

# An Interview with Dr David Lawrence

By Lee Jacobs, MD; Tom Janisse, MD

**D**uring the Kaiser Permanente National Primary Care Conference in March 2002, Tom Janisse, MD, *The Permanente Journal's* Editor-In-Chief, and Lee Jacobs, MD, Health Systems section editor, had a chance to speak with Dr David Lawrence on his thoughts as he leaves his position as the CEO for Kaiser Foundation Health Plan and Hospitals.

**Editors: First of all, Dr Lawrence, you must be having mixed emotions as the time for stepping down gets closer. Could you tell our readers how you are feeling right now?**

**Dr Lawrence:** Well, I think that anybody who makes this kind of decision, to end his career with Kaiser Permanente, is going to have mixed emotions. I am extraordinarily excited about exploring the next phase of my life, but it is very poignant to be leaving. We have fought many battles, and much has happened over the years that has been exciting. However, I will miss many, many friends and colleagues; they will be difficult to leave.

I have spent a long time with the organization, so it is bittersweet. It's happening, and I'm having a lot of mixed emotions, but I have no regrets about leaving at this time.

**Editors: Looking back at the many events and accomplishments during your tenure as CEO, is there any one accomplishment that gave you an especially high level of pride in the organization?**

**Dr Lawrence:** Not just one, there are many. I guess one of the things that I have been very excited about has been the embracing of the Care Management Institute by the organization, and particularly by the physicians. I have always believed that our greatest asset is our intellectual capital, the knowledge we have accumulated. Various people have gotten together, sifted through the evidence, and come to conclusions about the best way to take care of patients. That gives me enormous pride because it is sort of a fundamental promise of an organization like ours, and it is wonderful to see it actually happen through the work of the Institute. I

actually take more pride in this accomplishment and others such as the labor management partnership and the successful way in which we make decisions together, than I do about accolades that come to the organization from the outside. It is more about what I see on the inside than what people tell us from the outside.

**Editors: Could you tell us what you believe is the state of the partnership between Kaiser Foundation Health Plan and the Permanente Medical Groups?**

**Dr Lawrence:** I actually think it is a much healthier partnership than it was ten years ago. Otherwise, I would say I have failed. What has been extremely difficult, in my mind, has been the partnership at the national level. I would say that ten years ago we didn't have a partnership, and today we do. I think it is much healthier because the tensions and the issues now have a place to be resolved, and they are on the table much more than they used to be. I see that issues are being dealt with objectively, with good data and analysis and with good conversation, rather than being turned into political issues at the first sign of conflict. It has not been an easy road. I think that it is a real testimony to the Permanente Medical Groups that they moved through the process of forming a federation to establish a governance that balances the needs of individual medical groups with the needs of the collective group.



David Lawrence, MD

**Editors: We are also interested in the partnership at other levels of the organization, even the physician team leader and nurse partnership. What do you think about the phase we are in for the development of this level of partnership?**

**Dr Lawrence:** I think the partnerships between the Health Plan and Hospitals and the Permanente Medical Groups at the regional level have always been fairly good. I think they are even better now because we have strong medical directors as well as strong leaders in the Health Plan. Partnership has always been strong in most hospitals and in most clinical areas. It is easier to do partnership, of course, when you get closer to patient care, because all the political barriers do not seem to get in the way. This is one area where it depends on the medical group and on the individual physician. I believe that there remains a tension to some extent over the question of physician sovereignty. Although it hasn't happened recently, I still get tickled when I run into a doctor (as I have in the past) who points to me and says 'you have one role, and that is to make my life work.' There were several things I wanted to say, but I was too polite. You get some of that

sovereignty problem played out at the local level when doctors continue to believe they are in charge, are running the shop, and are telling people what to do. That is not a partnership. This is changing as all across the program you see real partnership being developed. There is a kind of collegiality that doesn't play games about who is in charge or who is in control. The entire care team works together to care for the patient. That is a much more mature form of partnership.

