

Building a better world

2023 Sustainability & Responsibility Report



Review [California AB 1305 compliance disclosures](#) on our greenhouse gas emissions reduction efforts.

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Message From Our Chair and Chief Executive Officer

Kaiser Permanente's mission is to provide high-quality, affordable health care services and to improve the health of our members, patients, and the communities we serve. As the nation's largest nonprofit health care and coverage organization, we strive to deliver on our mission every day, just as we have since our founding in 1945.

Our work to lead as a responsible, sustainable, and equitable organization comes directly from our mission.

- Healthy people need healthy places to live and work, so we strive to create and sustain healthy communities.
- Everyone deserves the chance to live a healthy life, so throughout our history we have provided equitable and inclusive care, improved access to high-quality care, and respected and represented the diverse communities we serve.
- Just as we strive to deliver equitable care to our members and communities, we also cultivate an inclusive, diverse, and equitable culture within our organization. This makes us better able to deliver high-quality health care service to our richly diverse patients, members, and communities.
- We minimize our own environmental impact, while also addressing the upstream social and economic factors that drive health.

In these and many other ways, our mission guides our efforts to improve access to equitable care, grow healthy communities, foster a healthy and inclusive workplace, and operate a sustainable organization.

Indeed, the strategies and outcomes outlined in this **Sustainability & Responsibility Report** are a direct result of our mission. We hope that sharing this 2023 report serves as an ongoing incentive to our industry partners to continue helping to make this a better world.



A handwritten signature in black ink that reads "Greg A. Adams". The signature is fluid and cursive, written over a light grey background.

Greg A. Adams
Chair and Chief Executive Officer
Kaiser Permanente

Message From Our Chief Health Officer

Our mission demands that we work to improve the health of our members and communities. That starts with delivering high-quality care and services and offering affordable health care coverage. We know, however, that if we stopped there, we would not be fulfilling our mission, and worse, the health of our communities and individuals would likely worsen, as the factors that threaten health are broad and deep.

To improve health in a lasting way, we work not just within our medical campuses but also across the street and across town. We invest in resources that improve the conditions for good health, including by expanding access to safe and affordable housing, healthy food, and economic security; reducing violence and trauma; and supporting health and wellness in our schools. Mindful of the impact our operations have on the environment, we also drive for more sustainability around energy, water, waste, and other systems and processes that impact the environment. And in the wake of the emergency phase of the COVID-19 pandemic, we are strengthening support for the nation's public health system, because a resilient public health system benefits us all.

We at Kaiser Permanente are pleased to share the work we're doing to improve health and health equity, build healthier communities, and lead a mission-driven and responsible enterprise. Our **2023 Sustainability & Responsibility Report** highlights our strategies and accomplishments. Every part of our organization contributes in some way to the work included here, because every part plays a role in how we deliver on our mission. We invite you to review this report to gain a deeper understanding of our work.

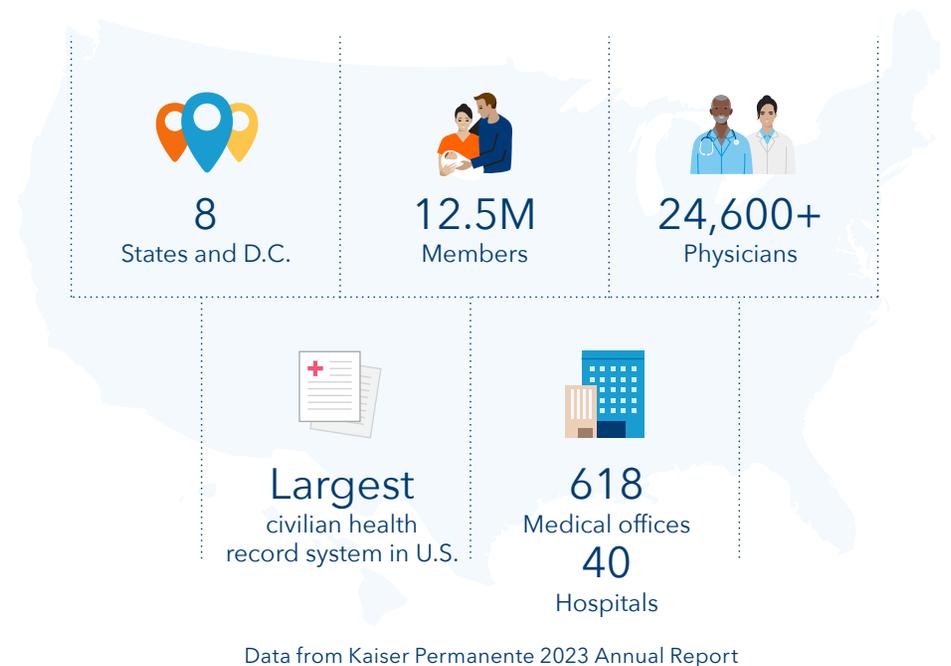


A handwritten signature in black ink, appearing to read 'Bechara Choucair'.

Bechara Choucair, MD
Executive Vice President and Chief Health Officer
Kaiser Permanente

Kaiser Permanente Overview

Kaiser Permanente's mission is to provide high-quality, affordable health care services and improve the health of our more than 12.5 million members and the more than 68 million people who live in the communities we serve in 8 states and the District of Columbia. Founded in 1945, Kaiser Permanente is recognized as one of America's leading health care providers and nonprofit health plans and is the largest and most complex health care organization of its kind in the nation, with more than \$100 billion in revenue in 2023 and a hospital and care delivery system with 40 hospitals and 618 medical offices. We also operate one of the largest pharmacy distribution services in the country, are a leader in home health, and serve as a major, independent medical research organization.



Care for members and patients is focused on their total health and guided by their personal Kaiser Permanente physicians, specialists, and team of caregivers. Our expert and caring medical teams are empowered and supported by industry-leading technology advances and tools for health promotion, disease prevention, state-of-the-art care delivery, and world-class ongoing disease management. Kaiser Permanente is dedicated to care innovations, clinical research, health education, and the support of community health.

Providing accessible, affordable, high-quality health care is at the heart of Kaiser Permanente's mission – and has been throughout our history. Our leadership in prevention, diagnosis, and treatment is how we help our members live healthy, engaged lives.



73,618
Nurses

24,605
Physicians

235,785
Employees

Kaiser Permanente is accountable both for providing appropriate and necessary care to each individual member and for serving as a steward of resources on behalf of our entire membership. This accountability aligns incentives to keep people healthy, rather than seeking to generate revenue when they are sick. Our approach enables our physicians and other caregivers to practice person-centered, high-quality care that embraces the latest innovations in medicine, which in turn enables them to make decisions with the best interest of the patient in mind. This leads to more effective and efficient care for our patients and members, and better health outcomes.

Our mission defines what we do, our model enables us to do it effectively, and our people are our greatest resource: Their inspiring commitment, industry-leading expertise, and extraordinary work every day make a real difference in people's lives. Our organization combines the skills of more than 235,700 employees, including over 73,600 nurses, who work with more than 24,600 physicians, representing all specialties, to serve our members and communities. Our shared purpose inspires and drives us.

Kaiser Permanente's commitment to improving conditions for health in our communities extends beyond the delivery of health care and is another foundational part of our mission. Central to our model is a focus that extends beyond our members into the communities where they live, work, and play. We are a leader in recognizing that healthy individuals need healthy communities, and healthy communities need healthy people to thrive. That is why we are working to improve the economic, social, and environmental conditions for health and equity in our communities by addressing the root causes of many health issues. We target the social drivers of health such as economic opportunity, access to quality and nutritious food, affordable housing, safe and supportive schools, and a healthy environment. We invest significantly in the states and regions where we operate by supporting community organizations and providing social health resources. Through these efforts we are working to create communities that are among the healthiest in the nation.





Thriving Planet:

We drive inclusive environmental stewardship to protect and promote a sustainable world for health

Our holistic approach to environmental stewardship

Our highest commitment at Kaiser Permanente is protecting the health and safety of our members, communities, and employees. As one of the nation's leading health care providers and nonprofit health plans, our foundational approach to environmental stewardship is anchored in [improving the health of our communities](#).

Our work in community health extends this commitment beyond patient care to comprehensively support the total health of the over 68 million people who live in the communities we serve.

We know that pollution and climate change pose public health and health equity crises that are impacting our patients, communities, and operations today. Our physicians and nurses treat patients experiencing health challenges impacted by our changing climate, while our operations teams continuously monitor and respond to climate and environmental threats in our service areas.

We recognize our obligation to steward the environment in which we live, work, play, and deliver care.

Our work ranges from how we power our facilities, purchase medical supplies, and manage waste to how we support our communities and partner with leaders to develop policies and systems that strengthen community health and protect our environment.



In 2020, we became the first U.S. health care organization certified as carbon neutral*, and we have achieved certification annually since. In 2022, we joined the U.S. Department of Health and Human Services' White House [Health Sector Climate Pledge](#) to reduce greenhouse gas emissions by 50% by 2030 and aim to reach net-zero emissions by 2050.



Our vision and impact pillars

At Kaiser Permanente, environmental stewardship is integral to our commitment to provide high-quality, affordable health care services and improve the health of our members and communities. We aim to improve the health and well-being of our members, while also contributing to the resiliency and sustainability of the communities we serve. We strive to include environmental stewardship in every action we take, leveraging our unique assets and positioning to improve the health and well-being of our members, while also contributing to the resilience and sustainability of the communities we serve.

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Our vision and impact pillars

We envision a future where the health and well-being of individuals and communities thrive on a healthy planet while we preserve our planet’s vitality for generations to come.



Sustainable Operations

We work to be environmentally responsible across our operations, improving our direct environmental impacts and innovating ways to adapt and remain resilient in a changing climate.

Resilient Communities

Our climate action portfolio focuses on supporting community-based, equity-centered organizations and local champions to develop climate resilience through advocacy, innovation, and capacity-strengthening investments.

Member Climate Care

As a leader in providing high-quality, affordable health care, we use our strengths to identify and address the social needs of members in our changing climate.

Thought Leadership

We recognize that solving the climate crisis and prioritizing health equity requires collective action and that no single organization, business, or sector can do it alone. We continuously advocate for ways the health care value chain can move toward a more sustainable future.

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In 2023, Kaiser Permanente ...

Sustainable Operations

Generated enough clean energy to power 9,000 single-family homes with our on-site solar panels²

Dispensed over 9 million miles of vehicle charging electricity at our facilities³

Conserved 260 Olympic-sized swimming pools' worth of water⁴

Resilient Communities

Secured \$22 million in additional funding for community organizations, based on our support of the Greenlining Institute

Reached 10,000 Colorado residents with information on protecting their health during poor air quality events, based on our support of Love My Air Denver

Educated over 700 farmworkers on ways to protect their health from the risks of working outdoors during heat waves, based on our support of the Central California Environmental Justice Network

Thought Leadership

Reached over 932,000 individuals in our Connecting Climate Change and Health series, in partnership with World Economic Forum

Partnered with We Don't Have Time to connect with over 100,000 business leaders, academics, activists, policymakers, media outlets, and engaged citizens about efforts for the climate

Collaborated with 11 leading health care organizations to [explore pathways to decarbonize the medical technology value chain](#)

²While we make all reasonable efforts to ensure our disclosures are verified and accurate, some a variation due to data availability may occur. Review California [AB 1305 compliance disclosures](#) on our greenhouse gas emissions reduction efforts.



Impact Pillar 1: Sustainable operations

Inpatient health care is the second largest commercial energy user in the U.S., and health care facilities consume close to 10% of the total energy used in U.S. commercial buildings.⁵ The U.S. Department of Energy's National Renewable Energy Laboratory found that states that reduced fossil fuel energy production through new renewable energy systems saw health benefits and savings.⁶

Kaiser Permanente is leading the health care sector in reducing environmental contributors to disease and illness through innovations in energy use, construction and building strategies, supply chain, food systems, finance, and clinical practice that promote community health.

Our focus areas

- Maintain annual carbon neutral certification in accordance with the CarbonNeutral Protocol¹
- Reduce greenhouse gas emissions by 50% by 2030, aiming to reach net-zero emissions by 2050
- Improve our water efficiency
- Improve our energy efficiency
- Increase the proportion of medical and facility products we purchase that meet our environmentally preferable purchasing standard
- Remanufacture, compost, or recycle more of our nonhazardous, nonmedical waste
- Ensure more of our patients' food meets our sustainable foods criteria

Sustainable operations: Climate action and resilience

The health imperative

At Kaiser Permanente, we know that climate change affects the environment and threatens the health of our members and communities. The World Health Organization has called climate change the single biggest [threat to global public health](#).

The frequency and duration of extreme weather events are increasing – for example, we're experiencing longer, more-intense heat waves; more-devastating floods; and stronger, wetter hurricanes. Extreme events like these can lead to lead to injuries and deaths.⁷

More subtle and chronic environmental changes are also profoundly impacting health. For example, climate change is contributing to the spread of mosquitoes and ticks, leading to an increase in illnesses like Lyme disease and West Nile virus. It's also increasing air pollution, which can cause or worsen [respiratory and cardiovascular diseases](#). Additionally, studies have found that climate change is increasing the amount of pollen and the length of allergy seasons.⁸

All of this can lead to a variety of negative impacts on physical and mental health, and we recognize that not everyone is equally at risk. Climate change causes more harm to children, older adults, people of color, and households with low incomes.



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Climate action: Our strategic focus areas

- We have long recognized that one of the most important ways we can serve our local and global communities is to improve our emissions footprint by improving our energy efficiency and transitioning to no- and low-carbon renewable energy sources.
- We were the first health care system in the U.S. to be certified carbon neutral in 2020 and have maintained annual certification since.
- In June 2022, we expanded our climate action by publicly committing to becoming net zero. We're eyeing the future with an aim to reduce our greenhouse gas emissions by 50% by 2030 and achieve net-zero emissions by 2050.
- We also aim to empower our operations and communities to adapt and build resilience to climate-related impacts.

Our 2023 climate actions

Clean energy: Investments in utility-scale wind, solar, and on-site solar enable Kaiser Permanente to dramatically reduce our operational energy emissions footprint.

Carbon neutrality: Kaiser Permanente was the first U.S. health care organization to be certified carbon neutral in 2020. We maintain this certification annually through improving our energy efficiency, generating solar energy at our facilities, purchasing renewable energy, and purchasing third-party verified carbon offset projects.

Net-zero building: Our Santa Rosa Mercury Way Medical Office in Santa Rosa, California, is the first net-zero health care facility in the U.S. In 2023, it produced enough clean, renewable solar energy on-site to meet most of its energy needs.

