

Keeping Professional Executive Committee members and other clinicians in touch with key policy developments and their impact on PCTs

## 2. Learning from Kaiser Permanente

Clinicians' interest in how alternative healthcare systems deliver care to patients was recently highlighted by debates following the 2002 BMJ Article, which compared the cost effectiveness and clinical quality achieved for California patients by Kaiser Permanente in comparison with the NHS.<sup>1</sup>

Whichever side of the debate you stand, it has been realised by many, including the Department of Health and the NHS, that Kaiser provides useful learning for NHS organisations in aiding delivery of a radically different healthcare service. The NHS has therefore embarked on the development of a twinning arrangement with Kaiser Permanente, to share information and developments to help the organisations learn from each other.

The BMJ article and a subsequent study of the Kaiser Model has raised a number of issues/questions for the NHS, including Kaiser's:

- Average length of stay in Acute beds
- Acute bed day usage model of care
- Approach to chronic disease
- Model of commissioning
- Patient Centred Model
- Self-Care approach
- Use of information

However, when comparing Kaiser and the NHS, it is important to remember that Kaiser does not have universal coverage, has a population that is self-selecting, and is in many respects a closed system.

The Department of Health, in conjunction with a number of NHS organisations have embarked on a study of the Kaiser model.

### What is Kaiser Permanente?

Kaiser Permanente is America's largest not-for-profit health care organisation, serving 8.1 million members in 9 states and the District of Columbia. The initiative grew out of doctor-led insurance prepayment solutions to meeting the healthcare needs of workers on New Deal construction projects and wartime shipyards. It brings together three separate organisations - the Kaiser Foundation Health Plans, the Kaiser Foundation Hospitals, and the Permanente Medical Group - in a number of regions to deliver care to the insured membership. These organisations are bound together in mutually exclusive partnership and contractual relationships, as a not-for-profit entity that operates for community benefit.

### Why is it important ?


*"In the current policy context, the main lesson from Kaiser is its ability to minimise the use of acute hospital beds through an integrated approach to service delivery. At the heart of this approach is a strong focus on the management of people with chronic diseases and the breaking down of barriers between secondary and primary care.*

*Compared with the NHS, more care is delivered in a community setting, and this includes the use of intermediate care, home care and self-care by patients. Care in Kaiser is actively planned and managed and this explains its ability to deliver good outcomes with a different pattern of service utilisation to the NHS.*

*Kaiser's model is shaped by the market in which it operates, and by the partnership between the health plan and Permanente physicians."*

Professor Chris Ham, Director Department of Health Strategy Unit





This work has a number of strands:

- A comparative study of acute length of stay and bed days
- Identification of a number of key principles that Kaiser has adopted that could be mirrored in the NHS
- A set of action orientated projects where PCTs and their partners take the Kaiser Principles and embed them into NHS organisations
- The creation of a learning network

NHS organisations that tested the system discovered, not surprisingly, a number of key factors that allowed the reduced use of Acute beds. These have now been identified as the **Kaiser Principles**. These principles (opposite) are being used by the NHS organisations involved in the Kaiser project to deliver transformed health services.


## What Has Happened to-date?

A comparative study highlights that the use of Acute beds and the number of bed days per 100,000 population for Kaiser is substantially different to the NHS. For example:

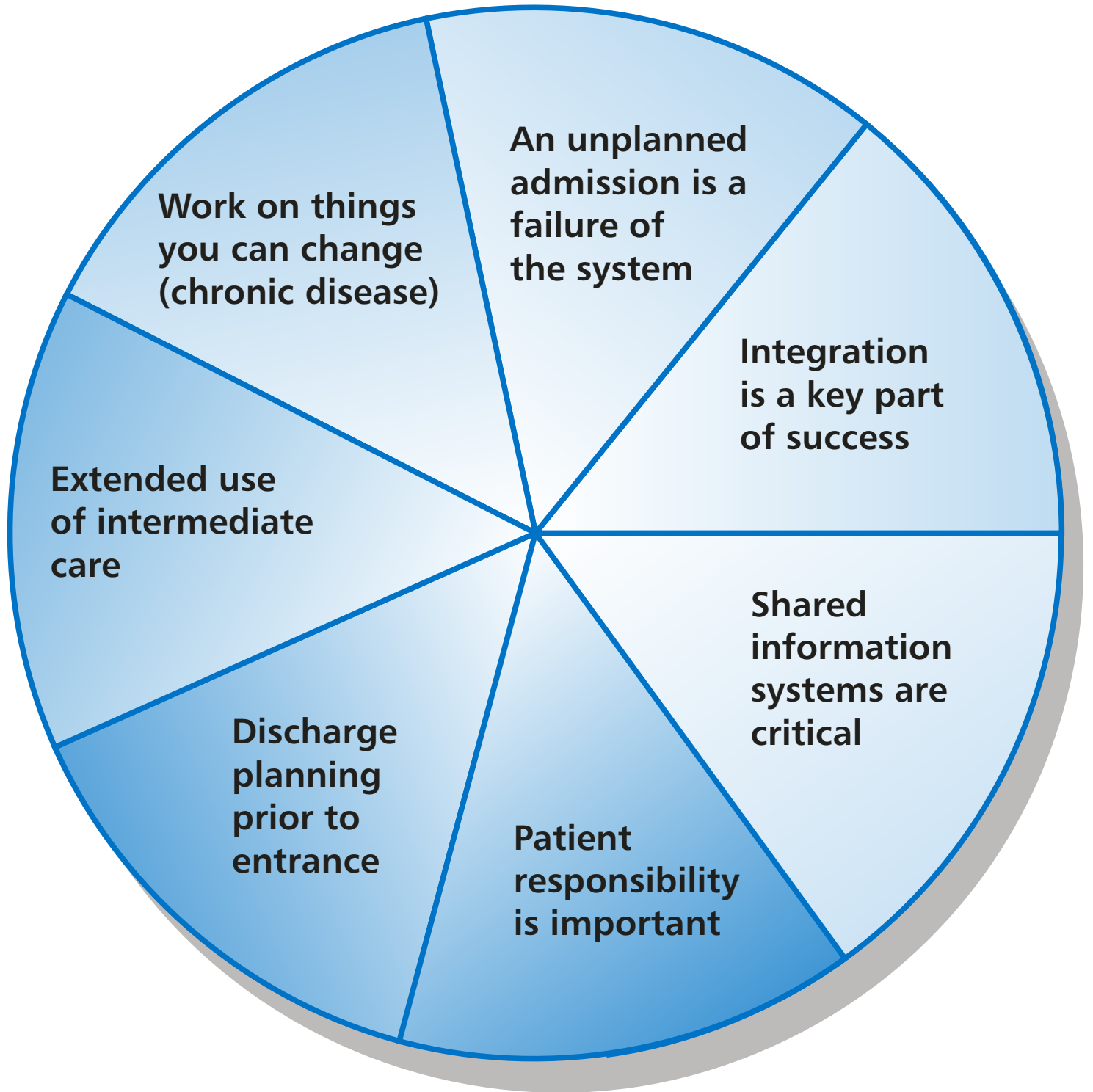
***'The average length of stay for hip replacement is four days' (Kaiser)***

