

A Word on Service from the Medical Directors

In keeping with the service theme of this edition, we asked the Permanente executive medical directors for their perspectives on the importance of service.

Dr. Ronald Copeland Ohio Permanente Medical Group



Fundamentally, I believe, employees treat patients in the same manner as they themselves are treated by Management. If high integrity, fairness, and trust are valued and effectively modeled by leadership, then there is a great opportunity to create a compelling work environment that promotes and sustains high levels of service. When we consistently demonstrate to our people that they are highly valued, it is amazing how much they make our patients feel valued.

Although we clearly have to deal with the marketplace realities as they pertain to our cost structure and level of service, the manner in which we frame and execute our options for cost-structure reduction dramatically informs our workforce about their true value in the service improvement equation.

When we “institutionalize” our Programwide service agenda to the same degree as we have done for quality and cost-effectiveness, then I have no doubts about our capacity and ability to achieve and maintain market-leading service performance.

Dr. Oliver Goldsmith Southern California Permanente Medical Group



I have seen PMG physicians recognize their need for service achievements and their willingness to be graded. Our MAPPS survey with financial incentives is an example. I believe our systems (phone, appointment) and our large and sometimes disengaged ancillary staff can contribute to the problem. Despite challenges, about 80% of our Region’s members feel that they have a primary physician. Our challenge is to keep patient and physician close.

Dr. Donald McGuirk Kansas City Medical Group



I, as a PMG physician, have always been very proud of the quality medicine that all the Permanente Medical Groups provide their patients. Indeed, survey after survey demonstrates the ability of our group model to coordinate care and accomplish high scores in recognized measures of quality such as HEDIS. Most recently,

all Kaiser Permanente regions attained full NCQA accreditation, a marvelous accomplishment.

What we, as PMG physicians, must address in the “real world” reality of current medical practice is the definition our patients and their employers give to quality. In most cases, this definition does not include HEDIS scores or NCQA accreditation. Instead, their definition equates to service. Quality is quality service. As separate medical groups and as an organization, we must address our shortfalls in this area. As opposed to the above measures, service measures such as the STAR Survey show us significantly behind our market competitors in this critical area. I challenge my own Medical Group, as well as all PMGs to sincerely focus on service and to appreciate the competitive edge this emphasis can give us as we enter the 21st century.

Dr. Robert Pearl Northern California Permanente Medical Group



For the past 50 years, we used our integration as a Program to keep our costs and rates below that of our competitors. However, during that time, service was a competitive disadvantage for Kaiser Permanente. Today, with our competition no longer fee-for-service, the dynamics of the health care marketplace have changed dramatically. The for-profit competition’s primary goal is to generate equity for its shareholders, and it achieves this by restricting care through use of gatekeepers, clerks, and formularies. As a consequence, the level of service and quality provided in the world around us has deteriorated markedly. This now creates a potential strategic opportunity for us to make service our competitive advantage.

For us to succeed, we must face the challenge of overcoming a 50-year culture of poor service. Addressing our service issues will require strong partnership with Kaiser Foundation Hospitals and Health Plan and with our labor unions. We must also differentiate ourselves from the rest of the for-profit managed care world in the eyes of both the media and government agencies. Ultimately, our success will depend on whether members perceive that we deliver better service, access, and quality; and whether purchasers are willing to fund added health care costs. As an organization, we will have to become more comfortable with increased autonomy, authority, and accountability at the local medical center, department, and functional unit levels. Moreover, we will have to learn to innovate locally and learn both regionally

and nationally while understanding the variability in patient populations, facilities, and people across the different parts of our Program. Our greatest challenge will not be merely achieving this shift, but doing it in a time frame of months and years instead of decades.

Dr. Bruce Perry
The Southeast Permanente Medical Group



In Atlanta, TSPMG has maintained a sustained intense commitment to improving our quality of service. Through this substantial commitment, we have learned three important lessons.

First, service can be improved. In recent review of STAR Survey results for 1991-1998, the Georgia Region had a 12% increase in overall satisfaction; a 32% increase in satisfaction with phone wait; a 15% increase in Care Index; and a 15% increase in seeing their personal care practitioner. Multiple activities have led to this increase: we have redesigned Primary Care into teams; we have intense communication concerning service goals and our progress for those goals; we hold managers accountable for reaching those targets; and there are significant monetary incentives and non-monetary awards for high-performing teams.

Second, a key success factor is accountability for service. Senior managers are held accountable by the Board for service levels. Senior managers in TSPMG hold Service Chiefs and Managing Physicians of facilities accountable, and individual physicians are held accountable for individual service levels. Patient satisfaction with individual practitioners accounts heavily in both the appraisal process and the annual service incentives. Through these mechanisms, accountability for service is spread throughout the organization.

Third, service must be treated as a business survival issue. Service can be distinguishing in the marketplace. In Georgia, state employees are our largest group.

Through our intense work on service, we maintained a 10% advantage over our nearest competitor and 20 points over the rest of our competitors. We have found service to be a key distinguisher in member retention, and we will continue the focus because member retention is a business imperative.

The highest level of service can be provided even within budgetary constraints. It is not a mantra; it is not a "can do or could do." It must be a "given" because of the business imperative that TSPMG faces.

Dr. Allan Weiland,
Northwest Permanente Medical Group



As we continue to focus on how we create value and achieve the "KP Promise," it becomes more apparent that our Achilles' heel is service. In most markets, we trail major competitors on most service dimensions. Not only is there a compelling business case to improve service and member retention, but we all want to belong to an organization that is recognized for excellence in quality and service. It is a matter of pride!

Most of the regions are looking to improve the care experience, and the program has recently started a Care Experience Council to bring the same focus to service as we do to quality and finance. At KP Northwest, we are changing our appointment scheduling practices in primary care to increase the number of times members will see their paneled practitioner. We have brought together a number of local module teams and trained them in rapid-cycle change methodology to test small interventions in service improvement and to learn from them.

Despite a number of efforts, ingrained attitudes and systems make us customer unfriendly. Many of our office buildings are large and impersonal; our appointing systems are inflexible; our staff are too busy to fix a service problem. It will take considerable work to move toward a truly member-friendly organization. I think it will be worth the work. ♦