Electric Water Heaters

Our impact

Kaiser Permanente has launched a campaign to install electric heat-pump water heaters in our facilities. In 2023, we installed 18 electric heat-pump water heaters in 10 medical office and administrative buildings, which are projected to save over 3,000 tons of greenhouse gas emissions and over \$1 million in energy costs over the next 10 years.

Why we did it

Many health care systems, including Kaiser Permanente, have historically relied on natural-gas-powered heating systems, which emit greenhouse gases that contribute to climate change. However, studies have shown that heat-pump water heaters can be significantly more energy efficient and cost effective when compared to conventional water heaters.⁹

How we drove for impact

Through a competitive procurement process, Kaiser Permanente selected a partner that could identify and execute cost-effective emissions reduction opportunities. Our partner helped us to survey relevant facilities, analyze business impacts, and lead the design and installation of electric heat-pump water heaters at our facilities.

Our aim

Moving forward, Kaiser Permanente plans to implement lessons from our initial installation to effectively scale our campaign to additional markets and buildings. We continue to identify additional measures to decarbonize our buildings.



⁹While we make all reasonable efforts to ensure our disclosures are verified and accurate, some a variation due to data availability may occur. Review California [AB 1305 compliance disclosures](#) on our greenhouse gas emissions reduction efforts.

Solar excellence: As of 2023, 111 of our facilities had on-site solar arrays.

Anesthesia emissions reduction: Between 2014 and 2022, Kaiser Permanente achieved a 78% reduction in emissions associated with our use of halogenated anesthetic agents.

Innovation: In 2018, we began operating California’s first hospital-based renewable microgrid at our Richmond Medical Center. We expanded our green microgrid program to 5 facilities as of 2023, improving our resiliency while reducing our demand on strained electric grids in our communities.

Sustainable operations: Energy management

The health imperative

Inpatient health care is the second largest commercial energy user in the U.S., and health care facilities consume close to 10% of the total energy used in U.S. commercial buildings.¹² The U.S. Department of Energy’s National Renewable Energy Laboratory found that states that reduced fossil fuel energy production through new renewable energy systems saw health benefits and savings.¹³ The full life cycles of these fuels include extraction, processing, storage, transportation, and use – each with significant climate, health, and equity impacts.¹⁴

We have long recognized that one of the most important ways we can serve our local and global communities is to improve our emissions footprint by transitioning to no- and low-carbon renewable energy sources and optimizing our energy use.

Key performance metrics*

GHG Protocol Scope ^{10, 11}	2021	2022
Scope 1**	267,841 mtco2e	269,484 mtco2e
Scope 2**	Market based: ⁷ 50,402 mtco2e Location based: ⁸ 447,380 mtco2e	Market based: 41,950 mtco2e Location based: 460,767 mtco2e
Scope 3, Upstream***	2019: 2.5 million mtco2e	2022: 2.7 million mtco2e



*While we make all reasonable efforts to ensure our disclosures are verified and accurate, some variation due to data availability may occur.
 **Emissions figures have been reviewed with limited assurance by an accredited third party.
 *** Accredited third party estimation, scope 3 upstream emissions only

Energy management: Our strategic focus areas

- Improve our energy efficiency
- Increase renewable and zero-emissions energy sources such as on-site solar
- Improve access to low- and zero-emissions vehicle charging and fleet

Our energy stewardship actions

Managing our energy use: We have invested in energy monitoring and management capabilities, with a formalized process to routinely evaluate and improve energy performance across all our regions and facilities.

Electrification: Our scope 1 decarbonization tactics continue to emphasize electrification across our buildings and fleet vehicles.

Measuring what matters: We use smart energy analytics to drive energy conservation and efficiency in our buildings and optimize distributed energy resource performance.

Employee training and engagement: Our Utility Optimization Program helps to educate, inform, and inspire our organization-wide energy-management community of practice.



Efficient equipment and designs: We establish and enforce energy efficiency targets in our design standards to drive reductions through our capital investments and we strive to make every project an energy project.

Accountability: We establish and track market-level goals and plans of action to ensure engagement and progress against our ambitious goals.

Zeroing in: We focus our energy efficiency and emissions reduction investments on our highest-energy-consuming facilities.

Low- and zero-carbon energy: We expand the use of clean and distributed energy to further reduce grid dependency.

Financial sustainability: We optimize energy costs through rate optimization activities, such as direct access procurement.

CarbonNeutral Protocol certified:¹ We maintain this certification annually by improving our energy efficiency, generating solar energy at our facilities, and purchasing renewable energy and third-party verified carbon offsets.

Energy conservation: In 2023, we reduced our energy use intensity by over 5%, compared to 2015 levels.

Solar power: 111 Kaiser Permanente locations hosted on-site solar arrays in 2023. We also purchased over 1.41 million megawatt-hours of wind and solar electricity in 2023.

Grid resilience: In 2018, we installed California's first hospital-renewable microgrid at our Richmond Medical Center in Richmond, California. Across Kaiser Permanente, we have over 32 megawatt-hours of battery storage, and we'll be adding battery storage to many of our solar projects to reduce demand on the power grid, save money, and increase resilience.

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Facility engineer training and engagement: We instituted our utility optimization program, an energy and water management community of practice to educate and drive action across regions and facilities.

Energy Star ratings: 5 of our facilities were Energy Star certified in 2023. Over 50 Kaiser Permanente facilities have previously been Energy Star certified – including our Vallejo Medical Center in Vallejo, California, with a “perfect score” of 100.

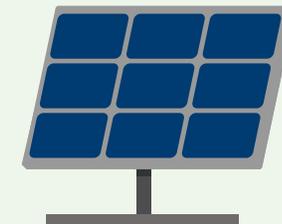
LEED-certified: With 78 projects totaling more than 8 million square feet certified under 9 rating systems at the end of 2023, we have the most LEED-certified health care square footage of any health care organization in the country and the largest number of certified projects in the health care space category. LEED stands for Leadership in Energy and Environmental Design, and it’s a widely used green building rating system.

Electrifying travel: Over 100 of our facilities, hosting over 1,000 electric vehicle charging stations, dispensed 2.8 million kilowatt-hours of charging energy in 2023 – enough to power over 9 million electric vehicle miles and an increase of almost 30% compared to 2022.



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On-site Solar Energy



Our impact

As part of our multipronged approach to reduce our emissions, Kaiser Permanente has installed over 100 on-site solar arrays, which supplied 5% of our total electricity in 2023 – enough to power over 9,000 single-family homes for a year – and saved an estimated \$1.2 million in annual energy costs.

Our why

In 2020, Kaiser Permanente became the first health care system to be certified carbon neutral, a certification we have maintained annually since. In 2022, Kaiser Permanente committed to reducing emissions by 50% by 2030, with an aim to reach net zero by 2050. Using solar energy generated on-site not only reduces our purchased energy, or scope 2, emissions, but also helps reduce energy costs. Solar panels that are connected to our green microgrid projects can also help us reduce our dependency on grid electricity.

How we achieve impact

Kaiser Permanente partners with on-site solar developers that install and maintain solar panels on our campuses. Some of these panels deliver energy directly to our facilities, while others produce clean, renewable energy that is delivered to other customers.

Sustainable operations: Water stewardship

The health imperative

Access to clean fresh water remains a growing concern. By 2030, the United Nations predicts a shortfall of 40% in our global water supply.¹⁵ In the U.S., hospitals account for approximately 7% of water usage in all commercial and institutional facilities.¹⁶ By keeping pollutants from entering our oceans, groundwater, and reservoirs, as well as conserving water wherever possible, adverse health effects can be prevented. Concerned with growing water scarcity, water-quality risks, and increasing water costs, we've stepped up our efforts to conserve water.

Water stewardship: Our strategic focus

- Improve our water efficiency

Our water stewardship actions

Spread best practices: We identify and spread best practices across Kaiser Permanente, including innovative technology and creative employee engagement approaches.

Engage employees: We leverage our internally developed Utility Optimization Program to educate and inform our water conservation community of practice.

Smart metering: We leverage smart water metering technology to gain a better picture of water usage, validate conservation measures, and address water leaks faster.

Flow optimization: We optimize water flow in our fixtures to reduce water usage without increasing maintenance requirements or Legionella bacteria risk.

Smart Water Metering



Our impact

As part of our water conservation efforts, Kaiser Permanente has implemented a Smart Water Metering Program that monitors leaks and flows using an advanced analytics system. In 2023, the program detected and supported the resolution of over 500 continuous usage events, saving an estimated \$750,000 in water costs.

Our why

Kaiser Permanente has a focus to improve our water efficiency. We can't conserve what we can't effectively monitor, so we embarked on an effort to do both more effectively. Our Smart Water Metering Program significantly improves leak detection and resolution times. It also enables us to better analyze water usage and conservation efforts.

How we achieve impact

Kaiser Permanente has partnered with a water analytics specialist that monitors our water meters and even some of our plumbing lines at key points across our campuses, alerting local teams to identified abnormalities. This monitoring and notification system allows our facilities to resolve water leaks and issues faster and helps us prevent water waste.

Our aim

Moving forward, we'll continue to expand our water monitoring and optimization program from the over 350 monitoring points we had in 2023, as well as explore further opportunities to reduce our fresh water use.

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Minimize irrigation: We minimize irrigation by reducing demand (for example, with the use of xeriscaping, which uses native, drought-tolerant landscaping), efficiently delivering water (including by using drip or bubbler sprinkler systems), eliminating waste (such as leaks and overspray), and smartly controlling irrigation schedules.

Efficient heating and cooling of water: We maximize the water efficiency of our cooling towers and heating systems to safely condition our facilities with the least amount of water needed.

Water-efficient medical equipment: We invest in water-efficient medical equipment and processes.

Sustainable operations: Built environment

The health imperative

The way we design our facilities to interact with adjacent neighborhoods, plan our facilities to support our members and their communities, and construct our buildings can have a huge impact on the environment in which those structures are located. By prioritizing an environmentally conscious strategy for all building and upgrade projects, we can reduce greenhouse gas emissions and eliminate potentially harmful effects of our day-to-day facility operations. By recognizing the link between the health of the environment and human health, we have sought to make our health care facilities among the most sustainable around. To that end, Kaiser Permanente has played a key role in developing nationally recognized green building strategies for the health care sector.

Kaiser Permanente has consistently topped LEED ratings for health care facilities, demonstrating our longtime dedication to improving community health and protecting the environment. Some of the many considerations that go into our planning and construction of a sustainable building include:

- Selecting sites to leverage existing development and density
- Designing for efficient water and energy consumption
- Including building commissioning in project scope
- Providing on-site renewable energy
- Purchasing green power and carbon offsets
- Prioritizing low-emissions vehicle and bicycle parking
- Selecting sites with access to public transportation
- Selecting products and materials that minimize the environmental impacts of extraction, processing, transport, maintenance, and disposal
- Using low-emitting materials to maximize indoor air quality
- Implementing environmentally-friendly building cleaning programs

These practices are very much top of mind at Kaiser Permanente as we work to improve the physical and environmental health of the communities we serve.

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Built environment: Our strategic focus areas

- Achieve minimum LEED Gold certification for all major construction projects over 40,000 square feet
- Use our strategies for sustainable facilities to protect our patients, our employees, and the environment

Our built environment actions

Building an accessible toolkit: Working with architects, engineers, and public health care advocates, Kaiser Permanente helped design and test strategies for one of the first health care green building standards, Health Care Without Harm’s Green Guide for Health Care, which is the first quantifiable and sustainable design, construction, and operations toolkit customized for the health care sector. We further worked with Health Care Without Harm to create the Path to Carbon Neutral Guide, which was made publicly accessible in 2020.

Expanding our innovation: We increase our organizational resiliency through expanding innovative infrastructure and protection against grid outages.

Leading the way: Kaiser Permanente has embraced LEED as a tool for all our new major construction projects since 2013. We are focused on ensuring that our facilities – from our emergency rooms to our medical offices – are as efficient as possible. In 2023, we were recognized as the top health care organization in the world for our number of LEED-certified buildings. We’re also number one in the U.S. in terms of LEED floor space, with over 8 million certified square feet as of 2023.

Impactful collaboration: In partnership with the California Energy Commission, we led an advanced heating, ventilating, and air conditioning technology demonstration project to reduce natural gas use in medical facilities.

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Reducing Embodied Carbon

Our impact

In 2023, the Embodied Carbon team at Kaiser Permanente partnered with a third party to explore ways to reduce life-cycle emissions associated with our buildings and construction. Through an in-depth analysis on a few key projects, the team identified ways to reduce emissions from building materials with minimal impact to project costs and schedules.



Our why

The materials used in new construction and refurbishment have a carbon footprint, also known as “embodied carbon.” In line with our commitment to reducing emissions by 50% by 2030, with an aim to reach net zero by 2050, Kaiser Permanente aims to reduce our embodied carbon emissions.

How we achieve impact

When Kaiser Permanente committed to net zero in 2022, a team focused on reducing the embodied carbon emissions in our buildings quickly formed and sprang into action to identify and evaluate how our construction projects could support our goal.

Our aim

Kaiser Permanente continues to explore existing and innovative ways to mitigate our climate impact and adapt to our changing climate by reducing embodied carbon and improving building resilience.

Ventilation research: Our outcomes-based ventilation project demonstrated a safe and effective variable air volume conversion. It also provided natural gas savings of up to 29% over baseline and electricity savings of up to 36% over baseline.

Mercury elimination: Kaiser Permanente has worked with suppliers to virtually eliminate the use of products and equipment that contain mercury.

Environmental responsibility: We work to reduce and eliminate chemicals of concern when sourcing medical products, facility supplies, and building materials.

Key 2023 performance metrics

- LEED-certified buildings as of 2023: 78
- Buildings hosting on-site solar panels in 2023: 111

Sustainable operations: Waste management

The health imperative

On average, U.S. hospitals generate over 29 pounds of waste¹⁷ per bed per day, adding up to almost 6 million tons of waste each year. In addition to waste products such as paper, cardboard, bottles, cans, and compostable organic waste, health care generates unique waste streams – including medical waste (such as items contaminated with blood or other potentially infectious materials, sharps, and nonhazardous pharmaceutical items), hazardous waste (such as lab solvents, cleaners, disinfectants, and some pharmaceuticals), and universal waste (such as batteries and electronic equipment). Reusing, recycling, and composting waste uses less energy, water, and other natural resources to manufacture products compared to

manufacturing using virgin materials. Reusing and composting waste also emits less pollutants than manufacturing with new materials and avoids emissions of pollutants from landfills. Proper collection and management of waste is important for the health of our environment and our communities.

We are committed to reducing and recycling our waste, motivated by our goal to increase the proportion of nonhazardous waste that is diverted from landfills through reduction, reuse, recycling, and composting. We are also committed to advocating for proper waste management among the entire health care sector.

