Measures for Commercial and Medicare plans each year. Ranking was not issued or endorsed by Medicare.

Page 33:

- “Kaiser Permanente, UCSF Awarded \$25 Million from NIH to Build Groundbreaking Resource for Genetic Epidemiology Research,” Kaiser Permanente press release, February 11, 2013.
- “The 2012 John M. Eisenberg Patient Safety and Quality Awards,” *Journal on Quality and Patient Safety*, June 2013.
- “National Cancer Institute Awards \$7.3 Million to Kaiser Permanente for Cancer Clinical Trials, Patient Care Research,” Kaiser Permanente press release, August 1, 2014.
- *Community Benefit Snapshot*, Kaiser Permanente, 2015.

Page 34:

- Aon Hewitt Health Value Initiative™ benchmarking study — Kaiser Foundation Health Plan, Inc., Aon Hewitt, October 12, 2016. Results based on 2015 performance year. Plans with absent clinical quality scores are included when calculating the averages. To get a copy of the Aon Hewitt Health Value Initiative report for your region, contact your account manager.

Page 42:

- IBI, Integrated Benefit Institute, IBI 2015 CFO Survey, CFOs—*Ready to Invest in Healthy Outcomes*. https://ibiweb.org/?ACT=65&id=txXzdlgpsFVTvP9VW7-kanTr0ATrBiyR29sqaD2yTShKz0yi_sBY7RYS0sPtLYPLfnyhq0dZyT632TSRL5WFgw