**Editors: I think it is helpful to look at this microcosmic view, because it seems to me an organization lives and dies by virtue of the small work unit—those few people who work together to deliver care. As an example, we just finished a major work life survey in the Northwest Permanente Group in which the physicians said their greatest need was having a consistent staff person to work with. So I wonder what sense you have of what the leadership is doing to support the local units, which you referred to as the care team?**

**Dr Lawrence:** Well, you and I are in complete agreement about the need to support the care teams. How it actually gets accomplished is very difficult to say. It is not driven by national or even regional decisions. Staff support is determined by the local team. Who the staff reports to does not seem to make any difference. If you go to Colorado, Georgia, or Hawaii, you see that they are figuring out a way to deal with staff support.

**Editors: You mentioned the challenges and the changes in health care. As you are walking away and looking over your shoulder at the Kaiser Permanente group model, do you think there is a role for us in leading national change?**

**Dr Lawrence:** I think actually the role we play is in demonstrating how good our model can be. It is extraordinarily powerful when we can demonstrate the outcomes we are able to get because of the way we organize and deliver care. Yes, we have to play a leadership role at the national policy level, and we have to continue to do the sorts of things

that some of us have done at the Institute of Medicine and the executive session on patient safety and the national quality forum. We have to be in on all those forums. It starts with being really good at what we do—that is what gives us credibility in those forums. What has been wonderful this last ten years has been to watch the credibility of Kaiser Permanente grow so that it is not just vapor when I stand up to talk about our commitment to patient safety—they see it actually happening. We are proving we can provide this type of care. I have always believed that we are one or two decades ahead of the rest of American medicine with the exception of similarly integrated medical delivery systems. When we look at the huge gap between where we are and where most of American medicine is, it is almost breathtaking. I am just stunned at the difference.

**Editors: Are there any specific challenges you see in the next four or five years for your successor?**

**Dr Lawrence:** The internal challenges are going to continue to drive the Care Management Institute as the evidence base for how we practice. Another will be the clinical information system rollout. It is going to be a massive challenge for us and will be hard work.

Since we have invested so heavily in the delivery system and the infrastructure for the delivery system, I think we are behind the curve in terms of our insurance capabilities. This is a major challenge for us. Health care delivery is local and needs to stay local with the infrastructure support of groups like the Care Management Institute and CIS. However if we can consolidate insurance capabilities with appropriate governance and are sensitive to what the needs are locally, we can achieve the necessary economies of scale. It is really a function of the intellectual capital and putting the decision making and focus at the right level of the organization. Competition and the demands are forcing us to be both local and national. When we go to large national employers, they simply can't understand why we are unable to put together an offering that would be consistent across all their locations.

**Editors: Anything you want to share with the readers about what Dr Lawrence will be doing in the near future?**

**Dr Lawrence:** For the rest of this year, I am going to be doing a lot of speaking and working on a couple of commissions. I have been asked to spend some time in England to move forward with discussions comparing their national health service to Kaiser Permanente as reported in a recent British Medical Journal article. Afterwards, when I retire formally, I will continue to be active on several boards with Rand and the Rockefeller Foundation and a couple of for-profit, publicly traded companies not in health care. I have been asked to consider doing some work with the American Association of Medical Colleges. It will still be a lot of fun.

**Editors: Any final thoughts that you would like to pass along to our readers?**

**Dr Lawrence:** I would like to say that the overwhelming feeling I have as I leave is one of enormous gratitude. When I was named CEO ten years ago, Dan Wagster said 'Congratulations, Dave, you have just been given the most exciting job in the world of health care.' He was right. It has been a privilege. The more I learned about the organization, the more I realized what extraordinary people and what enormous resources and capabilities we have at Kaiser Permanente. I just couldn't be happier or more grateful about having been able to work with such a wide range of wonderful people. It has been an amazing privilege.

**Editors: We assume that you are still going to be an avid reader of *The Permanente Journal*.**

**Dr Lawrence:** Absolutely—always have been.

**Editors: Dr Lawrence, thank you so very much for your time. On behalf of the physicians and staff of the Permanente family across the country, we want to thank you for your many years of service, dedication, leadership, and vision. We would all like to wish you the very best of luck in the future.**

**Dr Lawrence:** My pleasure. ❖