

# hank

Summer 2015 | Issue 44



FRONTLINE NEWS FOR KP WORKERS,  
MANAGERS AND PHYSICIANS

THIS PLAN WAS

MADE FOR

YOU & ME

70 YEARS OF KP &  
UNION HISTORY

TO DO THIS  
ISSUE

15 ENTER OUR RAFFLE! Hip, hip, KP! Tweet your 'cheers' to [#KPturns70](#)






## The turning point: July 21, 1945

“Henry J. Kaiser’s Permanente Foundation Hospital in Oakland, built to provide pre-paid medical care for 100,000 shipyard workers, has been opened to the public,” the San Francisco Chronicle announced on July 21, 1945—a momentous shift for a health plan that had been serving only employees and their families.

With World War II coming to an end, the plan’s future had been in doubt. Sidney Garfield, MD, the sole proprietor of the Permanente Foundation Health Plan, argued for its continuance, as did ex-Kaiser workers and their unions in the San Francisco Bay Area. Henry J. Kaiser, always open to bold moves, said: “Well, why shouldn’t we open the plan to the public and see if it works?” While other industrialists had adopted programs to improve their workers’ health, Kaiser was the first to embrace the public.

The plan came under attack—doctors in private practice called it “socialistic.” But support from key labor leaders made the difference that ensured the plan’s success.

Kaiser’s long history of supporting labor—an ethical and business decision he’d come to when handling huge government contract projects—became even stronger in his remaining years. In 1965, the AFL-CIO presented Kaiser with its Murray-Green Award, the first businessman to be so honored by organized labor.

Relations between Kaiser Permanente and labor unions have experienced ups and downs since then. But as the early history of unions at KP and the advent of the Labor Management Partnership in 1997 make clear, there is no health plan in the country with a richer and more positive relationship with working people and the organizations that represent them. 



**CARE AT WORK:** First aid station at Richmond, California, shipyard #3, in 1943.

# 70 YEARS OF



## IT TOOK COURAGE



By **PETE diCICCO**  
Founding Executive Director, Coalition of  
Kaiser Permanente Unions

When I think about the Labor Management Partnership and Kaiser Permanente’s history, I can’t help but believe the creation of the LMP was inevitable—and that it’s been the linchpin to KP’s success after the financial challenges of the 1970s, ’80s and ’90s.

From the very beginning, Kaiser Permanente’s management and its unions shared a philosophy of engagement. This culture never went away entirely, but when the competition from for-profit HMOs mounted in the 1980s, it got pushed to the background. Kaiser Permanente did what many businesses do—it reduced its workforce and made other cost-cutting changes. Union members became frustrated, believing the changes undermined KP’s mission and eroded working conditions.

The unions responded with traditional work actions and strikes.

But I’d say four milestones changed the landscape.

First, in the early 1990s, the Industrial Union Department of the AFL-CIO created the KP Coordinated Bargaining Committee to improve the unions’ bargaining position. That committee, which included most of the major unions at Kaiser Permanente, became the Coalition of Kaiser Permanente Unions. We were charged with coordinating a full-scale “corporate campaign” against KP.

But we realized we might do permanent damage to the company and to our 57,000 coalition union members. So we opted to pursue an alternative strategy. In the mid-’90s, we approached KP with a bold new idea—partnership. Unlike other union-employer “cooperation” arrangements, where management would come to labor for help *after* decisions had been made, the proposed partnership called for labor’s integration into KP’s management and operations structure.

After almost a year of discussions, Kaiser Permanente

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# KP & UNION HISTORY

agreed, and in 1997, the Labor Management Partnership was formed. The decision demonstrated courage on both sides. It placed a value on the knowledge possessed at every level of the organization, from the boardroom to the front line. Building on that, we broke away from traditional, reactionary problem solving and turned to interest-based problem solving and consensus decision making.

This led to the fourth milestone—the decision to conduct national bargaining using those same problem-solving methods and to include operational leaders and rank-and-file union representatives at the bargaining table.

Other factors have contributed to KP's financial turnaround, but there can be no denying the impact the partnership made—and continues to make—in ensuring that Kaiser Permanente is the national leader in health care, with a great place to work and industry-leading salaries, wages and benefits. Its position did not come about by accident, but by the courage of leadership and the power of partnership. [hank](#)

## FREE TO SPEAK



By **BERNARD J. TYSON**  
Chairman and CEO

I've had the privilege of working for Kaiser Permanente for more than 30 years, and it was clear to me from day one that there is something different about our organization and the people who work here.

