

Vision Statement: “What’s Possible...”

“If (we) have seen further than others, it is by standing on the shoulders of giants.”

Sir Isaac Newton

INTRODUCTION

Dr. Sidney Garfield’s guiding principles of physician leadership, integration, and prepayment have positioned Permanente Medicine to succeed for over eight decades.

Over the past 17 years, Dr. Robert Pearl and The Permanente Medical Group (TPMG) Board of Directors (BOD) have confronted the challenges of the economy and the dynamic healthcare marketplace. Through pioneering strategies in quality, technology, innovation, and service for our patients, we are now in the enviable position of becoming the national model for American healthcare.

Our success in delivering service and quality at a competitive price has been made possible by the collaborative efforts, contributions, and sacrifices of TPMG physicians.

If given both the honor and the opportunity to serve as the fifth Executive Director of TPMG, I am committed to listening, inspiring, and empowering our exceptional doctors. Together we will ask “what’s possible. . .” to ensure the highest quality of care for our patients, the financial success of our medical group, and the personal and professional fulfillment of our physicians.

VISION

My vision for the future is clear. We want to be “Simply the Best” place for healthcare using the most effective, industry-leading approaches, while supporting and inspiring the best physicians in the country.

The plan is two-fold:

- (1) To provide exceptional care.

We will identify and implement the ideal approaches to diagnosis, treatment, and prevention of disease. We will leverage our technology systems, predictive analytics, and physician expertise to help

achieve the highest quality, effective outcomes for our patients.

- (2) To engage, empower, and inspire the best physicians in the country.

We, the physicians of TPMG, need to be at the center of our strategy and supported with the best staff, systems, and wellness programs. We will ensure a balance of satisfying professional careers with personal fulfillment.

This design for excellence will allow TPMG to realize unrivaled success for many more decades.

BACKGROUND

The Affordable Care Act has created one of the most rapidly changing eras in American healthcare with diminishing revenue increases in Medicare and Medi-Cal, and a new membership composition. We must respond to a competitive market where costs matter and individuals have more choice.

This era of limited revenue means that we can no longer rely on annual premium increases to generate margin. To remain competitive, we will need to raise our quality and efficiency relative to cost. In order to continue investing in technology, hiring the best doctors and staff, and improving and expanding our medical facilities, we need to find innovative models to generate capital and to deliver effective care.

These concepts are not unique to healthcare. Across all industries, consumers are demanding more convenience and quality, for less price, and organizations are responding by leveraging modern technology. The Uber and Lyft movement is replacing our traditional transportation models, on-line streaming is displacing the big three television networks, and Twitter, Facebook, and E-books are replacing print media.

Those health care organizations that are capable of responding quickly, with new approaches, will differentiate from those unable or unwilling to change. This is “our time,” and with focused

leadership and a strategic collaborative team, we will continue to dominate the medical field as a national model for healthcare.

SECURING OUR FUTURE

The TPMG Board of Directors will always ask “what's possible. . .” to guarantee our success and financial stability today, tomorrow, and throughout retirement. When we harness the knowledge, motivation, and innovation of nearly 10,000 physicians, we will amplify our innovative spirit and leverage our group excellence. When we use technology strategically, we provide the best care and we maximize the opportunity for fulfillment and renewal. We will learn from our colleagues, our patients, and outside organizations and we will help lead other Permanente Medical Groups.

COLLABORATION

In order to succeed, we need to embrace the TPMG definition of group excellence and teamwork. Instead of 22 isolated medical centers, from California to Washington D.C., we will become one united medical group.

Successful collaboration requires:

- attraction and retention of the best physicians
- the development of systems which facilitate our physicians in both their work and quality
- the use of best practices from our regional colleagues and from across the country, with cross-facility standardization and centers of excellence
- continued local innovation and expeditious regional execution to maximize operational impact
- promotion of sustainable practices and physician wellness that will lead to rewarding and fulfilling careers within TPMG
- the enhancement of a supportive and inspirational culture

CONTINUOUS INNOVATION

Innovation is at the core of TPMG's foundation. By tapping into this legacy, we will easily adapt to the challenging marketplace and provide unrivaled care.

Effective leadership provides a culture which maximizes the strengths of the people in the organization. As the Executive Director, I will ensure an environment of psychological safety, to encourage creative thinking and inspiration. Working together while using this approach will rapidly advance innovations.

TECHNOLOGY

Technology will be expanded to provide both our members and physicians with better systems.

Our patients will have improved convenience, access to care, personalized service, and higher value. They will be empowered to stay healthy, make the best medical choices for themselves, and learn to seek care when needed. Instead of relying on Google or WebMD, our patients will seek and trust the technology and expertise designed by TPMG. We will improve our healthcare tools and apps to help provide medical and health educational materials for our patients.

Physicians will also benefit when expanded technology is available to patients. Technology systems can also provide valuable diagnostic information that can be coupled with predictive analytics to improve the quality and efficiency of physician work.

Ensuring that TPMG is at the forefront of technology innovation requires:

- continued technology advancement to improve our quality, patient experience, and operational efficiency
- the development of technology systems which facilitate the physician in both their work and quality

LEARNING

We will look to our colleagues, our patients, and our partners to help TPMG find the best solutions to provide quality, access, convenience, and personalization.