Waste management: Our strategic focus areas

- Reuse, recycle, or compost more waste (excluding medical and hazardous waste)
- Reduce the toxicity of waste
- Enhance the use of recycled materials

Our waste stewardship actions

Waste reduction: We drive waste reduction and increase recycling rates via integration with cost savings and regulatory compliance initiatives.

Optimize waste streams: We identify new opportunities for waste streams that can be recycled or composted.

Organic waste: We enhance the collection of organic waste for composting.

¹⁷While we make all reasonable efforts to ensure our disclosures are verified and accurate, some a variation due to data availability may occur. Review California [AB 1305 compliance disclosures](#) on our greenhouse gas emissions reduction efforts.

Standardize waste management: We've standardized waste bin labeling and waste bin placement to make it easier for staff and members to choose the appropriate waste bin. We also provide annual training for all Kaiser Permanente staff on waste disposal procedures and requirements.

Reuse and reprocess: We reduce waste volume by reusing and reprocessing items when feasible.

- We use reusable sharps containers, which are emptied and then sterilized by our medical waste vendors, enabling the containers to be reused in our hospitals.
- We collect single-use clinical devices, so they can be safely reprocessed and remanufactured by a third-party vendor for resale.
- When possible, we have a third-party vendor refurbish information technology and other electronic equipment. That equipment can then be redeployed within Kaiser Permanente or resold by a vendor.

Procurement collaboration: In addition to thoughtfully managing our waste, we also work upstream by employing sustainable sourcing strategies. Our supply chain and impact spending teams collaborate with key suppliers and distributors to identify opportunities to:

- Decrease nonrecyclable packaging
- Increase recycled content in products
- Implement product stewardship (take-back) programs
- Support product designs that advance reprocessing
- Purchase reprocessed single-use items
- Assess the toxicity of materials that will become waste to reduce hazardous waste

Recycled content: We decreased nonrecyclable packaging and increased recycled content in our procured products.

Safe community collection: We have collection processes in place to help our members dispose of unused medications and used sharps. We aim to provide responsible disposal processes for these items to reduce the risk of diversion and improper use of medications, and to reduce the risk of sharps injuries and needlesticks.

Key 2023 performance metrics

Kaiser Permanente has a goal to recycle, reuse, or compost more nonhazardous, nonmedical waste. Of the 50% of our nonhazardous waste that was collected in 2023:

- More than 38,630 tons of waste was collected for recycling
- More than 3,330 tons of organic waste was collected for composting

Additionally, over 1,275 tons of plastic waste were avoided because of our use of reusable sharps containers.



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Waste Bin Standardization

Our impact

In 2018, Kaiser Permanente implemented a Waste Bin Optimization Program. We started using standardized labels developed by Recycle Across America on waste containers and standardized the characteristics of waste bins in all our California facilities. These changes increased regulatory compliance and boosted recycling yields, making the program a key contributor to our increased recycling rates.

Our why

Regular trash bins look different everywhere. Kaiser Permanente saw the need for standardization of trash bins' appearance and placement to promote easy decision-making for staff and members disposing of waste. This initiative not only supports standardization across a single health care system but also across the entire health care industry. Our Waste Bin Optimization guidance aligns waste disposal with thoughtful design to make the right choice the easy choice.



How we achieve impact

Kaiser Permanente began using standardized waste container labels for compostable waste; glass, cans, and plastics waste; cardboard waste; electronics waste; employee trash, member trash; confidential waste; and battery waste containers. Our facilities formed cross-functional waste optimization teams that identified opportunities for improvement, coordinated interventions, and supported consistent adoption over time.

Our aim

On average, U.S. hospitals generate over 29 pounds of waste¹¹ per bed per day, adding up to almost 6 million tons of waste each year. Kaiser Permanente is committed to reducing and recycling our waste, motivated by our goal to ensure more nonhazardous waste is diverted from landfills through reduction, reuse, recycling, and composting.

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Sustainable operations: Procurement

The health imperative

What we buy matters. Without responsible procurement, purchased goods and services can lead to high carbon footprints, unnecessary waste, increased costs, and adverse risks to human and environmental health.

As part of our mission to improve the health of our members and the communities we serve, Kaiser Permanente developed and implemented environmentally preferable purchasing principles, which comprise a holistic set of environmental criteria aligned with our commitment to eliminate specific chemicals of concern and minimize waste.

We are committed to applying these environmentally preferable purchasing principles to all our purchasing decisions for strategic medical products, facility supplies, and building materials, as well as to evaluating the life-cycle impacts of our purchased goods and services.

Sustainable procurement: Our strategic focus areas

- Ensure that more of our purchased medical products, facility supplies, and building materials meet our environmental standards
- Work with our suppliers to reduce the environmental impacts of products
- Use our purchasing power to support diverse and local suppliers to address economic, racial, and environmental disparities impacting the health of our members and the communities we serve

Our sustainable procurement actions

Reduce waste: We work to ensure purchased products do not create hazardous waste, are commercially recyclable, and are labeled with consumer-friendly recycling information.

Prioritize recycled materials: We work with suppliers to encourage the development of products that are made of 10% or more post-consumer recycled content; that use primary packaging that contains more than 10% post-consumer recycled content and secondary packaging that contains more than 30% post-consumer recycled content; and that have achieved Forest Stewardship Council certification, where applicable.



Use our purchasing power: We invest in organizations and initiatives aimed at addressing key social issues that have a significant impact on health. We also purchase goods and services from local and diverse-owned businesses to improve the economic health and well-being of the communities we serve and contribute to their success and resilience.

Encourage awareness and action: As part of our work to reduce the greenhouse gas emissions associated with health care, we work with our major suppliers on their greenhouse gas reduction goals, product innovations, and process improvements.

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Life-cycle cost analysis: As part of our environmentally preferable purchasing evaluation process, we look beyond the up-front costs of a product or service and calculate the total cost of ownership.

Eliminate hazardous chemicals: More than 20 years ago, we began eliminating the use of soaps, lotions, and sanitizers containing triclosan and triclocarban. Since 2012, we have worked with our suppliers to keep PVC, or polyvinyl chloride, and diethylhexyl phthalate out of our IV solution bags. We continue work with our suppliers to remove a variety of other hazardous chemicals from their products.

Prohibit harmful building materials: Beginning in 2004, we prohibited the purchase of building products containing PVC in our furnishings, including flooring, carpet, carpet backing, cove bases, corner guards, wall protection, handrails, bumper guards, perimeter edging on tables, signage (vinyl lettering), and above-ground piping. We also prohibited the purchase of fabric, furniture, finishes, and building materials containing fluorochemical additives or treatments and the purchase of upholstered furniture containing chemical flame retardants.

Drive sustainable electronic procurement: By purchasing electronic products that are EPEAT, or Electronic Product Environmental Assessment Tool, registered, we ensure that we minimize the environmental impact of our purchases. Every year since 2014, Kaiser Permanente has received the EPEAT Purchaser Award from the Green Electronics Council for excellence in the procurement of environmentally preferable electronic equipment.

Optimizing Surgical Kits

Our impact

As part of our work to reduce single-use plastics, we partnered with a supplier to replace our single-use disposable plastic surgical trays with bio-based surgical trays in our ophthalmology operating rooms. We also collaborated with the supplier on the development of other bio-based products to meet our needs.



Why we did it

Kaiser Permanente aims to reuse, recycle, or compost more of our nonhazardous, nonmedical waste. Additionally, we aim to ensure that more of our purchased medical products, facility supplies, and building materials meet our environmental purchasing principles.

How we drove for impact

After our success with the ophthalmology pilot that resulted in the implementation of bio-based procedure trays and packaging at scale, we were eager to pilot a supplier's bio-based products. The products use bagasse (a by-product of sugar production) instead of plastic, making them free from many known chemicals of concern. They're also biodegradable in a commercial compost facility. The products include basins, surgical needle counters, skin staplers, procedure kit compartment trays, and packaging trays. We worked with our medical product distributor to begin incorporating the new products into custom surgical kits.

Our aim

Kaiser Permanente is focused on reducing single-use plastics. We will continue to explore internal product innovation pilots that allow our teams to collaboratively foster innovation, cost and process improvements, and materials optimization for sustainability.

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Impact Pillar 2: Resilient communities



The health imperative

Climate change exacerbates existing public health challenges such as heat-related illnesses, vector-borne diseases, and food insecurity, which also disproportionately impact communities. Building resilience in the face of climate change is essential for promoting healthy people and healthy communities. At Kaiser Permanente, we recognize that by supporting community

resilience, we are better equipped to address climate-related health threats through proactive measures and collaborative efforts with both local stakeholders and national partners.

Our strategic focus areas

We know environments in which we live, work, learn, and play have a meaningful impact on our health and well-being. Our national community health strategy is dedicated to improving the health of the communities we serve, and we are committed to environmental stewardship beyond our walls. By listening to our communities, we make impactful investments and increase innovations that advance the future of community health and equity.

Our publicly shared [Community Health Needs Dashboard](#), which is used across our service areas, highlights place-based environmental impacts on health. Through meaningful partnerships, place-based engagement, and philanthropic investments, we work with our

communities to build resilience and reduce the health impacts of climate change and environmental hazards. Our environmental stewardship community health investments are guided by the following strategies:

- **Accelerating equitable environmental action:** Addressing the varied and wide-reaching health impacts of climate change will require broad, collective action. Despite a growing understanding of the links between climate change and human health, climate action lags behind the science-based targets needed to prevent the worst impacts of a changing climate. The current lack of cohesive strategies, accessible data, and tools for addressing the connections between climate, health, and equity leads to missed opportunities for collective action. By understanding climate as a health issue, businesses, policymakers, community organizations, and others can take bolder, more meaningful actions to protect the environment and our health.
- **Enhancing community preparedness:** Climate-related disasters and health hazards are becoming more frequent and intense. Kaiser Permanente communities are experiencing threats that were previously unheard of – from extreme heat domes in the Northwest to wildfires in Maui. Recognizing both the present and future health threats of climate change, we must support communities and individuals to minimize future risks and adapt to the health threats they are experiencing now.



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Showcasing impact

We strive to drive change on a systems level through national, regional, and local partnerships that advance evidence-based solutions, develop resources for climate action, and make health the center of the climate narrative. We also support the needs of communities through investments that reduce health vulnerabilities to environmental hazards. Here are some organizations and initiatives we invested in in 2023 and the impact of their work:

National Academy of Medicine, Climate and Health Research Agenda, and Informational Portal: Despite our general understanding of the connections between climate and health, there is a need to aggregate existing research, understand the gaps in evidence, and better inform future research opportunities. With funding from Kaiser Permanente, NAM is developing a resource that will guide future research, inform implementation of climate adaptation and mitigation strategies, and support effective policymaking related to climate and health. This initiative seeks to make climate and health data accessible and actionable for community members, community-based organizations, researchers, and policymakers, ultimately supporting evidence-based community resilience efforts and policy implementation to drive meaningful, effective climate action.

Business for Social Responsibility: The mission of Business for Social Responsibility (BSR) is to work with businesses to create a just and sustainable world. Kaiser Permanente and Business for Social Responsibility understand that putting health in the center of climate action considerations is an effective way to communicate the importance of environmentally responsible business practices and inspire change. The Centering Health Equity in Climate Action initiative was founded by BSR to promote health equity as a core component of climate ambitions by working in partnership across sectors to discern and amplify joint business action, engage in public policy advocacy, and deploy a broad-based communication strategy to educate and promote climate action broadly. Business for Social Responsibility will facilitate dialogue and action between key business leaders, community organizations focused on health equity and climate justice, and policymakers.



Extreme Heat Advisory for Farmworkers

Our impact

Kaiser Permanente funded a CCEJN project called Farmworker Leaders Working for Health Equity and Climate Justice to promote health and climate equity and the resilience of farmworkers in California's Central Valley. CCEJN is the Central California Environmental Justice Network. As of 2023, 350 heat resiliency kits have been distributed and over 700 area farmworkers have received training on the health risks of working outdoors during heat waves and ways to mitigate exposure to reduce their likelihood of heat-related illnesses. Over 2,400 farmworkers had received wallet cards, over 3,000 N95 masks had been distributed, and 305 farmworkers had attended trainings. Twenty-seven farmworker ambassadors have been prepared to educate others about the health impacts of wildfire smoke exposure, ways to mitigate exposure, and where to find air quality information.

Farmworkers and other outdoor laborers are more vulnerable to the effects of climate change, especially from extreme heat, air pollution, and wildfire smoke. Protecting this front-line workforce, which cultivates and harvests the food that sustains us, is essential to ensuring our overall community resilience. CCEJN's mission is to empower communities and secure a healthier future by eliminating negative environmental impacts within low-income areas and communities of color in California's Central Valley.



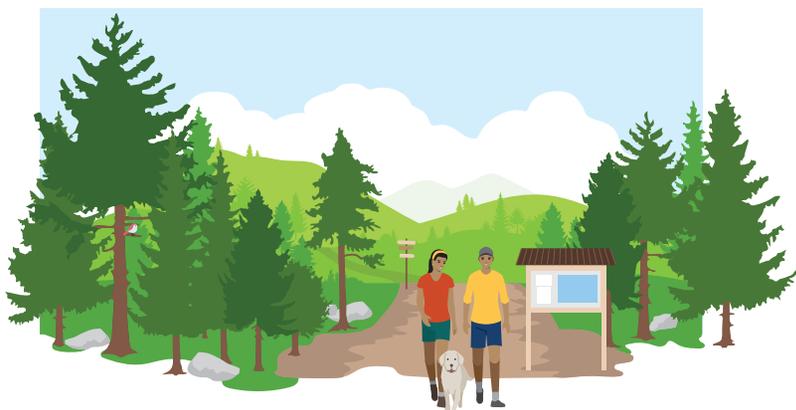
How we drove for impact

Through the project Farmworker Leaders Working for Health Equity and Climate Justice, funded by Kaiser Permanente, CCEJN promotes health and climate equity and the resilience of farmworkers in Madera, Fresno, and Kern counties. To address exposure to extreme heat, CCEJN provided heat safety information and resources to educate farmworkers and reduce the risk of heat-related illnesses and injuries. CCEJN assembled and disseminated heat resiliency kits that included tools to help keep workers cool (for example, neck fans, cooling towels, water bottles), as well as educational information on health risks, heat-stroke warning signs, and prevention recommendations for heat-related illnesses. Activities supported by Kaiser Permanente grant funding included the distribution of free N95 masks and guidance on mask utilization, education and provision of wallet cards with wildfire protection information, and the training of "farmworker ambassadors" to spread education resources to more people.