We're big, with more than 175,000 employees and 18,000 physicians who provide coverage and care for more than 10 million members. What makes us unique, though, is our mission—to provide high-quality and affordable health care and to improve the health of our members and the communities we serve—and the actions, behaviors and decisions we take to support our mission. We walk the talk.

Our success these past 70 years has been the result of a lot of

tremendous work and effort, individually and collectively, by hundreds of thousands of people. Today, we are fortunate to have great people working in all parts of the organization who are well-informed, highly motivated and focused on fulfilling our mission. We have leaders at every level who are delivering better health for all.

Early in my career at Kaiser Permanente, I gained an appreciation for the important role labor has played throughout our history. In fact, labor plays a broader and very different role at Kaiser Permanente than it does in many companies across America. Part of the reason we have worked well with labor is that even when we've had disagreements, unions have demonstrated a lasting interest in the success of Kaiser Permanente and the employees they represent, especially during challenging times.

I also have a personal appreciation for the role of labor in our society. My father belonged to a carpenters union. Unions were a voice advocating for the American dream for my family—saying my father

should get work, he should be fairly paid, he should be treated right. My father had the jobs he had and the job protection he had because of the unions stepping up and speaking out.

At Kaiser Permanente, we place a tremendous value on creating and maintaining an environment where people not only feel comfortable speaking out but are encouraged to do so—and the Labor Management Partnership unions are actively supporting this culture. We want everyone in this organization sharing their best thinking every day, so we can create the best experiences for our members and patients, no matter where, when or how they come in contact with Kaiser Permanente—which is the essence of One KP.

As we look to the future, we need to continue to bring our best thinking forward during a time of dramatic change in health care. We need to have the mindset that we are going to embrace this change and lead the industry in charting the course for 21st century health in this country, so we can carry on the legacy of Kaiser Permanente for many years to come. [hank](#)



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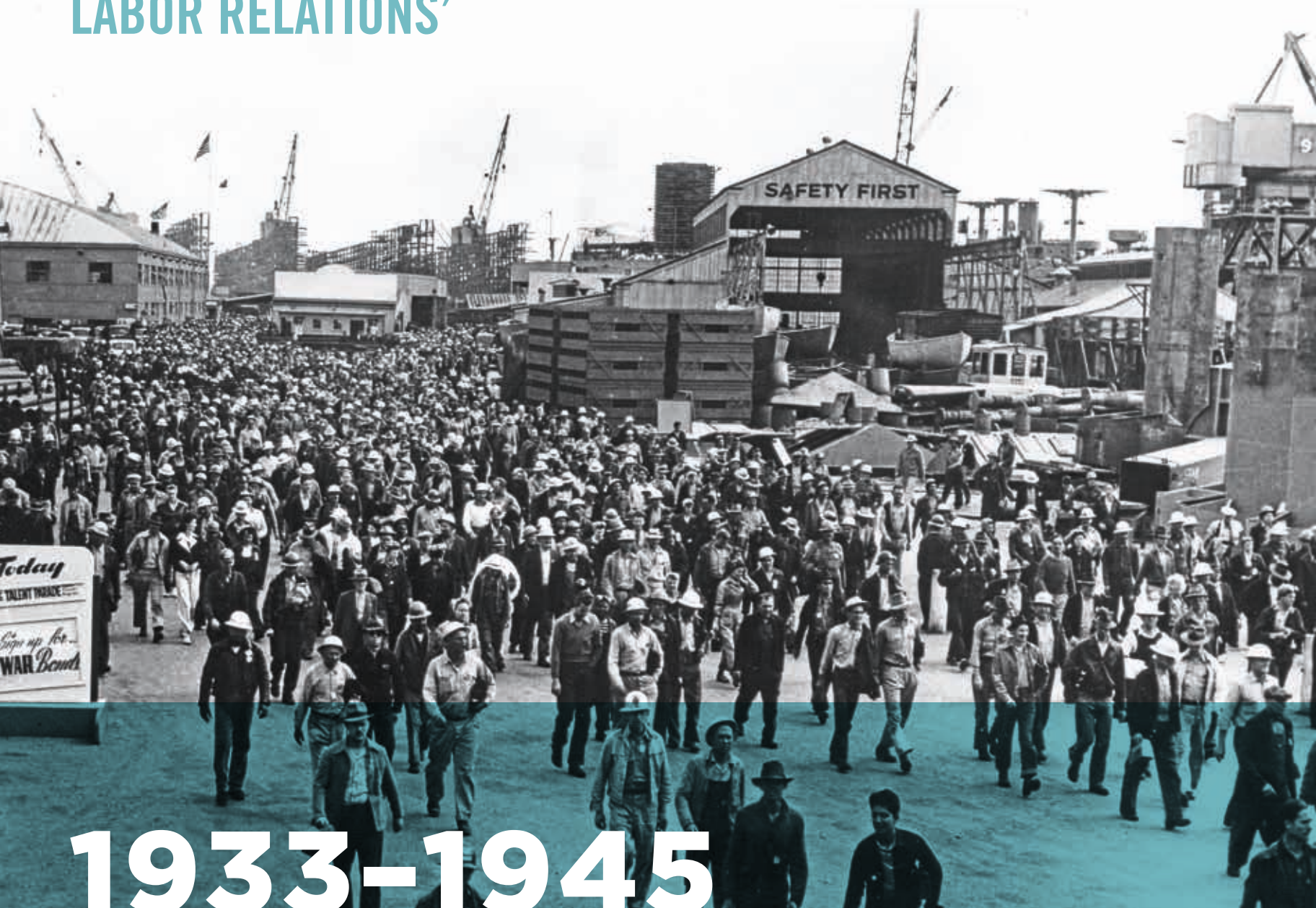
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# 'THERE IS NO SUCH THING AS LABOR RELATIONS'