We will learn and share with other health care organizations like Intermountain Health in Utah, Virginia Mason in Washington, and Geisinger in Pennsylvania on how to redesign care. By empowering our colleagues, our patients, and others, we can achieve these goals.

As a learning organization we will:

- identify and implement the best practices from our regional colleagues and from across the country, with cross-facility standardization and centers of excellence
- continue local invention and expeditious regional execution to maximize operational impact and reduce variation

LEADERSHIP

One of our greatest competitive advantages is that TPMG is a physician led organization. We control the healthcare delivery and when we work together toward a broader vision of excellent care, we are in the best position compared to our administrative heavy competitors. We need to encourage all our physicians to discover their role as leaders within the medical group.

Leadership involves one life influencing another, and at TPMG we are all leaders and we all play an important role in healthcare. Whether or not we have an official title, patients and staff look to each physician for guidance and direction. We set the standards for caring, compassion, competence, and professionalism.

As physician leadership is at the core of our success, all physicians will be expected to be leaders, and all leaders will be expected to continue to be practicing physicians. The most influential physician leaders are those who would not ask their colleagues to do something they would not do themselves. Therefore, all physicians will be encouraged and supported to explore leadership roles to help drive clinical excellence. We will continue early identification and training of leaders who will inspire others and create more leaders. Leadership roles should have clearly defined qualifications and expectations, with a fair and balanced selection process.

Beyond TPMG, we need to mentor and lead other Permanente Medical Groups to ensure their success with their own breakthroughs and contributions to Permanente Medicine.

Finally, our next Executive Director and our Board will need to work closely with Kaiser Foundation Health Plan and Hospitals to continue to build the most trusted organization in healthcare. We will

continue to create value for this program and ensure that TPMG physicians are recognized as the drivers of quality care and total performance. This requires personal communication skills, negotiating skills, and articulation of the unique value our physicians create for the health care system.

Empowering our physicians to lead will create:

- the development of exceptional leaders who inspire others and create more leaders
- the enhancement of a supportive and inspirational culture

PHYSICIAN WELLNESS

Under my leadership, the TPMG BOD will support and empower all physicians to play active roles in improving their medical practices as well as their work-life balance.

Our physicians need to have a voice in providing ideas to help design their practices. We must craft our operational systems to allow physicians to focus only on physician work. The plans include:

- utilizing physician assistants, nurse practitioners, pharmacists, and surgical assistants to help physicians with their roles
- providing digital patient conferences for education and outpatient outreach
- a renewed focus on home based patient centered primary care using telemedicine
- developing effective systems which allow physicians to focus on patient care, while the paperwork and regulatory requirements are handled in alternative ways
- most importantly, we will strive to use systems to help our doctors leave work and return to empty inboxes and to patients whose concerns have been addressed

Physician fulfillment also includes offering practice expansion opportunities, such as teaching, research, and professional presentations.

Physicians will have opportunities to balance their professional careers and reduce panel sizes with niche primary care practices, such as:

- musculoskeletal joint injection
- medical acupuncture

- urgent care
- breast and women’s health
- medical weight management
- treadmill evaluation and other subspecialty support
- single lesion dermatology evaluation

We will offer mid-career educational sabbaticals to allow for professional development and operational enhancements. These activities will provide balance in a doctor's career and also expand TPMG in the community and nation.

Finally, as work and family demands increase, we need to provide reasonable options for our physicians to achieve work-life balance.

Considerations include:

- decreasing the minimum part-time physician shareholder schedule to below 60 percent
- utilizing more effective use of practice sharing
- providing support for families with children, such as with on-site daycare
- creating physician wellness activities to find the best ways to support empty nesters, colleagues caring for aging parents, and retired physicians

When we maintain sustainable practices and physician wellness across all departments, we will have a place where the best physicians want to practice. We will then be able to attract and retain the best physicians. Colleagues will again recommend medicine to their children and friends as one of the noblest of all professions.

CONCLUSION

These are unprecedented times with a fluid marketplace and an external environment that creates unique challenges for everyone in healthcare. When we leverage our integration and our unique infrastructure, we will be able to overcome the most adverse conditions.

If given the honor to serve as the fifth Executive Director for TPMG, I will use my experience, vision, and leadership skills to meet and exceed the challenges we face in the future.

Behind the strengths of our physician-led, integrated healthcare system, I will provide a culture of support, empowerment, and innovation for all of us. Using technology and collaboration, we will improve patient care as well as physician fulfillment. As the role model for healthcare, we will recruit only the best physicians and to continually find new leaders with fresh ideas for TPMG.

I believe that past performance is the best predictor of future success and my two decade experience in leadership demonstrates my strong commitment to TPMG.

During my 12 years as both a Physician-in-Chief and Director on the Board, I have learned how to unleash the power of 500 physicians at my medical center. I am excited by the possibility of unleashing the power of 10,000 physicians across Northern California and the Mid-Atlantic regions.

When Dr. Sidney Garfield presented to the Executive Committee on April 24, 1974, over 40 years ago, he provided this advice to the medical group:

“Keep your arms on each other’s shoulders and keep your eyes on the stars for innovation and change for the future.”

To secure our future, we need to set our sights higher. Now is the time to shoot for the stars again.

“What’s Possible. . .”

When we work together. . . Anything!

Thank you,

Rich