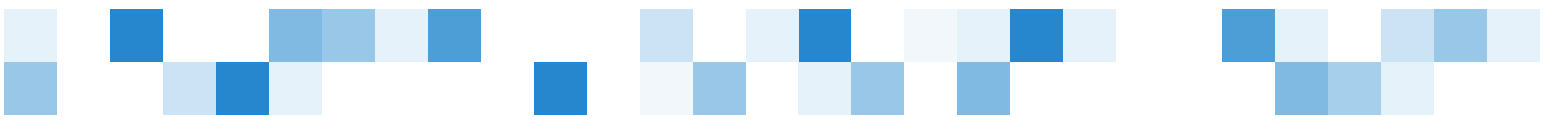
Also, Kaiser's Acute bed usage does not change with age whereas the NHS Acute bed usage increases as people become older.

To prove or disprove the Acute length of stay claims, information was compared, and selected health systems tested the Kaiser system, concluding that Acute bed usage was substantially less in some specialities. However all patients to be discharged did not go directly home, instead a number of patients with certain conditions being transferred to intermediate care facilities (i.e. Kaiser's Skilled Nursing Facilities) for rehabilitation etc. There are two key factors:

- discharge planning starts prior to admission
  - Kaiser uses more discharge planners
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## Kaiser Principles





The Kaiser principles are underpinned by:

- Committed and engaged clinical leaders
- Recognition that the patient is at the centre of their service
- Highly committed workforce

## Action Orientated Projects

The NHS organisations involved in the Kaiser twinning arrangement (PCTs and Health Care Trusts) are currently (since April 2003) adopting the Kaiser learning and principles to support implementation of key areas of work that their local NHS is charged with delivering. These include:

- Tackling orthopaedics
- Developing systems for effective Chronic Disease Management
- Developing intermediate care
- Developing new and different commissioning arrangements
- Enhancing clinical and managerial leadership
- Re-engineering care across the whole system

## The Learning Network (or the Kaiser Club)

It is vital to extend the learning from these projects to other parts of the NHS in an ongoing and systematic way.

As part of the twinning arrangement on a 'Kaiser Club' was created, including interested NHS Clinicians and Managers. This stems from the need to create national learning for all around the Kaiser experience, bringing with it learning from other systems. The first major 'Kaiser Club' learning event is the 4th November 2003, where over 400 people from within the NHS will attend an event hosted by NatPaCT, with six representatives from Kaiser Permanente. Throughout this week, work is ongoing with Kaiser visitors with NHS organisations. It is envisaged that this will become an annual learning event for NHS organisations.

## Finding out more

Presentations and recordings from the 4th November "Learning From Kaiser" event will be made available through the CASU PCT on-line portal for PCTs, a NatPaCT sponsored initiative to bring national interactive learning opportunities to the desks of busy people in PCTs.

<http://casu.interwise.com/casu/portal/pct>

For more information about Kaiser Permanente and United Healthcare (including links to their websites), and about the work of PCTs applying the principles of chronic disease management, visit the NatPaCT website:

[www.natpact.nhs.uk/chronic\\_disease\\_management](http://www.natpact.nhs.uk/chronic_disease_management)

<sup>1</sup> Getting More for their Dollar; a Comparison of the NHS with California's Kaiser Permanente' by Richard GA Feecham, Neeham K Senhr, Karen L White, BMJ 2002;324:135-143 (19 January)

PEC paper 1 - Reforming NHS Financial Flows: Introducing Payment by Results is available on the web site.