# 1933-1945

## A TIMELINE OF KP'S UNION HISTORY

1933

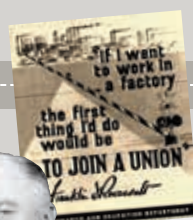
1933

Sidney Garfield, MD, establishes a prepaid health plan in the Mojave Desert for Colorado River Aqueduct construction workers. He opens Contractors General Hospital and two other small hospitals to provide care for on-the-job injuries, with a safety program for injury prevention.



1935

President Franklin Roosevelt signs the National Labor Relations Act, clearly establishing the right of all workers to organize and engage in collective bargaining.



1938

In addition to providing industrial care, Dr. Garfield organizes a family plan for workers on the Grand Coulee Dam, providing preventive care and a convenient group practice under one roof.



The health care program now known as Kaiser Permanente began in the Mojave Desert when Dr. Sidney Garfield, fresh out of medical school, opened a clinic for 5,000 Colorado River Aqueduct workers in 1933. Dr. Garfield soon found his practice foundering because insurance companies were sending the most serious—and most profitable—cases to Los Angeles hospitals. He developed a prepaid plan with a focus on safety and illness prevention, and it worked. The hallmarks of what would become the Kaiser Permanente Health Plan—prepayment, prevention and group practice—were forged here, but it would be 12 years before members of the public could join.

In 1938, Henry J. Kaiser and his son Edgar persuaded Dr. Garfield to create a similar medical program for workers building the Grand Coulee Dam in Washington.

The resulting industrial health plan was so popular, the unions insisted dam workers' families be included. That feature carried over when Dr. Garfield built the largest civilian medical care program on the World War II home front, covering almost 200,000 Kaiser workers in California, Oregon and Washington.

With the traditional labor pool—young, healthy white males—serving in the military, thousands of African Americans and other people of color migrated to the shipyards, securing good union jobs after the long hurt of the Great Depression. Women came out in force, too. The Permanente Foundation Health Plan, both the on-the-job care and the broad coverage of the 50-cent-a-week supplemental plan, was extremely successful. For the first time in their lives, ordinary people could count on affordable medical care.

—Lincoln Cushing

#### AFFORDABLE CARE:

Workers in the Kaiser shipyards were covered if they were injured on the job; in addition, they could purchase an inexpensive supplemental plan that covered other health care needs. Shown, opposite page: a 1943 shift change at the Richmond shipyards; below, left to right: the Contractors General Hospital in Desert Center, California, circa 1933, where Sidney Garfield, MD, pioneered the prepaid health care plan; a wartime female welder at one of Kaiser's Oregon shipyards; and Henry J. Kaiser, speaking at the 1942 dedication of the blast furnace at Kaiser's Fontana steel mill.