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The Greenlining Institute: The Greenlining Institute exists to dismantle the lasting legacy of redlining, the illegal and systematic practice of discriminating against communities of color based on their race. Previously redlined neighborhoods experience greater vulnerabilities to climate hazards. Kaiser Permanente supported the Greenlining Institute in completing a landscape assessment in Northern California highlighting proven strategies for building capacity within communities to take climate action, the important role of philanthropy in supporting community climate leadership, and recommendations for philanthropy to support low-income communities of color as they shift the generational tides of disinvestment. The Greenlining Institute supported community organizations to leverage available resources and implement the strategies identified in the landscape analysis. Capacity-building efforts resulted in at least \$22 million in additional funding to implement community-led climate solutions. The Greenlining Institute will continue sustaining this work through its new, multiyear [Greenlining the Block](#) initiative that works to strengthen community-based organizations to advance climate justice projects.



Love My Air Denver: Air pollution, specifically fine particulate matter (PM2.5), is responsible for up to 200,000 deaths every year in the United States. High levels of PM2.5 can decrease lung function; cause heart attacks, asthma attacks, and bronchitis; and exacerbate preexisting health conditions. Children are especially susceptible to air pollution’s acute and long-term effects, which impact both their health and development. Asthma is one of the leading causes of school absenteeism among students, and asthma-related absenteeism is linked to lower academic performance, particularly in urban underserved communities. Denver’s air quality regularly ranks among the worst in the nation. The Love My Air Denver program aims to reduce harms from air pollution by providing real-time, hyper-local air-quality data to residents using monitors paired with school- and clinic-based displays, educational programming, school nurse toolkits, and a publicly available smartphone app. Kaiser Permanente provided funding to Love My Air Denver to install new air-quality monitors in environmentally burdened neighborhoods, upgrade nurse toolkits, and improve the smartphone app. These investments will allow the program to reach 10,000 additional Denver residents and students with critical air-quality alerts and information on how they can protect their health during poor air quality events.

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Impact Pillar 3: Member climate care

The health imperative

Providing high-quality care to our members is core to our mission. We're recognized as a leader in providing high-quality, affordable care; identifying and addressing the social needs of members; supporting the overall health of the communities we serve; and operating our organization in a more sustainable way. With climate care, we have an opportunity to bring together these strengths to care for our members with an innovative approach that will meet their health needs in a changing climate.



Strategies and impacts

Our strategy for addressing the health of our members in the context of climate change centers on providing personalized care, tailored to their unique needs and circumstances. This entails delivering the right care in the right format at the right time, ensuring accessibility and effectiveness. Recognizing the increasing impact of climate-related health risks, we prioritize supporting our members during times of environmental crisis, such as extreme weather events and wildfires. One way we do this is by providing education and resources to help mitigate the health risks associated with climate change. By considering the specific risk factors and vulnerabilities of each member, we empower members to navigate and manage their health effectively in the face of environmental challenges. We also work to ensure members and their families are as prepared and resilient as possible in the face of climate events by offering support to address their other social health needs, like having enough healthy food to eat and access to safe, stable housing. Through this approach, we aim to help safeguard the health and well-being of our members within our changing climate.



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Telehealth

Our impact

Between 2015 to 2020, Kaiser Permanente in the Northwest experienced a 46% decrease in in-person visits and a 108% increase in telehealth visits. This translated to a significant reduction in emissions associated with patient transportation, leading to an estimated 51% reduction in ambulatory-visit carbon intensity between 2015 and 2020 in the region.¹⁸

Why we did it

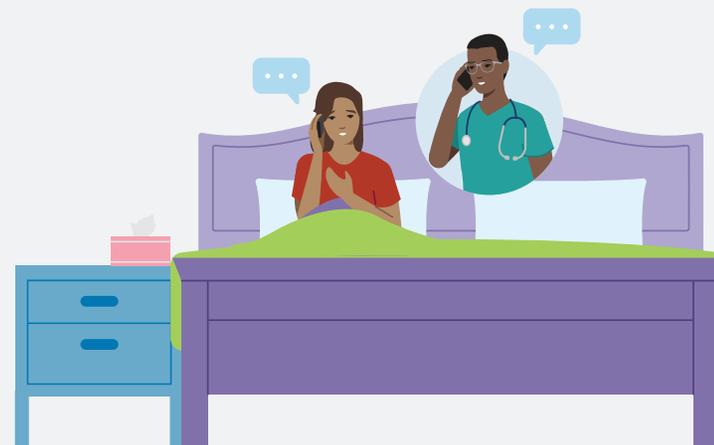
Recognizing the potential of telehealth to mitigate climate-related health risks, we prioritized its expansion to support patient access to high-quality care while reducing environmental impact.

How we drove for impact

Kaiser Permanente was an early adopter of telehealth and virtual care technology. When telehealth emerged as a safe and effective mode of care delivery during the COVID-19 pandemic, benefiting both patient health and the environment, rates of virtual care increased substantially.

Our aim

While we celebrate the environmental benefits of telehealth, we also recognize the need for ongoing innovation and adaptation in a changing climate. We remain committed to leveraging telehealth to improve member health and reduce our environmental footprint, demonstrating our dedication to both patient care and planetary health.



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Impact Pillar 4: Thought leadership

The health imperative

Climate change presents a monumental challenge that requires the collective action of all stakeholders. Thought leadership is pivotal for Kaiser Permanente in addressing the intersection of climate change and health. Through shaping public discourse and advocating for policy changes, we can drive systemic shifts toward sustainability and equity.

Our strategic focus areas and key partnerships

Solving the climate crisis and prioritizing health equity requires collective action, and we are committed to leading by example. Through our innovative initiatives, partnerships, and stakeholder engagements, we catalyze change by advocating for sustainable practices, promoting community resilience, and advancing policies that prioritize the health of people and our planet. By leveraging our expertise and resources, we contribute to a healthier, more equitable, and sustainable future for the communities we serve.

Decades of work in environmental stewardship bring Kaiser Permanente the ability to build effective coalitions and lead the health care industry in decarbonizing operations and building health care resilience. Through our partnerships with community-based organizations, we've developed relationships that enable us to understand and respond to community challenges and opportunities for action.

We also work across industries and sectors to broaden collaborations, spark insights, and advance strategies that put health and health equity in the center of the climate narrative. Our environmental leadership has allowed us to cultivate strong, long-lasting relationships with diverse groups of partner organizations, including:

- **Ceres:** This think tank focuses on advancing leadership among investors, companies, and capital market influencers to drive solutions and act on the world's most pressing sustainability issues.
- **Practice Greenhealth:** This nonprofit membership organization was founded on the principles of positive environmental stewardship and best practices by organizations in the health care community. Practice Greenhealth has been instrumental as a source of information, tools, data, resources, and expert technical support on our sustainability initiatives.
- **Health Care Without Harm:** This global nonprofit is on a mission to transform health care worldwide, sharing our vision of a health care sector that promotes the health of people and the environment. We work alongside peer organizations in Health Care Without Harm's global network to implement ecologically sound and healthy alternatives to health care practices that pollute the environment and contribute to disease.
- **Health Care Climate Council:** A leadership body of health systems committed to protecting their patients and employees from the health impacts of climate change. As a member organization, we connect with fellow network members to provide each other with inspiration and support to act, using our trusted voices and purchasing power to move policy and markets that drive the transformation to climate-smart health care.

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- **Healthcare Anchor Network:** More than 70 leading health care organizations are part of this growing national collaboration working to build more inclusive and sustainable local economies. As a member, Kaiser Permanente is committed to making sure our institutional and operational resources are aligned with the network’s clinical mission of tackling the structural determinants of health.

- **National Academy of Medicine:** Kaiser Permanente participates in the academy’s Climate Grand Challenge, a multiyear global initiative to communicate the climate crisis as a public health and equity crisis; develop a roadmap for systems transformation; catalyze the health sector to reduce its climate footprint and ensure its resilience; and accelerate research and innovation at the intersection of climate, health, and equity.

Connecting Climate and Health Series

Our impact

In partnership with the World Economic Forum, our 2023 Connecting Climate and Health events drew over 932,000 livestreams and replays, catalyzing action by inspiring participants to take concrete steps to address climate-related health risks and promote equity.

Why we did it

By leveraging our expertise and collaborative approach, Kaiser Permanente drives meaningful progress toward a healthier and more sustainable future for all. Both Kaiser Permanente and the World Economic Forum recognize and seek to elevate awareness of the critical link between climate change and public health. The Connecting Climate Change and Health series, a joint initiative, fosters cross-sector collaboration to address these complex challenges.

How we delivered impact

Through close collaboration, Kaiser Permanente and the World Economic Forum launched an events program that highlights the interconnectedness of climate change, health, and equity. One of the key objectives of the series is to identify opportunities for collaboration across sectors. By bringing health care professionals, policymakers, environmental experts, and community leaders together, this series facilitates dialogue to develop holistic solutions.

Our aim

Kaiser Permanente remains dedicated to advancing discussions on climate and health, advocating for putting health at the center of climate action, and driving collective action to safeguard the health and well-being of communities worldwide.



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References and footnotes

¹ Carbon Neutral Protocol, <https://www.carbonneutral.com/the-carbonneutral-protocol/introduction>

² Based on dividing Kaiser Permanente's 2023 on-site solar energy consumption and renewable energy credit purchases by averaged data gathered by the U.S. Energy Information Administration for 2023 <https://www.eia.gov/consumption/residential/>.

³ Based on dividing electric vehicle charging totals dispensed at Kaiser Permanente facilities in CY 2023 by the EPA's averaging conversion factor <https://www.federalregister.gov/documents/2011/07/06/2011-14291/revisions-and-additions-to-motor-vehicle-fuel-economy-label>.

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¹⁷ Waste," Practice Greenhealth, <https://practicegreenhealth.org/topics/waste/waste-0>.

¹⁸ Patient transport greenhouse gas emissions from outpatient care at an integrated health care system in the Northwestern United States, 2015-2020," 2021, The Journal of Climate Change and Health, <https://www.sciencedirect.com/science/article/pii/S2667278221000225>.

Environmental stewardship

Our members and communities are experiencing climate change firsthand. While no one is safe from the health burdens of climate change, people with the most exposure to the harmful effects of climate change [can also be the least protected](#). It's our responsibility to continue to help slow climate change and raise awareness of its health impacts.

One way to improve the health of the people who live in our communities is to protect the environment and minimize our environmental impact.

This includes how we operate our facilities and invest in our communities. We put health at the center of our environmental action.

Throughout 2023, we expanded our leadership role in protecting the environment and demonstrating the [connection between climate change and health](#).

- We provided a grant to the National Academy of Medicine to create a climate and health research agenda. The research agenda will build and expand the evidence base of solutions to protect against climate change's negative impacts on health and health equity. It will also inform future climate research, strategies, and policies.
- It's essential that we call attention to how climate change affects human health. We see the health effects of declining air quality, extreme heat, and weather-related events. In 2023, we convened global and national leaders in climate and health to share ideas and strategies for climate action. During Climate Week NYC, we co-hosted the Connecting Climate Change and Health event with the World Economic Forum. The event

focused on reasons why health and health equity must be a central consideration as businesses and communities evolve their sustainability and climate action efforts.

- Inside Kaiser Permanente, we continued our work to build sustainable facilities. In San Diego County, we opened the LEED Platinum San Marcos Medical Center. The 7-story facility uses cutting-edge technologies to produce its own electricity. Native plants and an efficient drip irrigation system help save 400,000 gallons of water each month – the equivalent of what is used monthly by 1,000 homes. In addition, our Santa Rosa Medical Offices in Northern California are the [nation's first medical facilities](#) to achieve net-zero energy as well as net-zero carbon status.
- As part of our effort to promote health and health equity as central objectives in private sector climate action, we partnered throughout the year with key stakeholders in many industries, including finance, business, energy, conservation, education, and public policy, to help shape their approaches to sustainable business practices.

Learn more about our strategies for environmental stewardship in our [Thriving Planet](#) section.



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Equitable Care:
We are improving health for members,
patients, and communities

At Kaiser Permanente, our mission is to provide high-quality, affordable health care services and to improve the health of our members and the communities we serve. Our definition of health refers to physical, mental, and emotional well-being – more simply put, it's total health. Total health goes beyond the doctor's office. It goes deep into our communities where people live, work, learn, and play.

Our priority is always the health and safety of our patients, members, communities, and employees. Our care teams – empowered to collaborate seamlessly within Kaiser Permanente's model of integrated care and coverage – have a shared commitment to preventing disease, healing illnesses and injuries, managing complex and chronic conditions, and improving mental health. Our front-line employees, clinicians, and labor partners all work to meet the health needs of our members and communities and continue to be an industry-leading voice for advancing evidence-based care. We seek to lead the nation in delivering person-centered care that is safe, effective, timely, efficient, and equitable.

We are proud of the work we did to deliver high-quality care and coverage to our members and communities in 2023. We also recognize that more needs to be done to push ourselves and others in health care to improve health in our country by making high-quality care more accessible, coordinated, and affordable.



Care and health equity

At Kaiser Permanente, we are committed to providing health care equitably and strive to eliminate disparities in health outcomes for all. We believe that all members and patients, regardless of their physical, mental, or socioeconomic status, have the right to equitable health outcomes and a personalized, high-quality care experience.

We're a recognized leader in eliminating care disparities and we continue to drive progress by seeking to address care gaps among underserved populations. Health equity is rooted in our mission. We take equity into account when we evaluate the quality of the care we provide and the outcomes we deliver to our members. This helps us identify and eliminate disparities in care and outcomes as we strive to provide the best care possible.