THE WEEKLY COST OF  
THE PERMANENTE HEALTH  
PLAN COVERAGE FOR  
SHIPYARD WORKERS

*'There is no such thing as labor relations. There are only human relations. You are dealing with people, not impersonal problems of finance or electronics.'*

— HENRY J. KAISER, quoted in the Oakland Tribune, Nov. 9, 1943



#### 1941

Dr. Garfield organizes prepaid group practice plans for workers at Kaiser-managed shipyards in the San Francisco Bay Area, Oregon and Washington, as well as at the Kaiser steel mill in Fontana.



#### 1943

Dr. Garfield builds a clinical research program by recruiting physicians from academic medicine skilled in research and peer collaboration.

#### 1944

Women become a significant part of the shipbuilding workforce. By 1944, female workers make up 25 percent of the Kaiser labor force.



#### 1945

The shipyards close at the end of the war and membership in the health plan plummets. Kaiser and Dr. Garfield open the Permanente Foundation Health Plan to the public.

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# 'IF NOT FOR ORGANIZED LABOR'



1946



1946

Dr. Garfield signs the first union contract with KP nurses, represented by the CIO-affiliated Nurses' Guild. It raised base wages from \$175 to \$185 a month.



1950

KP expands in Southern California when the ILWU requests that KP cover L.A. harbor workers.



1953

The United Steelworkers of America select Kaiser Permanente for their Pittsburg, California, workers.



1960

Dr. Garfield challenges the organization to deliver "health care"—not "sick care"—and is an early advocate for using computers to improve care.



◀... CONTINUED FROM PAGE 5



On July 21, 1945, with the war in Europe over and the shipyards beginning to close, the Permanente Foundation Health Plan opened to the general public. A year later, on Aug. 1, 1946, Dr. Garfield signed the Permanente Foundation's first union contract, with the CIO-affiliated Nurses' Guild. The contract, in a first for Alameda County hospitals, established a 40-hour workweek, down from 48 hours.

Key support for the Permanente health plan came from unions. Harry Bridges, president of the International Longshoremen and Warehousemen's Union, was an early advocate. He defended the plan against attacks by professional medical associations, whose members called prepaid group practice unethical, and brought all 6,000 ILWU members on the West Coast into the plan. Almost 15,000 members of the Retail Clerks Union in Los Angeles,

a large and prominent union led by Joe DeSilva, joined in 1951.

But by the mid-1960s, financial pressures began creating divisions. In 1966, registered nurses in Northern California, represented by the California Nurses Association, became the first nurses in the state to conduct a work action. Major strikes erupted in 1968 in both Northern and Southern California. The strife simmered, and in 1986, a seven-week strike by SEIU Local 250 had some 9,000 clerks, certified nursing assistants and technicians walking the picket line at 14 Kaiser Permanente facilities in California. The action didn't prevent a two-tier wage restructuring plan, but there was one positive outcome: The first Joint Conference on Service Issues, a precursor to the Labor Management Partnership agreement.

—Lincoln Cushing

#### CATCH IT EARLY:

ILWU leader Harry Bridges, who helped put the fledgling health plan on solid footing, wanted all of his workers to have a health assessment and screenings to prevent disease. These "multiphasic" exams were an early version of the KP emphasis on preventive care. Shown, opposite page: a longshore worker signing up for the exam in May 1963; below, left to right: nurses at a new cardiac monitoring station at Oakland Medical Center in 1963; SEIU Local 399 on strike in 1975 in Southern California; and Dr. David Lawrence, who was Kaiser Foundation Hospital and Health Plan CEO from 1992 to 2002.



 **6,000**

THE NUMBER OF ILWU  
MEMBERS BROUGHT INTO THE  
PERMANENTE HEALTH PLAN  
BY 1950

*'If not for organized labor's active marketing support immediately following World War II, it is unlikely that Kaiser Permanente would exist today.'*

— DAVID LAWRENCE, MD, CEO, Kaiser Permanente, quoted in Newswire (Northwest), May 2, 1997



#### 1965

Henry J. Kaiser receives the Murray-Green Award from the AFL-CIO, the first business leader recognized by the labor federation.

COLORADO

OHIO

#### 1973

Sen. Edward Kennedy, D-Mass., sponsors the HMO Act of 1973, which authorizes the spending of \$375 million over five years to evaluate HMOs and requires employers with more than 25 employees to provide them with the option of a federally certified HMO where available.



1989

#### 1969

KP expands east to Colorado and Ohio with help from union leaders who want quality, affordable health care for union workers.

#### 1986

More than 9,000 clerks, certified nursing assistants and technicians represented by SEIU Local 250 picket KP facilities in California during a historic seven-week strike.



CONTINUES ON PAGE 11



# ROOTS FORGED IN STEEL

KP's first facility in Southern California was built to care for Kaiser steelworkers—and some employees' families have been working in Fontana just about ever since





**F**or Jeanine Chavis, Kaiser Permanente is a family affair. She and her two daughters were born at Fontana Medical Center, built to serve the workers at Kaiser Steel during the boom years of World War II.

Her grandmother, Ruth Covert, started working at Fontana as a hospital switchboard operator when President Eisenhower was in office. She stayed for the next 30 years, before retiring as supervisor of Communications.

And her mother, Ruthetta Brandt, an EKG technician, found employment there and a chance to further her education, thanks to the company's generous tuition reimbursement program.

Now Jeanine and her son-in-law, Luis Casillas, carry on the family tradition. Both work at Fontana, where she is the Clerical Services supervisor for Family Medicine and he's a call center agent.

"We're a Fontana family," says Jeanine, who was hired in 1985 as a receptionist for the Radiology department.

Over the years, Jeanine has held a variety of positions. One of her most memorable experiences took place during the late 1990s, when she helped implement Kaiser Permanente's automated payroll system, which is still in use today.

"It was a really big job. I touched every single person in this facility," Jeanine says. "I trained all the managers how to do the payroll on the computer, and I showed the employees how to clock in on the phone."

Her ability to move up within the organization is a big reason why Jeanine continues to work at Kaiser Permanente.

"We have so many opportunities," she says. "How many companies are there out there that allow so much movement within their organization?"

Her mom belonged to United Steelworkers Local 7600, and she did too for a time. Although she is now a manager, Jeanine hasn't forgotten her union roots.

"Unions are good. They help people and they're part of our team," she says. "We want everyone to have a voice in the company."

The culture of partnership has helped Jeanine—and her co-workers—navigate tough challenges, including the transition from paper charts to the electronic medical records system, KP HealthConnect®.

As a chartroom manager at the time, Jeanine worked with labor and management leaders to retrain and transition chartroom employees into other jobs within KP.

"We did three different deployments," Jeanine says. "Every single person who wanted to stay with Kaiser, stayed with Kaiser—and those who went back to school got jobs that earned more pay."

She points to the experience as evidence that "the partnership works."

"Kaiser Permanente has a lot of room for growth and they care about their employees," Jeanine says. "I'm very proud and happy to be here."

—Sherry Crosby

#### ALL IN THE FAMILY:

Generations of Jeanine Chavis' family have worked at the Fontana Medical Center, including her grandmother, Ruth Covert, former supervisor of Communications, shown standing above left at the hospital switchboard; above right, clockwise from the back, are Jeanine, her mother, Ruthetta Brandt (also a KP employee), Ruth Covert, and Jeanine's daughters, Kirsti and Cara, who were born at Fontana.

*'We want everyone to have a voice in the company.'*

#### —JEANINE CHAVIS

Clerical Services supervisor  
Family Medicine, Fontana  
Medical Center



#### MORE FAMILY STORIES ONLINE!

Best place to work? You bet. There are any number of employees who are the second, third or even fourth generation of their family to work at Kaiser Permanente. Read their stories at [LMPartnership.org](http://LMPartnership.org)—type **multi-gen** in the search box.



## AROUND THE REGIONS: KP expands nationwide

For the first five years after the Permanente Foundation Health Plan opened to the public, there were no separate regions. Three hospitals—two in Northern California and one at the Fontana steel mill in Southern California—served the new members.

### NORTHERN CALIFORNIA

The Oakland hospital opened on Aug. 21, 1942, and the Richmond hospital opened nine days later. Once the plan went public, the International Longshoremen and Warehousemen's Union and other unions were prominent among the early member groups. Oakland city employees, union typographers, street car drivers and carpenters also embraced the plan. In 1953, state-of-the-art hospitals opened in San Francisco and Walnut Creek, as well as Los Angeles. Today, three union locals in Northern California belong to the Coalition of Kaiser Permanente Unions: SEIU-UHW (28,800 members), OPEIU Local 29 (2,400 members) and IFPTE Local 20 (1,300 members).



Dr. Sidney Garfield addressing the opening of the Oakland hospital in 1942.