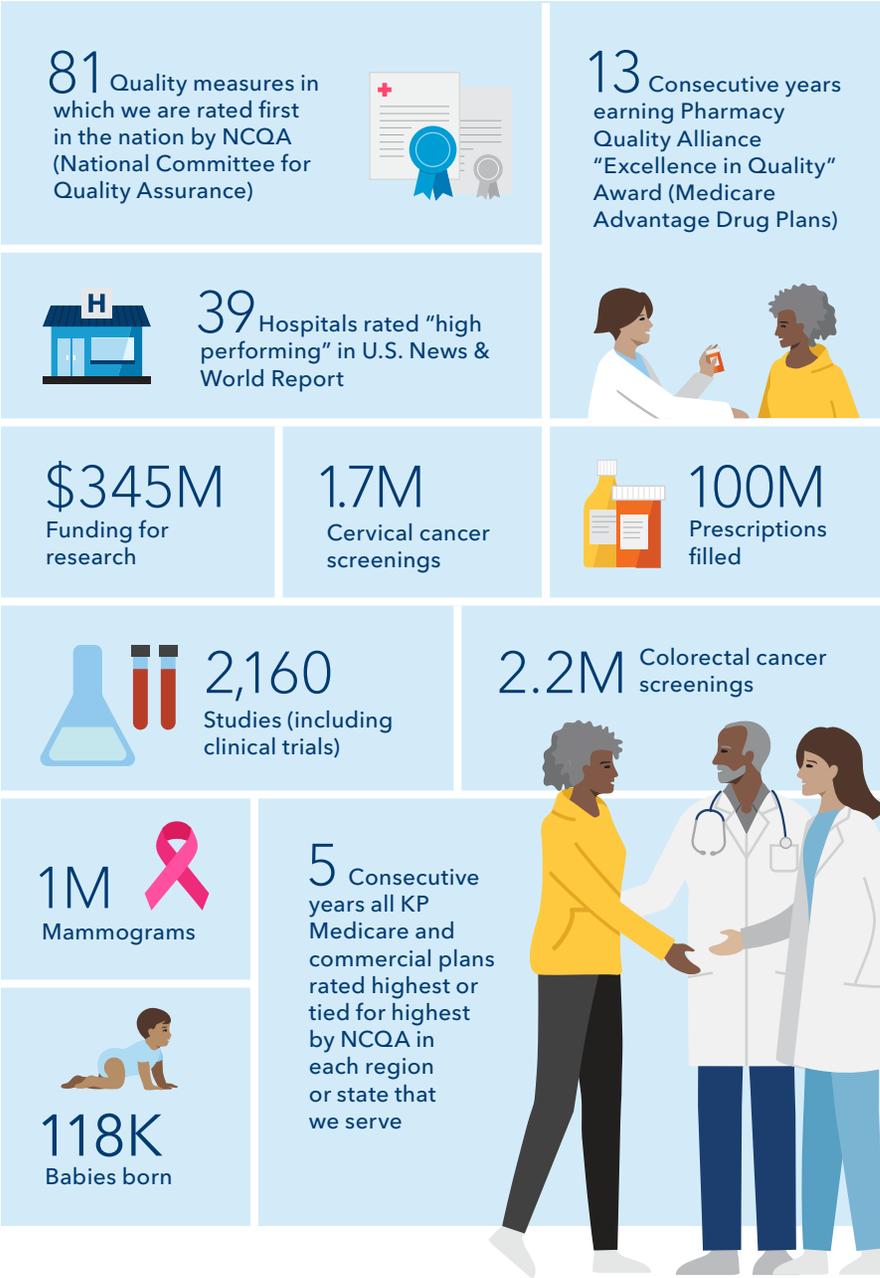
Measurement

In 2022, we committed to examining all our quality metrics through the lens of equity by looking at results by race, ethnicity, and social drivers of health. This applies to the measures of quality required by regulators and accreditors as well as to a new set of clinical outcomes measures we have begun to collect across our organization. This work continued in 2023. Our focus on both process and outcome measures demonstrates how we're holding ourselves accountable for both equal treatment and equity. We believe that equitable care does not mean simply making the same services available to all. It's about providing the care needed to maximize each member's health potential. The purpose of these measurements is to identify and inform the success of interventions designed to eliminate inequities in health care delivery and outcomes across different population groups.

Even with the challenges we faced, we continued to achieve high ratings in quality assessments. Our member satisfaction scores and quality of care ratings continued to be among the nation’s highest, as determined by multiple, independent organizations. We were again among the highest-rated health plans in the nation, according to the 2023 National Committee for Quality Assurance report. Our Medicare and commercial health plans were rated highest or tied for highest in every geographic region we serve. We continue to strive for excellence in this area.

Alongside these important third-party assessments, we are deeply engaged in exploring new ways of creating accountability around quality and quality improvement. In 2023, we produced an annual report for our board of directors that benchmarked our outcomes stratified by race and ethnicity for the most common types of cancer, the leading causes of cardiovascular deaths, depression, and maternal mortality. This is a unique achievement among health plans and, along with work we are conducting in collaboration with the Institute for Health Metrics and Evaluation to assess years of life lost related to specific health conditions, has the potential to transform how health care quality is measured and value is demonstrated to health plan members.

We have demonstrated success in addressing health disparities for hypertension control, diabetes care, and colorectal cancer screening. While we’re proud of this progress, we’re committed to doing more to deliver equitable health outcomes for our members. With the help of equity workgroups that include our internal experts from Quality, Community Health, Member Services, Human Resources, as well as the Permanente Federation and Permanente Medical Groups, we are creating a health equity framework to guide our approach to identifying and addressing care gaps. In 2023 we began focusing on



Medicaid members, including a set of metrics that includes childhood immunizations, colon and cervical cancer screening, blood pressure and diabetes control, pre- and postpartum care, and depression screening and follow-up. These measures will be assessed and reported in a consistent fashion, including equity measures, across all markets.

In 2022 we established the Health Equity Advisory Council, a senior executive oversight team that is advancing our institutional equity and health equity commitments – and specifically the elimination of inequities – through education, leadership subject matter expertise, and counsel. The council serves as an organizational steward and bold disrupter for sustainable and equitable change by reviewing our current organizational structures and operations.

Workforce

We are dedicated to delivering culturally responsive care with multilingual outreach. Our call center staff members are fluent in more than 140 languages, and our medical facilities are uniquely focused on the needs of specific communities. For example, several medical facilities are home to Culturally Competent Care Centers of Excellence serving Latino, Chinese, Black, Armenian, Vietnamese, and LGBTQ+ communities. Member communications are printed in various languages, and translators are available to help patients and their families. See the [Responsible Business](#) section for more

information on our approach to workforce development, diverse representation, and inclusivity.



Training

As a leading health care provider and mission-driven organization, it's particularly important that we address racial inequities resulting from what we do or don't do, and from how we design our systems and processes. Only then can we achieve our mission and truly create a better health care organization for everyone.

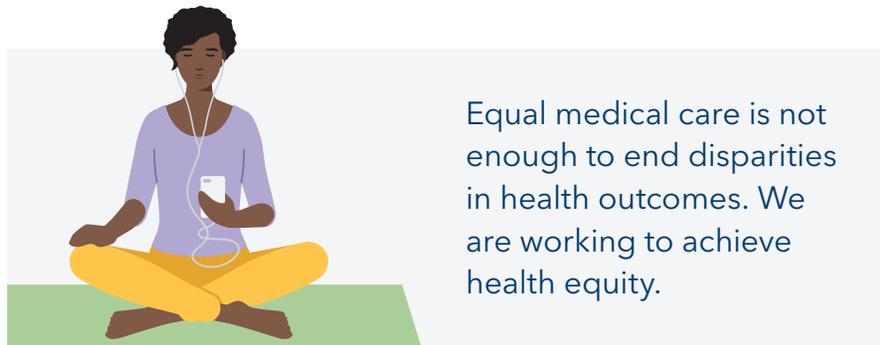
Kaiser Permanente is committed to addressing bias and racism through ongoing work in care delivery and community and social health as well as within our workforce. We are a multiracial and multicultural organization serving communities with great diversity. Our membership represents more than 260 ethnicities and speaks over 100 languages. Our workforce, most of whom are also members, is highly representative of our membership, with over 69% being people of color. By fully understanding and embracing the power of our diversity, we can best meet the unique needs of each of our members. We all benefit from racial equity, regardless of the color of our skin.

But racism – both interpersonal and structural – affects care experiences and outcomes for our diverse members, physicians, and employees and is a barrier to fully realizing our mission.



Our mission can't be fulfilled unless our care is equitable and inclusive. For each member of our workforce we are working to reduce the barriers to racial equity that exist in our systems and processes, as well as in individual thoughts and actions. Removing bias in how we recruit, develop, and advance people helps us build the most diverse, engaged, innovative, and satisfied workforce at all levels, with high retention rates.

Adhering to our [equity principles](#) and gaining a common understanding of bias and racial inequities helps us identify and eliminate bias in our thinking and actions, as well as in our systems and processes.



Leading the national dialogue

The Joint Commission and Kaiser Permanente came together in 2021 to establish the National Award for Excellence in Pursuit of Healthcare Equity. This annual award recognizes health care organizations and their partner institutions for leading initiatives that achieved a measurable, sustained reduction in one or more health care disparities. It honors the memory of our late chair and CEO Bernard J. Tyson, who worked tirelessly to address the health care disparities that plague the U.S. health care system.



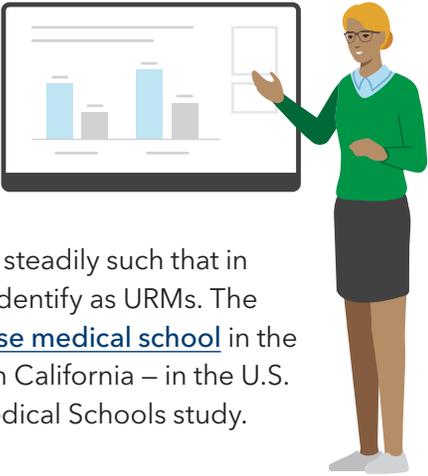
Care innovation

Alongside expert physicians and highly rated care facilities, our robust research capabilities help advance care, improve our members' experience, and identify solutions to improve the health of our members, patients, and the communities we serve. Our research and clinical practices are integrated to promote continuous improvement and leading-edge care delivery.

Our research teams are at the forefront of examining how innovations in care delivery can address disparities and inequities. Our large, diverse, and long-term membership enables us to study groups of people who are often underrepresented in research.

Our physicians connect our patients to clinical trials that offer cutting-edge treatments, such as immunotherapy and precision medicine for the care of patients with cancer, cardiovascular disease, and other major life-threatening illnesses. Our research on the coronavirus and COVID-19 contributed to the rapid development of vaccines, treatments, and other therapeutic strategies that helped save millions of lives across the country.

We opened the [Kaiser Permanente Bernard J. Tyson School of Medicine](#) in 2020. There, we teach future physicians about the social and environmental factors that affect the health of patients and populations that are under-resourced, underserved, and culturally diverse. Students learn in an environment that reflects the changing demographics of America and the multifaceted health care issues our country faces. The school has continued to demonstrate its commitment to diversity through its recruitment. In the 2024 inaugural class, 36% of the students identified as members of an underrepresented minority, known as URM, and this has grown steadily such that in the 2026 class 46% of the students identify as URM. The school ranked as the 5th most [diverse medical school](#) in the nation – and the 2nd most diverse in California – in the U.S. News & World Report 2023 Best Medical Schools study.



Our medical school students also have the opportunity to learn from the physicians and care teams in Kaiser Permanente’s integrated health care system. By reimagining how physicians are trained, the school aims to create outstanding physicians who will be skilled advocates for their patients and communities and who will drive change in the health care profession.

As a part of our mission, we’re always working toward making it easier and more convenient for members to get high-quality care and service. We invested in technologies to enable safe and convenient care that helped meet the increased demand for virtual care offerings during 2023. As we continue to invest in new and leading technology, equipment, care facilities, and more, we do so with a member- and patient-first approach. As part of this effort, we address digital inequities: While we have achieved a high level of digital connection with our members, there are still 15% we have not reached.

The need for telehealth and remote care remained high throughout 2023. Kaiser Permanente focused on more than just meeting the need for increased safety and convenience for our members. We also expanded our virtual care to include preventive care as well as advanced treatment of complicated and chronic health conditions.

Kaiser Permanente provided more than 22 million scheduled phone and video visits in 2023. Our teams also adjusted resources and services to help meet the increased mail-order pharmacy demand, filling an average of 136,000 prescriptions by mail each day.



In 2023, we continued our efforts to make 24/7 virtual care available to members with Get Care Now on kp.org. It provides another personalized way for our members to talk with a clinician and get convenient, high-quality care. During each phone or video visit, a Kaiser Permanente clinician can access the member's electronic health record and use the person's medical history to help inform care decisions, order prescriptions, schedule follow-up procedures, or make a referral to a specialist.

Artificial intelligence emerged as a more visible trend in health care in 2023, and Kaiser Permanente is staying in stride with its technological capabilities and offerings. AI encompasses a rapidly emerging set of tools that have significant potential to improve health care quality, safety, and efficiency. Kaiser Permanente participated in the National Academy of Medicine Health Care Artificial Intelligence Code of Conduct, an initiative aimed at providing a guiding framework to ensure that AI algorithms and their application in health, medical care, and health research perform accurately, equitably, safely, reliably, and ethically in the service of better health for all. We have also established our own guidance on AI use and will be instituting a governance construct to evaluate and monitor AI applications being used in administration and patient care.

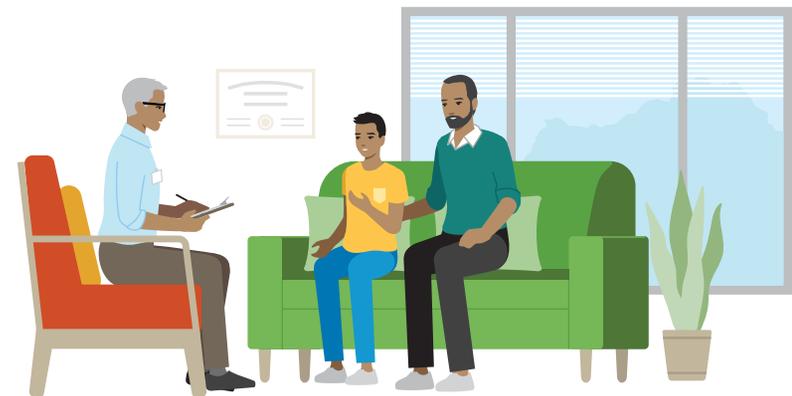
Accelerating a mental health workforce

Mental health is a critical health need across all Kaiser Permanente markets, and workforce shortages of mental health professionals are similarly widespread. Many people in the United States – particularly those in rural and historically underserved communities – live in areas with shortages of full-time clinicians, especially those who accept insurance. In September 2023, we launched the Mental Health

Workforce Accelerator (“Accelerator”) in our Colorado and Georgia markets to address the heightened, acute need for mental health professionals in these areas.

Our broad aim is to expand access to high-quality mental health services among the communities we serve. Through the Accelerator program, we anticipate supporting 194 pre- and post-master's degree clinicians in completing the required supervised work hours, one of the key barriers unlicensed mental health professionals face in securing licensure. In partnership with the National Council for Mental Wellbeing, Resilient Georgia, and Metropolitan State University of Denver, the Accelerator program supports job placement, stipends, and supervision for pre- and post-master's degree professionals who will work in community provider settings serving vulnerable populations.

In partnership with Jobs for the Future, we launched a landscape analysis to inform a strategy of creating health care and behavioral health pathways to impact 375 youth and young adults disconnected from the workforce in Colorado and Georgia.



COVID-19 response

In 2023 the COVID-19 pandemic and the national health emergency ended. The pandemic and events since 2020 have brought to light the health inequity, social injustice, and racism that persist in our country. A disproportionate percentage of COVID-19 illness and deaths has occurred within Black, Latino, and other underrepresented communities. These inequities and injustices were also evident in the drive for COVID-19 vaccinations, with underrepresented communities having limited access to health care and resources, along with a lack of trust in the health care system.

When the COVID-19 vaccine became available to the public, Kaiser Permanente designed, built, and adjusted outreach campaigns to increase overall vaccination rates. We also helped ensure fair and equitable administration of vaccinations in communities most affected by COVID-19. Kaiser Permanente partnered with cities, states, community and religious organizations, and federally qualified health centers to distribute vaccinations safely and equitably in these communities.

We set up community clinics to make it easier to get a vaccination. We helped deliver messages and information to millions of people from trusted voices, leaders, and organizations that have consistently served our communities in need.

We developed and freely shared our Vaccine Equity Toolkit – which provided our equitable vaccine administration approach and best practices – with other care delivery organizations, health plans, and state and local governments. The toolkit continues to help deepen our existing partnerships and supports ongoing opportunities for mutual learning.

Our [vaccine equity toolkit](#) offers approaches to help address equitable vaccine administration for communities hit hardest by COVID-19.



Social health

Kaiser Permanente’s long-standing commitment to delivering high-quality care and eliminating health inequities includes addressing social factors that affect health, such as having access to healthy food and safe living conditions.

Knowing that millions of our members experience financial strain, food insecurity, and other problems that can compromise good health, we opened the Kaiser Permanente Community Support Hub in 2023 as a dedicated support center to help people meet their daily needs. The hub operates proactively, using text, email, and phone calls to encourage members to complete social health screenings and to offer help finding and enrolling in community-based resources and government assistance programs. The hub also provides on-demand services, including an online directory of resources at kp.org/communityresources that anyone can use to search for local programs that help with housing, food, paying utility bills, and more. People who would like more hands-on support locating resources can call the hub’s toll-free call center during business hours at 1-800-443-6328 to talk to a specialist. Both services are offered at no cost.

Supporting people at risk

While we created a broad marketing campaign in 2023 to raise awareness about the Kaiser Permanente Community Support Hub among our general membership, we also created programs to support smaller groups of vulnerable members experiencing food and housing insecurity. These included:

- **Medical-legal partnerships:** Working with a growing number of local legal aid organizations, our care teams helped 1,200 patients and their families receive free legal support for housing concerns in 2023. Kaiser Permanente began establishing medical-legal partnerships in 2021 at several medical centers, and in 2023 [announced plans to expand the program](#), helping even more people avoid evictions and stay in their homes – a critical part of good health and health equity.
- **SNAP, WIC, and ACP:** We continued to use text messages and email to contact people potentially eligible for the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and the Affordable Connectivity Program, which gives discounts on internet services and devices to people with low incomes. We reached out to nearly 64,000 people to offer help applying for these vital public benefits in 2023.
- **Housing insecurity:** Through our Project HOME initiative, our care teams connect patients without housing to local organizations that can help. If needed, our care teams can connect patients to mental and physical health services. Since launching the initiative, 253 members, patients, and family members are enrolled and on the path to safe, stable housing.

Making connections to improve health

The Kaiser Permanente Community Support Hub supplements services provided to members at the point of care by social workers and others in similar roles. By expanding our ecosystem of social health tools and services, the hub helped us screen nearly 2.6 million members for social needs in 2023 and help more than 350,000 people find support.

Roy Angeles, a Kaiser Permanente member in San Diego, is just one of the many thousands of people whose health and well-being improved because we offered solutions to support their social health. Diagnosed with type 2 diabetes in 2004, Angeles struggled to keep his condition under control until Eleanor Pizzaro, a nurse practitioner in our Otay Mesa Medical Offices, started asking questions. She discovered Angeles often didn't have the money to pay for his medications, and paying rent and buying healthy food were a constant challenge.

Pizzaro worked with the Kaiser Permanente [Community Support Hub](#) to help Angeles find affordable housing and to enroll him in CalFresh benefits so he could start eating better and feeling better. Today his diabetes is under control for the first time in many years.



Food Is Medicine

The [connection between nutrition and a person's health](#) is clear. Even so, the number of Americans struggling to afford healthy food is rising.

Hunger and poor nutrition are linked to a [higher risk of ongoing conditions](#) such as diabetes, high blood pressure, and obesity. And these conditions disproportionately affect low-income communities and communities of color.

As leaders in the [Food Is Medicine movement](#), we helped provide more of our members access to nutritious food in 2023. We also worked to better understand how providing nutritious food improves their health.

- We continued to help members enroll in public benefit programs that support good nutrition. We emailed and texted over 5 million Kaiser Permanente members to let them know we could help connect them to resources if they needed assistance with essentials like buying healthy food.
- We reached out to specific groups of members we thought might be eligible for SNAP and the special supplemental nutrition program for women, infants, and children, known as WIC. We offered help applying for these vital grocery benefits. These programs are often underused because people think they're not eligible or find the application process difficult. We generated evidence for healthy food programs in health care through clinical trials and collaborative research. For example, we teamed up with Instacart to study how deliveries of healthy food can improve health. We're studying the results of providing stipends for people with diet-related diseases to purchase healthy food. Participants who receive funds are able to choose their own healthy groceries for home delivery.

This is our second healthy grocery clinical study. In partnership with Foodsmart and Instacart, the first trial examined whether health improved when patients with diabetes were provided produce box deliveries at no cost. Preliminary results found a significant reduction in patients' blood sugar levels after 6 months. This was especially meaningful because the patient population was diverse, at high risk, and had low income.

Together with more organizations that support the Food Is Medicine movement we can help to end hunger and make healthy, affordable food available to people in need.

Through our community health grants, we provide more options for people who need help to get care.





Healthy Communities:
We create equitable opportunities
and conditions for health

Kaiser Permanente was founded on a commitment to keeping our members healthy and restoring them to health after injury or illness. Since our inception we have also had a larger goal, based on our belief that high-quality health care should be accessible and affordable to all: to improve the health of our communities.

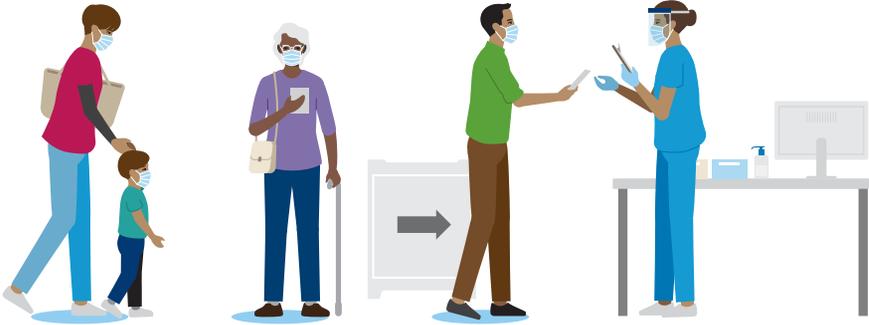
One way we do this is by providing high-quality health care. But, to achieve better health, people need more. They need to be able to meet their daily needs. They need a safe place to live, enough money to pay the bills, and access to healthy meals. And they need healthy communities. We invest in our communities to improve the conditions for health and equity. Our community investments and partnerships address all the factors that impact health and well-being. In 2023, our community health investments built on partnerships established and lessons learned to improve health for individuals, for communities, and for the public at large.

Building support for public health

As the nation emerged from the emergency phase of the COVID-19 pandemic in 2023, we took stock of the lessons learned from our country’s response and the new partnerships forged between public health institutions, health care delivery systems, and community-based organizations. We seized the opportunity to build on these successes and rally support for the public health system.

Common Health Coalition: Together for Public Health

In 2023, Kaiser Permanente formed a coalition with 4 other leading health care organizations to strengthen the partnership between the U.S. health care system and public health systems.



The coalition is called the Common Health Coalition: Together for Public Health. Its founding members are AHIP, the Alliance of Community Health Plans, the American Hospital Association, the American Medical Association, and Kaiser Permanente.

The Common Health Coalition is translating the hard-won lessons and successes of the responses to the COVID-19 pandemic into actionable strategies. Its goal is to equip health care organizations to better collaborate with and support public health agencies, in order to advance health equity and be better prepared for future emergencies.

After a robust analysis, the coalition selected 4 areas of focus:

- Coordination between health care and public health
- Always-on emergency preparedness
- Real-time disease detection
- Exchange of data to advance health equity

The Common Health Coalition will announce shared commitments in these 4 areas and identify specific actions each member organization will take in the coming years to support those commitments.

Community-based organizations and public health

During the COVID-19 public health emergency, community-based organizations filled critical gaps that local public health jurisdictions faced.

Community-based organizations served as extensions of the public health workforce. For example, they helped with case investigations and contact-tracing efforts. They supported people and families who had to isolate and quarantine. They also served as trusted voices that could access hard-to-reach populations and combat misinformation.

Working with the CDC Foundation, Kaiser Permanente developed a set of recommendations and guidance on how to create and sustain public health and community partner collaborations.

Setting a public health services research agenda

To meet public health needs, public health leaders, practitioners, and policymakers need current, relevant, and reliable research and evidence.

We partnered with AcademyHealth to develop a renewed public health services research agenda. AcademyHealth works to address the current and future needs of our nation's ever-evolving health system. It studies how our health system works, how to support patients to choose the right care, and how to help improve health through care delivery.

The research agenda highlights current information gaps and research priorities to drive sustained investment in public health services research. It will ensure we have the evidence needed to focus our resources on interventions and programs that better support public health.

Economic opportunity

Inclusive economic growth is essential to individual and community health. When there is a lack of economic opportunity in communities, the prospects for upward social mobility are typically diminished, which can result in poorer health and higher mortality rates for people living in those communities.

Throughout the United States, communities of color have endured decades of underinvestment and discriminatory economic policies. These conditions have created a persistent and extreme racial wealth gap.

At Kaiser Permanente, we know that the legacy of structural racism continues to limit economic opportunities for people and communities of color. So, we focus efforts on supporting these populations.

In 2023, we continued to work toward solutions to eliminate the racial health and wealth gap. We helped people and communities most in need by expanding economic opportunities through financial coaching, career pathways, and entrepreneurship support.

Strengthening household finances

In 2023, we supported 478 nonprofit organizations that help people with low incomes improve their household and business finances.

Over 46,000 people were supported in setting financial goals, finding and applying for public benefits, managing their debt, and accessing safe financial products.

We helped more than 10,000 entrepreneurs access resources to improve their personal and business finances.

Supporting diverse, small businesses

In 2023, we continued to provide grant funding to nonprofit organizations that provide business support to entrepreneurs.

Our partners helped over 2,400 diverse entrepreneurs launch, sustain, or grow small businesses by providing no-cost business training, advising, and affordable capital.

These partners advocated for policies and programs that help reduce systemic barriers and contribute to the growth of businesses owned by women, people of color, and other underrepresented groups. For example, the nonprofit organizations advocated to ensure public resources were distributed more equitably – with the intent of reaching the most vulnerable communities and reducing the racial wealth gap.

Since June 2020, we’ve helped more than 27,000 entrepreneurs – including women, people of color, and other underrepresented groups. They, in turn, are building wealth for themselves and their families. They’re contributing to the health of their communities by creating quality jobs and providing essential goods and services.



Within Kaiser Permanente, we continue to purchase goods and services, including supplies for our hospitals, from small businesses owned by women, people of color, and other underrepresented groups. In 2023, we spent over \$3 billion with these diverse businesses and connected them with our partner organizations to receive technical assistance at no cost.

We continued to educate our suppliers about [employee ownership](#) and supported their efforts to improve job quality and build employee wealth. In 2023, our efforts inspired 3 additional health care anchor institutions to invest in employee ownership initiatives among their suppliers.

Building neighborhood resilience

Since 2020, we’ve partnered with the Local Initiatives Support Corporation to strengthen the local economy in 10 communities of color. Our work brought together diverse community stakeholders in each of the target neighborhoods and developed strategies for neighborhood resilience.

In 2023, this partnership resulted in grants to over 50 community-based organizations that are focused on:

- Income and asset-building for residents
- Small-business development
- Historic and cultural preservation
- Mixed-use development projects
- Food sovereignty projects

Expanding health care and mental health career pathways

Allied health care services, critical to delivering high-quality health care, are provided by a wide range of clinical, administrative, and support professionals. They include licensed vocational nurses, medical coders, health information technicians, radiologic technicians, and laboratory workers.

Allied health professionals make up more than 60% of the health care workforce. But the number of people going into allied health professions is shrinking.

The mental health care workforce is experiencing workforce shortages as well. With 1 in 5 adults in the U.S. experiencing a mental illness, a [severe shortage of mental health providers](#) has resulted in 53% of adults and 60% of youth who have mental illnesses receiving no treatment.

Kaiser Permanente is addressing the shortages in the mental health and health care workforce by helping to support partnerships that increase the number of master’s degree level mental health professionals; increasing the nondegree pathways to high-demand, middle-wage jobs; and improving peoples’ access to quality health care jobs.



Food and nutrition security



We know that adults with healthy diets [tend to live longer](#). And, they have a lower risk of diet-related diseases, such as diabetes, high blood pressure, and obesity.

Yet, over [44 million people in the U.S., including 13 million children](#), don’t have enough to eat or can’t afford healthy food. These issues disproportionately affect [people with low incomes and people of color](#).

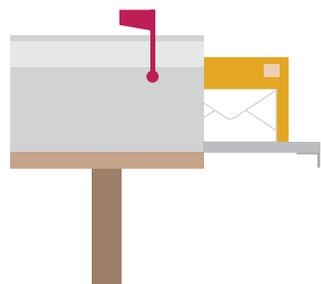
We recognize the power of nutritious food to help prevent and manage ongoing health conditions.

To help combat hunger and increase healthy eating in our communities, we continued to [invest in programs and partnerships](#) in 2023 that help people eat healthier and afford nutritious food. Our work was part of the national Food Is Medicine movement.

- We joined the American Heart Association’s Health Care by Food initiative as a key strategic and funding partner. The initiative funds research projects nationwide that explore providing healthy food as part of care and treatment for ongoing health conditions. We’re providing needed expertise as a health care organization, advising on ways to identify and support programs for people who don’t have enough nutritious food.
- We hosted the first-ever [Colorado Food Is Medicine Summit](#). The summit brought together researchers, policymakers, and representatives from community organizations to discuss how Food Is Medicine initiatives can bring healthy food to even more people across the state to improve health.