### SOUTHERN CALIFORNIA

Harry Bridges, the ILWU president, wanted a hospital in the San Pedro area in 1949, and it was his promise of a large and stable membership that convinced health plan leaders to expand. He proved as good as his word, and KP became the sole supplier of medical care to ILWU's 6,000 West Coast members. The Southern California Permanente Group was established in 1950. In 1951, the 15,000 members

of the Retail Clerks Union Local 770 in Los Angeles, at the time the largest local in the country, joined the plan. Today, there are 13 coalition locals in Southern California: SEIU-UHW (18,000 members); UNAC/UHCP (16,000); United Steelworkers Local 7600 (6,000); OPEIU Local 30 (4,000); UFCW locals 770 (a descendant of the clerks union), 324, 135, 1428, 1442 and 1167 (3,860 total); Teamsters Local 166 (500); KPNAA (350); and SEIU Local 121RN (200).



Harry Bridges, ILWU president

### NORTHWEST

Health plan enrollment opened to the community in 1947 with the opening of an outpatient facility across the Columbia River from the closed Kaiser shipyards. It became a region in 1951 and has been at the forefront of several innovative practices. In 1964, it launched the Center for Health Research to advance evidence-based medicine. In 1974, it became the only KP region to provide prepaid dental services. In 1991, the Northwest started Kaiser-on-the-Job, a workers' compensation program that has since spread to all regions. Coalition locals in the Northwest are: OFNHP/ONA (3,400), SEIU Local 49 (3,900), UFCW Local 555 (900) and ILWU Local 28 (65).

### HAWAII

Hawaii opened in 1958—before the territory became a state—with strong support from the building and construction trades, which benefited strongly from Henry Kaiser's hotel and housing projects. It was the last region to join the partnership, in 2009. The Hawaii Nurses Association, OPEIU Local 50 (800 members), belongs to the coalition.

### OHIO

The Ohio region was the first organizational expansion of the health plan outside the western United States. The Community Health Foundation in Cleveland—which had been established by the Meatcutters and Retail Store Employees Union and had a structure similar to KP's—merged with Kaiser Permanente in 1969 to form the Kaiser Community Health Foundation. The region left KP in 2013.

### COLORADO

Colorado also joined Kaiser Permanente in 1969, after requests from a group of labor, medical, university and government leaders. The United Mine Workers had regional headquarters in Denver, and Kaiser Permanente had longstanding relations with UMW through the Kabat Kaiser Institute in Vallejo, later known as the Kaiser Foundation Rehabilitation Center, where injured miners were treated. Today, SEIU Local 105 (3,500 members), UFCW Local 7 (1,800) and IUOE Local 1 (23) belong to the union coalition.

### MID-ATLANTIC STATES

In 1980, KP acquired the failing Georgetown Community Health Plan and, through the use of existing community hospitals, began to operate profitably within two years. Kaiser Permanente believed locating in the Washington, D.C., area would provide high visibility regarding health care legislation. The effort was successful: In 1992, Jim Doherty, president of the Group Health Association of America, the professional organization for HMOs, remarked that the move “did more for the HMO movement than any single act since the HMO Act of 1973.” In 1984, the region opened its first pharmacy and changed its name to Kaiser Foundation Health Plan of the Mid-Atlantic States. In 1996, it acquired Humana Group Health Inc., one of the country's oldest HMOs. OPEIU Local 2 (3,800 members) and UFCW locals 400 and 27 (1,600 total) belong to the coalition.

### GEORGIA

The Georgia region opened in 1985. Its first medical director was Harper Gaston, MD, a Northern California physician and Georgia native who was proud to return home and serve the initial 265 members. In 1988, the region experienced dramatic growth when the state of Georgia came aboard as a major account and Kaiser Permanente acquired the financially ailing Maxicare Georgia HMO; within a year, the region celebrated its 100,000th member milestone. UFCW Local 1996 (1,800 members) is part of the Coalition of Kaiser Permanente Unions. 



# 'WE CAN FULLY REALIZE THE VISION'

The 1990s brought stiff competition from for-profit insurers; the decade would include, in August 1998, a record \$48 million loss for Kaiser Permanente. The outlook was dire.

Part of the turnaround came in a new model of labor and management working together. Kaiser Permanente had adopted a tough labor relations stance, and in 1996, in response, a number of the unions representing KP workers formed the Coalition of Kaiser Permanente Unions. The coalition was planning a major campaign against KP when its leaders settled on an alternate strategy—demanding a greater voice in how to best run the giant health care plan.