- We provided grant funding to support a project with Benefits Data Trust that aims to improve access to SNAP benefits for low-income college students in California. SNAP is the Supplemental Nutrition Assistance Program.
- We hosted the national Food Is Medicine Summit with the Friedman School of Nutrition Science and Policy at Tufts University. The meeting brought health system leaders, health care providers, investors, patients, and policymakers together to share ideas for elevating the role of food and nutrition in health care.

Our cross-sector work supports the federal government’s goals to end hunger and increase healthy eating by 2030.



Housing for health

Affordable housing continues to be a major need in our communities.

Half of all renter households in the United States [pay more than 30% of their income](#) on housing. Families and residents with lower incomes consistently

face the risk of eviction and precarious health and safety conditions in their homes.

The research is clear: [Stable housing is linked to better health](#). People with stable housing are better able to manage ongoing health conditions, and they experience fewer infectious diseases and mental health conditions.

Because people of color are disproportionately impacted by homelessness and housing insecurity nationwide due to long-standing structural racism, we consider housing a crucial health equity issue.

Our work in 2023 helped to preserve and increase the affordable housing supply and prevent homelessness. We invested in solutions, shaped public policy, and formed innovative partnerships.

- We’ve allocated \$400 million since 2018 to invest in affordable housing and the preservation or production of over 12,000 affordable and supportive housing units. Supportive housing combines affordable housing with support services to help people who have complex needs live with stability.
- We continued our partnership with Community Solutions, a nonprofit organization working to end homelessness. In the 7 states and 37 communities where we partner, 12 communities have seen sustained reductions in homelessness. And 4 communities have achieved functional zero homelessness. This happens when a community’s homeless services can prevent homelessness. If someone does end up homeless, it is rare, brief, or a one-time experience.
- To help combat rising housing costs, we supported Enterprise Community Partners’ Preservation Next program. The goal of the program is to preserve existing affordable small-to medium-sized multifamily homes. This allows families and residents to stay in their homes and helps stabilize communities.

Through the Preservation Next Academy, the Enterprise Community Partners team offers training sessions to affordable-housing developers. The training addresses key aspects of affordable housing preservation and elevates promising local and national case studies.

Developers taking part in California and Colorado have already identified 1,778 affordable housing units to preserve.

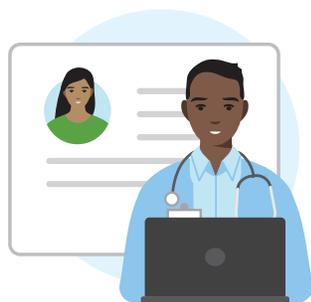
Medical respite care

We must find ways to care for the health of people who don't have access to safe and stable housing. To help, we've invested in medical respite programs.

Medical respite programs offer short-term housing and medical care for unhoused people who are too ill or frail to recover from an illness or injury on the streets but not ill enough to be hospitalized.

These programs offer case management services to address the underlying factors that contribute to poor health. Case management helps patients access resources and services such as housing, mental health, and social services.

In 2023, we invested in the expansion of the medical respite initiative. Thirty medical respite providers and a national partner organization were funded to enhance medical respite care delivery across all Kaiser Permanente communities.



'The Way Home' documentary series

To give exposure to promising solutions to end homelessness, we released the third season of our docuseries "The Way Home." We made all [3 seasons](#) publicly available for viewing.

The films document the lives of people experiencing homelessness. These human-centered stories spotlight people who are often overlooked. The series calls attention to the homelessness crisis and the need for community engagement in solutions.

Thriving Schools

Our [Thriving Schools initiative](#) helps to strengthen the health and well-being of K-12 school communities across the country. We partner with schools and districts to ensure teachers, staff, students, and their families have the support they need to thrive – in learning and in health.

Our Thriving Schools Integrated Assessment addresses physical, social, and mental health needs to advance school health improvements.

- In 2023, we supported over 5,000 existing school and district partners and engaged over 450 new schools and school districts in their journeys to foster positive and healthy school environments. A key and unique feature of Thriving Schools is its emphasis on staff and teacher well-being. We deliver customized tools and resources to support people as they navigate complex and challenging work environments.
- Our Educational Theatre Program served over 90,000 students and adults in 2023. The program offers no-cost theatrical programs that engage students, teachers, and staff and inspire them to make healthy choices. These award-winning virtual performances and workshops address topics promoting the importance of social health, mental health, and resilience. We continued our [partnership with the Truth Initiative](#) to deliver the program "Vaping: Know the Truth." This national educational program encourages a vape-free life. And it offers resources to young people to help them quit using e-cigarettes. By the end of the 2023-24 school year, close to 1 million students will have completed this program. That's 1 in 15 high school students nationwide.

- We continued our role as a national leader for healthy schools through our engagement with the National Healthy Schools Collaborative. We worked with key partners to publish resources for families and educators on the connection between health and school attendance.
- We commissioned research briefs to highlight how healthy schools can advance racial equity and promote healthier populations. We developed and distributed resources on the role schools can play in helping to ensure families and students have health coverage.
- Once again, we sponsored the Alliance for a Healthier Generation’s annual America’s Healthiest Schools award program. It’s the country’s longest-running national recognition program honoring schools for achievements in supporting student and staff health. In 2023, 781 schools across 36 states received an award for prioritizing the health and well-being of their staff, students, and families.



CityHealth

CityHealth, Kaiser Permanente’s collaboration with the de Beaumont Foundation, advances a package of tried and proven policy solutions that help millions of people live longer, better lives in vibrant, prosperous communities. CityHealth’s policy recommendations are supported by experts and have a track record of bipartisan support.

CityHealth’s policy package includes recommendations for:

- Affordable housing trusts
- Complete streets: street planning, design, and maintenance
- Earned sick leave
- Eco-friendly purchasing
- Flavored tobacco restrictions
- Green spaces
- Healthy food purchasing
- Healthy rental housing
- High-quality, accessible pre-K
- Legal support for renters
- Safer alcohol sales
- Smoke-free indoor air

In its annual policy assessment, CityHealth rates the nation’s 75 largest cities on best practices in prevention-oriented policies that benefit the health, well-being, and quality of life of its residents. CityHealth [issues medals to the cities](#) that support the health of their communities.

- Of the nation's 75 largest cities, 46 (61%) earned an overall citywide medal – either bronze, silver, or gold.
- Of those 46 cities, 7 earned exemplary citywide gold medals, including [Denver](#) and Portland in Kaiser Permanente service areas.
- About 43 million people live in a city that earned an overall medal.
- In areas where Kaiser Permanente provides care and coverage, 87% of cities earned an overall medal.

We'll continue to partner with CityHealth in 2024 to help more cities achieve gold medal status, benefiting their residents' health and well-being.

Preventing firearm injury

Gun violence prevention research and education

Gun violence is a public health crisis. In the U.S., firearms are the [leading cause of death](#) among children and teens. Gun violence is also [one of the top causes of premature death](#) for people age 1 to 44. In 2023, firearms claimed nearly 43,000 lives in this nation.

The number of people and communities affected by gun violence continues to increase each year. Gun violence has devastating short- and long-term effects on physical, mental, and emotional health, especially within communities of color, which are disproportionately impacted.

We support research and education focused on identifying the root causes of firearm injuries and death – and what can prevent them. We're using the same rigor and clinical expertise that we use to study and prevent strokes, cancer, heart disease, and other leading causes

of death. This allows us to develop community-led, and racially equitable solutions focused on health care.

In 2023, the Kaiser Permanente Center for Gun Violence Research and Education, in collaboration with the [Health Alliance for Violence Intervention](#), expanded work to address gun violence.

The center will focus its work to develop, test, and spread public health and health care solutions to address gun violence. The center:

- **Funds research** to support equity-centered researchers, their work on effective interventions, and the long-term psychological consequences of gun violence incidents
- **Shares knowledge** and brings a deeper understanding of gun violence causes, impacts, and solutions
- **Forges community partnerships** to support and collaborate with community-based organizations, care providers, and businesses working to address the gun violence epidemic
- **Advances innovative clinical interventions** in health care systems to address the root causes of community violence and suicide by guns

Our \$25 million, 5-year pledge to the center in 2023 supports gun violence prevention research, education, and programs that are health-focused, community-led, and racially equitable.

The center awarded 7 researchers, 10 community-based organizations, and 3 national organizations research grants to explore new and inventive ways to prevent gun violence.

Safety-net support

We're building partnerships with the health care "safety net" – institutions that provide health care for people who are uninsured and underserved and people sponsored by government programs like Medicaid. Through grants, training, and technical assistance, we work with safety net hospitals and community health centers to help improve quality, increase capacity, and expand access to health care.

In 2023, we supported over 80 health care safety net organizations across our markets and communities. These included Federally Qualified Health Centers, community health centers, free clinics, primary care associations, and various hospital system coalitions and clinics.

Furthering our commitment to support our safety net partners, Kaiser Permanente initiated an effort, in collaboration with the California Department of Health Care Services and the California Primary Care Association to support 32 community health centers. Together we are working to advance population health management capabilities to help eliminate health disparities and improve the health of people and communities.



Our health research

At Kaiser Permanente, our researchers make discoveries that help improve health and well-being. Conducting and sharing research is a vital way we strive to improve the health of our communities.

We're uniquely positioned to conduct research due to our large member base and integrated electronic health record system.

Our electronic health record system allows our researchers to track data from many of the same members over years and even decades. Our researchers can better understand health risks, improve patient outcomes, and inform policies and practices.

Graduate medical education

We're planning for the future by offering training opportunities to medical residents and interns.

Our graduate medical education programs attract medical school graduates from across the United States. Residents and interns get academic training and exposure to the benefits of our integrated model, which combines care and coverage.

Residents and interns get the chance to work with a large, culturally diverse member and patient base. They get to experience our connected care model, in which all our care teams are connected – to our members and each other – through our electronic health record system.

Our medical residents are studying within the primary care medicine areas of family practice, internal medicine, ob-gyn, pediatrics, preventive medicine, and psychiatry.

Employee volunteering programs in our communities

We are proud that our workforce is committed to and actively engaged in improving our communities. Employee volunteering programs enable our employees and physicians to help put inspiration into action.

KPCares.org provides an easy way to find, share, and participate in volunteer activities in communities where our workforce lives and works. Staff members can post a new project and recruit the volunteers needed. They can also match appropriately skilled volunteers for disaster relief, indicating the needed medical specialties, languages spoken, and certifications. During 2023, 84,200 volunteer hours were logged in KPCares by our employees and physicians.

At Kaiser Permanente, Martin Luther King Jr. Day is honored as a day of service, an annual opportunity to serve our communities across the country. During the pandemic, MLK Day of Service continued those efforts as a week of service with opportunities to volunteer virtually. During the week of January 15, 2023, 1,466 Kaiser Permanente employees volunteered in over 56 service projects, with 4,730 volunteer hours served. Volunteer projects included blood drives, food donation drives, letter- and card-writing campaigns, compassion calls to senior citizens, and resume review workshops, as well as making blankets, assembling hygiene kits, and stuffing teddy bears.



Disaster response and relief

As a health care organization dedicated to the health and well-being of our communities, we're focused on the impact of humanitarian crises and climate events. Both can have long-term physical and mental health effects.

These effects are felt by Kaiser Permanente employees and physicians in deeply personal ways – especially among those who live in, or who have loved ones in, affected areas.

In 2023, we provided disaster relief to our communities in their darkest hours. We provided opportunities for our employees to support disaster relief and response efforts domestically and internationally.

Maui wildfires

The devastating 2023 wildfires on Maui in Hawaii claimed lives and damaged or destroyed thousands of homes, schools, and businesses. In the aftermath, Kaiser Permanente immediately went to work.

Physicians, nurses, other clinicians, and staff at Kaiser Permanente and Maui Health worked around the clock to deliver care, services, and comfort to people who needed it. They treated people with fire-related injuries and assessed vulnerable patient populations; and worked to help meet the community's health care needs.

Kaiser Permanente provided emergency medical financial assistance to people in need throughout our response to the disaster. And through the Hawaii Health Access Program's charitable coverage plan we were able to provide coverage and health care to 158 people without access to any other form of health plan coverage.

We made donations to Maui Food Bank, the American Red Cross, and The Salvation Army, who helped address the basic needs of people affected – especially by providing food and shelter.

Our Maui-based teams, with support from colleagues around Hawaii and from other states, provided mental health care and medical care in local shelters, checked on home health patients, and delivered needed medications and supplies to members and nonmembers. We deployed 2 mobile health vehicles to provide aid to members and the community. We worked to meet the needs caused by the destruction of Kaiser Permanente's Lahaina Clinic.

As an organization, we donated to first responder organizations and created an employee giving campaign with a company match. The total contributions from Kaiser Permanente and our employees in the weeks and months following the disaster amounted to more than \$2.2 million.

Kaiser Permanente will stand with Maui for the long haul. We helped convene a group of major donors to identify and address resource gaps in the recovery process, with a special focus on providing housing and increasing mental health resources.

In the wake of this tragedy and during recovery efforts that continued throughout 2023, we provided high-quality care and service while offering comfort to the people of Maui. We'll continue to ensure high-quality, compassionate care is available to help those in need.



Environmental stewardship

Our members and communities are experiencing climate change firsthand. While no one is safe from the health burdens of climate change, people with the most exposure to the harmful effects of climate change [can also be the least protected](#). It's our responsibility to continue to help slow climate change and raise awareness of its health impacts.

One way to improve the health of the people who live in our communities is to protect the environment and minimize our environmental impact.

This includes how we operate our facilities and invest in our communities. We put health at the center of our environmental action.

Throughout 2023, we expanded our leadership role in protecting the environment and demonstrating the [connection between climate change and health](#).

- We provided a grant to the National Academy of Medicine to create a climate and health research agenda. The research agenda will build and expand the evidence base of solutions to protect against climate change's negative impacts on health and health equity. It will also inform future climate research, strategies, and policies.

- It's essential that we call attention to how climate change affects human health. We see the health effects of declining air quality, extreme heat, and weather-related events. In 2023, we convened global and national leaders in climate and health to share ideas and strategies for climate action. During Climate Week NYC, we co-hosted the Connecting Climate Change and Health event with the World Economic Forum. The event focused on reasons why health and health equity must be a central consideration as businesses and communities evolve their sustainability and climate action efforts.
- Inside Kaiser Permanente, we continued our work to build sustainable facilities. In San Diego County, we opened the LEED Platinum San Marcos Medical Center. The 7-story facility uses cutting-edge technologies to produce its own electricity. Native plants and an efficient drip irrigation system help save 400,000 gallons of water each month – the equivalent of what is used monthly by 1,000 homes. In addition, our Santa Rosa Medical Offices in Northern California are the [nation's first medical facilities](#) to achieve net-zero energy as well as net-zero carbon status.
- As part of our effort to promote health and health equity as central objectives in private sector climate action, we partnered throughout the year with key stakeholders in many industries, including finance, business, energy, conservation, education, and public policy, to help shape their approaches to sustainable business practices.