In 1997, Kaiser Permanente and the AFL-CIO announced the creation of the Labor Management Partnership, a partnership that would give union workers a more active role in decision making.

John Sweeney, president of the AFL-CIO, praised the agreement: "It is my hope that together we can fully realize the vision our predecessors had when Kaiser was originally founded in the 1940s—an affordable, high-quality health plan for working families."

And Harry Caulfield, MD, the then-executive director of The Permanente Medical Group, commented, "When we work together, then we're able to progress together. But without each other, neither one of us will be able to accomplish anything near what we could accomplish together."

Within three years Kaiser Permanente and the union coalition, representing 57,000 health care workers, launched an unprecedented round of bargaining, simultaneously negotiating more than 30 contracts.

—Lincoln Cushing



**57** THOUSAND

THE NUMBER OF REPRESENTED KP EMPLOYEES IN THE UNION COALITION IN 1997



# 1990-2000

**1997**

Kaiser Permanente and the Coalition of Kaiser Permanente Unions agree to establish a historic partnership between labor and management that is the first of its kind in health care.

**(L+M)<sup>P</sup>**  
The Power of Partnership

**2000**

Kaiser Permanente is widely recognized as a leader in health care.

**1990**

**1996**

Coalition of Kaiser Permanente Unions forms



**1999**

Employment and Income Security Agreement gives workers in coalition unions the opportunity to train for other comparable positions in the event of layoffs.



**2000**

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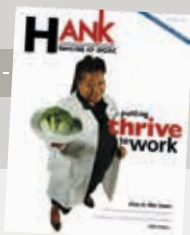
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**‘A GREAT PLACE TO WORK AND  
A GREAT PLACE TO RECEIVE CARE’**

# 2001–2015

**2004**

Premier issue of *Hank*, the quarterly LMP magazine, featuring partnership issues and team stories.



**2001**



**2005**

Kaiser Permanente and the Coalition of Kaiser Permanente Unions negotiate a groundbreaking national agreement that promises to transform Kaiser Permanente.

**2008**

Reopener of 2005 National Agreement establishes the Senior Workgroup on Growth to help shape KP strategy on membership growth, product development and public policy.



**2009**

Hawaii registered nurses, represented by Hawaii Nurses Association, OPEIU Local 50, join the coalition and the LMP.



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The Labor Management Partnership's 2000 National Agreement was a visionary document—and each national agreement since then has created new milestones, from the formation of unit-based teams in 2005, to the Path to Performance in 2010, to the Total Health Incentive Plan in 2012. A tentative 2015 National Agreement was reached in June and is expected to go into effect Oct. 1.

“We’re on year 18 of a remarkably successful strategy,” says Hal Ruddick, executive director of the Coalition of Kaiser Permanente Unions, which now includes more than 80 percent of KP’s unionized workforce. “Partnership pays off for workers, members and patients, and Kaiser Permanente.”

Today, the partnership’s 3,500-plus unit-based teams are the engine of performance improvement at Kaiser Permanente, bringing frontline workers,

managers and physicians together to figure out how to improve care and service for KP’s members and patients, improve affordability and create the best place to work. Teams are rated on the Path to Performance, and studies have shown that high-performing UBTs have better clinical outcomes, better service scores, better attendance and fewer workplace injuries than low-performing teams. The work done by UBTs contributes directly to KP earning prestigious accolades such as Medicare’s 5-star rating.

“Kaiser Permanente leads the industry because it is a great place to work and a great place to receive care—and the two are inseparable,” says Dennis Dabney, the senior vice president of National Labor Relations and the Office of Labor Management Partnership. hank

#### CONTINUOUS IMPROVEMENT:

Across Kaiser Permanente, unit-based teams are using the plan, do, study, act steps of the Rapid Improvement Model to provide the best quality, the best service, the most affordable care, and create a great place to work. Shown, opposite page: Davietta Carter-Hammond, a Family Practice clinical assistant and an OPEIU Local 2 member at Falls Church Medical Center in Northern Virginia, whose team increased the percentage of hypertensive patients with controlled blood pressure. Below, left to right: Eula Maddox, LPN, of UFCW Local 1996 addresses the 2013 Union Delegate Conference; the EVS department at Ontario Medical Center in Southern California in 2012, whose workers are represented by Steelworkers Local 7600; and Hal Ruddick, executive director of the Coalition of Kaiser Permanente Unions.



 **3,500+**

THE NUMBER OF UNIT-BASED  
TEAMS DRIVING PERFORMANCE  
IMPROVEMENT

*‘Partnership pays off for workers, members and patients, and Kaiser Permanente.’*

— HAL RUDDICK, executive director, Coalition of Kaiser Permanente Unions



#### 2010

Fast Company names Kaiser Permanente one of the world’s most innovative health care companies.



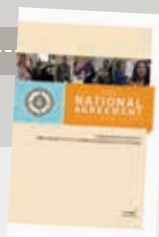
#### 2010

The Affordable Care Act passes. This bill initiates the most significant changes in the U.S. health care system since the establishment of Medicare.



#### 2012

Kaiser Permanente and the Coalition of KP Unions negotiate another innovative agreement that reaffirms their partnership and confronts many of the formidable challenges facing the health care industry.



#### 2015

The fifth National Agreement is negotiated, again using interest-based bargaining to develop a broad range of proposals that go far beyond the traditional contract issues of wages and benefits.



#### 2015

## WHO'S THAT PERSON?

In each issue of *Hank*, we will feature someone prominent from Kaiser Permanente or its unions on the front cover.

### CAN YOU NAME THIS PERSON?



## WHERE'S THE MISTAKE?

In each issue of *Hank*, there will be a mistake hidden somewhere in the pages. Can you find it?



FOR EXAMPLE:

*Woman is holding a cactus instead of a cup of water.*

### YOUR ANSWER:



Check out the answers to this issue's puzzles and games at [LMPartnership.org/puzzles-and-games/answers](http://LMPartnership.org/puzzles-and-games/answers).

## TRIVIA: LMP Lore

**DIRECTIONS:** Test your knowledge of the history of unions and Kaiser Permanente—and have some fun, too!

- What federal law allows unions to bargain wages, hours and working conditions?**
  - The National Union Rights Act
  - The National Labor Relations Act
  - The National Collective Bargaining Act
- What percentage of the U.S. workforce was represented by a union in 2014?**
  - 6.6 percent
  - 11.1 percent
  - 35.7 percent
- When did the Coalition of Kaiser Permanente Unions form?**
  - 1990
  - 1996
  - 1997
- What is the Path to Performance?**
  - A performance improvement method
  - A grievance procedure
  - A programwide rating system for unit-based teams
- How many unit-based teams does KP have?**
  - More than 5,000
  - More than 2,500
  - More than 3,500
- What percentage of those teams are ranked as high-performing (as of March 2015)?**
  - 63 percent
  - 71 percent
  - 89 percent
- What is UBT Tracker?**
  - An online reporting system that allows UBTs to share information about their tests of change
  - An inventory management tool
  - A rating system for unit-based teams
- For employees to feel free to speak up and share ideas, they need a work environment that \_\_\_\_\_.**
  - is free of blame and ridicule.
  - pinpoints fault when a mistake is made.
  - values ideas from those in higher-status positions over ideas from those in lower-status positions.
- Which two unions played a big role in the Permanente Foundation Health Plan succeeding in its early years?**
  - International Longshoremen and Warehousemen's Union
  - United Steelworkers
  - Retail Clerks Union Local 770
- When did the Labor Management Partnership form?**
  - 1995
  - 1997
  - 2000
- What is the preferred problem-solving method used in partnership?**
  - Consensus-driven problem solving
  - Interest-based problem solving
  - Position-based problem solving
- Who is at the center of unit-based teams' decision making?**
  - The team's physician co-lead
  - The team's union and management co-leads
  - The KP member and patient



## WHO'S BEHIND HANK?

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## WHAT IS HANK?

*Hank* is an award-winning journal named in honor of Kaiser Permanente's visionary co-founder and innovator, Henry J. Kaiser.

*Hank's* mission: Highlight the successes and struggles of Kaiser Permanente's Labor Management Partnership, which has been recognized as a model operating strategy for health care. *Hank* is published quarterly for the partnership's more than 130,000 workers, managers, physicians and dentists. All of them are working to make KP the best place to receive care and

the best place to work—and in the process are making health care history. That's what Henry Kaiser had in mind from the start.

For information about the management and union co-leads advancing partnership in your region, please visit [LMPartnership.org](http://LMPartnership.org).



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