Learn more about our strategies for environmental stewardship in our [Thriving Planet](#) section.



Responsible Business:
Operating an inclusive, equitable, and
responsible business for positive impact

Our high-quality, affordable health care and coverage are powered by our core business functions, including human resources, procurement, real estate and facilities, and treasury and investments – all of which operate at the highest levels of business integrity and ethics. We seek to optimize the social value provided by our business beyond simply the health care we provide. We understand that advancing social and economic justice starts with how we run our business.

Our history of equity, inclusion, and diversity

At Kaiser Permanente, we are committed to creating a healthier future for everyone. This work begins with our people and extends to the patients we care for and the communities we serve. Equity is at the heart of our mission, and we will pursue it until everyone has the opportunity to lead a healthy life. We strive for the following achievements through our workplace equity, health equity, and community efforts.



Ensure all people of KP have the equal opportunity to reach their full potential benefiting from an inclusive, psychologically safe workplace.



Achieve equity in health outcomes and experience through the elimination of systemic barriers, such as racism and other forms of oppression in health care.



Engage, influence, and invest in community capacity to address the impacts of systemic barriers to health and economic opportunity.

Long-standing commitment

Kaiser Permanente began in the shipyards, where people of all races, ethnicities, and abilities worked side by side as peers. In the 1940s, when many hospitals were segregated, we had integrated wards, built diverse teams of employees and physicians, and treated all our patients equally, regardless of race.

We're committed to playing a significant role in creating fairer outcomes for all and addressing all barriers that are unjust, unequal, and preventable. We will change foundational systems and processes using our voices, resources, and influence to disrupt bias and racism and correct oppressive systems in our society. We're taking ownership and addressing areas that need more focus and are key to building an inclusive, respectful, and collaborative workplace where everyone feels valued and has an equal opportunity to reach their full potential.

For over 46 years, Kaiser Permanente has hosted an annual event to inspire our workforce and promote opportunities to advance equity for our workforce, patients, and communities. Our 2023 National Equity, Inclusion, and Diversity Conference aimed to uplift and empower our workforce and physicians to create equitable change from where they are. The immersive event centered on storytelling and changemakers. It explored the core elements of equity and inclusion while embracing authenticity, fostering trust, promoting healing, and cultivating a sense of belonging. Several thousand employees and physicians participated in the conference and learning sessions.

Inclusive and psychologically safe environment

Achieving our mission can only be accomplished by including and engaging all people and leveraging diverse backgrounds and different ways of thinking among our workforce and physicians, all focused on providing high-quality care and service to our members. We continue to build a highly inclusive environment where our employees and physicians feel safe, valued, respected, like they belong, and can reach their full potential. Inclusion has a ripple effect across the organization at all levels. It impacts how we work, our work environment, our service, and ultimately patient experiences and outcomes.

As part of this work, we assess and measure inclusion and psychological safety indicators. We do this in various ways, including by monitoring the inclusion and speaking up indexes in our People Pulse annual engagement survey, correlated business indicators, and qualitative workforce insights through listening sessions. We also participate in workforce-related external benchmarks that give us insight into continued opportunities and improvement areas that we work on annually. The following is how we rank:

Fair360:

- Top 50 Hall of Fame
- Number 10 among top companies for executive women
- Number 16 among top companies for Asian American executives
- Number 17 among top companies for Latino executives
- Number 10 among top companies for board of directors
- Number 16 among top companies for Native American/Pacific Islander executives

Corporate Equality Index:

- A best place to work for LGBTQ+ equality

Disability Equality Index:

- A best place to work for disability inclusion

Hispanic Association on Corporate Responsibility:

- 5 stars in governance

Corporate Religious Equity, Diversity, and Inclusion Index:

- Number 2 outside of Fortune 500 companies

We have several tools and initiatives to help equip our managers and workforce for success across our organization.

- **Equity principles:** Our [equity principles](#) guide our practices and behaviors, reflect our mission and vision, and help create an environment of belonging, trust, and mutual respect. These principles are integrated into our code of conduct, onboarding, and core talent programs.
- **Leader action guides:** Action guides help managers and our workforce increase awareness, education, and the application of key concepts that lead to behavioral and systemic changes.
- **Equity, inclusion, and diversity website:** A dedicated website inside Kaiser Permanente serves as a source for equity, inclusion, and diversity information, news, education, tools, and resources. It is available to all physicians and employees for ongoing learning and development.

- **Equity-centered design:** This holistic approach to problem-solving is based on equity and developing solutions in partnership with our workforce, members, and community. We provide training on this approach and use it to integrate and improve fairness across our practices and systems.
- **Integration of sexual orientation and gender identity into our human resources information system and our recruitment application platform:** This enables our LGBTQ+ communities to voluntarily identify so we can better understand opportunities to improve employee experiences and outcomes.
- **Belong@KP:** Belong@KP is a behavior and culture transformation program that enables Kaiser Permanente to achieve its equity commitments through meaningful habit changes and systemic improvements. It is designed to help employees and physicians make decisions while better able to identify and mitigate bias and inequities. Our data shows that our highly inclusive teams have better patient satisfaction scores, workforce attendance, and safety scores. More than 150,000 employees and physicians have taken the Belong@KP learning modules on disrupting bias. Initial survey results indicate that 90% of participants changed how they approach co-workers or patients, and 62% agreed that the training improved their ability to connect with co-workers or patients. An analysis of Kaiser Permanente's People Pulse employee engagement survey and Belong@KP results found a positive correlation. People Pulse scores in the areas of inclusion and speaking up for Kaiser Permanente nonmanagement employees who completed Belong@KP were 3 points higher than those who did not complete the program.

In 2022, a Belong@KP training module on reexamining racism was rolled out to our top 400 executives and over 800 employees. The training explores how institutions and systems, and the people in them, can intentionally or unintentionally produce unjust and inequitable outcomes. It also provides frameworks and data to support our work around achieving equity.

Initial survey results showed that 93% of participants reported an improvement in their ability to understand and explain racial inequities and the relationship to health disparities.

Health equity portal: This repository offers internal and external resources to help employees and physicians deliver care that is free from bias and ensures everyone receives the treatment they need to thrive.



Improving diverse representation

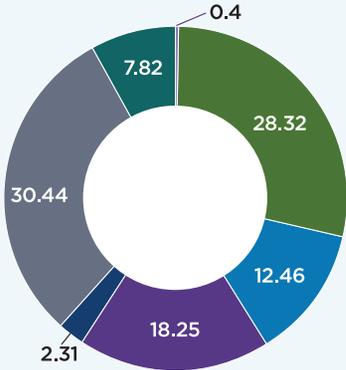
Kaiser Permanente has long worked to ensure our workforce reflects the demographics of the diverse patient and community base we serve to ensure we can meet their unique care needs. Having a workforce that reflects the people we serve helps enhance trust and build credibility. Communities feel more comfortable seeking services from organizations that value and respect their backgrounds, languages, identities, and experiences, leading to stronger relationships, communication, and better health outcomes. We know that having a diverse and inclusive workforce at all levels makes Kaiser Permanente a better place to receive health care, a stronger community partner, and a more rewarding place to work.

As an organization, workforce equity remains a top priority. We actively measure and monitor progress, ensure compliance regulations, and implement effective industry practices that have been proven to close equity gaps.

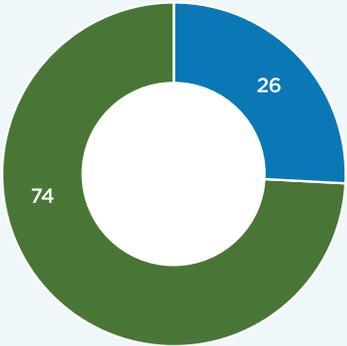
Our efforts to improve diverse representation include the implementation of just, fair, and inclusive practices across the employee life cycle. Our intent is to identify, recruit, develop, mentor, assess, and retain diverse talent.

2023 year-end demographics

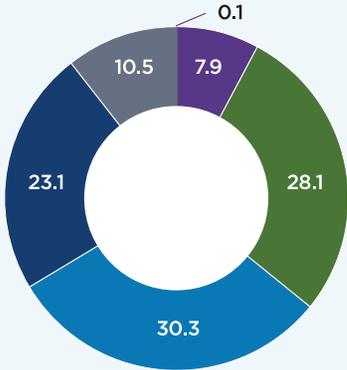
Program demographics (Health Plan/Hospital)
Source: HRconnect



- American Indian/Alaska Native .04%
- Asian 28.32%
- Black/African American 12.46%
- Hispanic/Latino 18.25%
- Native Hawaiian/Pacific Islander 2.31%
- White 30.44%
- 2 or more races 7.82%



- Female 74%
- Male 26%



- Under 20 0.1%
- 20 to 29 7.9%
- 30 to 39 28.1%
- 40 to 49 30.3%
- 50 to 59 23.1%
- 60 and over 10.5%

These efforts include:

- Engaging external experts to help us reduce bias in talent recruitment and selection, job descriptions and structure, performance management, and compensation programs and policies
- Providing formal sponsorship opportunities and exposure to high-potential leaders, with strong emphasis on diverse talent
- Creating common job structures across the organization to ensure fair job leveling and enable pay equity analysis
- Tracking diversity statistics through each step of the executive search process to ensure we're being inclusive throughout our hiring process
- Automatically sharing all external job postings across hundreds of niche diversity job sites to cast a wide net for candidates and increase awareness of openings
- Tracking and monitoring workforce equity progress with senior leaders to drive accountability and help make informed decisions during annual core talent activities: This effort will lead to key talent actions in hiring, promotion, and retention that will improve diverse representation in our management ranks and improved inclusion across our workforce.
- Welcoming individuals with all levels of ability: We're committed to ensuring equitable access and inclusion for current and future employees with disabilities. Our partnership with the National Organization on Disability allows us to leverage its industry-leading effective practices. We're continuously integrating and enhancing our Individuals With Disabilities Talent Strategy for accessibility, digital accessibility, onboarding, and candidate, employee, and manager experience.

- Minimizing barriers often faced by job seekers with disabilities by offering a recruitment website, kaiserpermanentejobs.org/disability, for people with disabilities that offers web accessibility and provides accommodation for applicants seeking reasonable assistance under the Americans With Disability Act
- Hiring veterans from all branches and levels of the military: Our hiring efforts continue to evolve and include our Military Officer Transition Program and our Military Talent Network. In 2023, we hired 6 new Military Officer Transition Program associates, and we're running 2 cohorts of the 2-year program, with 51 associates having completed the Military Officer Transition Program, of which 34 are transitioning into leadership roles. We continue our partnership with the Department of Defense's SkillBridge Program. We're also growing our usage of the Hiring Our Heroes program. Veterans@KP is one of our 10 business resource groups; it has been instrumental in shaping the programs and resources we offer to support veterans in our workplace.
- Offering a recruitment website, kaiserpermanentejobs.org/military, focused on hiring more people with military connections by embracing their diverse abilities: Our commitment to providing lasting, vital career opportunities to veterans and military spouses earned us designation as a 2023 Military Friendly Employer and Military Spouse Friendly Employer. This was the eighth consecutive year that we received this recognition from VIQTORY, a service-disabled, veteran-owned small business.



Business resource groups

Since 1989, our business resource groups have brought people with shared life experiences together to foster a culture of belonging, support our mission, and advance equity and inclusion for all. Today, we have 10 business resource groups creating experiences and opportunities that reinforce our organizational values and priorities for our workforce, members, and communities.

The program executed its sixth annual Professional Development Institute, a 3-day experience hosted by the Generations@KP business resource group, in partnership with all of Kaiser Permanente’s business resource groups. Our business resource groups serve as cultural advisors to partners across Kaiser Permanente. In 2023, they responded to over 160 business requests on topics such as volunteer recruitment and community engagement.

Our business resource group program is expanding its focus on intersectionality – or the way in which different facets of a person’s identity combine to create unique life experiences – to better understand how identifying with more than one group shapes employees’ interactions at work and life experiences.

Over 9,000 of our employees and physicians are members of at least one business resource group, and more than 30% participate in more than one group.

Building and strengthening our dedicated workforce

At Kaiser Permanente, we have robust facilities, deploy leading-edge technology, and develop and follow evidence-based medical practices. But it is our workforce that makes our mission come to life and truly set us apart. We are committed to using responsible and inclusive practices in deciding who and how we hire – and to ensuring our current employees and physicians have access to development and advancement opportunities.

We are a partner in the largest, longest-running private labor-management partnership in the country. The Labor Management Partnership leads organizational change, creates an environment of continuous learning and improvement, and involves the workforce in decision-making.



Investing in workforce development and advancement

Our workforce development efforts are industry-leading and help tens of thousands of employees earn credentials, access professional coaches, and secure higher-earning positions every year.

We understand the value of beginning a career at Kaiser Permanente, and we are committed to ensuring that everyone in our communities has equitable access to that opportunity.

Our development programs increase access to education and exposure to skill development, job experiences, and employment opportunities. Several of our health care workforce development programs are joint initiatives with our labor partners. Through these programs, we strengthen workforce pipelines and provide opportunities for people already in the health care workforce to grow and advance in their careers.

We invest in workforce development directly and through contributions to trust funds managed in partnership with our labor partners, including the Ben Hudnall Memorial Trust and the Service Employees International Union-United Healthcare Workers West Joint Employer Education Fund. These efforts provide tools and resources to help front-line employees gain new skills and advance in their careers. Resources provided include coaching, training, and apprenticeship programs; scholarships and tuition reimbursement for degree and certification programs; and computers and mobile hot spot devices for qualifying students.

In 2023, nearly 38,000 Kaiser Permanente employees, representing 27% of those eligible, accessed programs through the Ben Hudnall Memorial Trust and SEIU-UHW Joint Employer Education Fund.

Our approach to workforce well-being

Kaiser Permanente's workforce well-being program fosters a culture of workplace health and well-being and gives all employees tools and resources to achieve and reinforce the importance of total health – a state of physical, mental, and social well-being. Total health encompasses all that we do at Kaiser Permanente, and well-being is an integral part of our work, because when our workforce thrives, so do our members, our communities, and our organization.

We believe in helping our employees thrive by encouraging wellness, supporting balance, and empowering action so that everyone can be their best self. Our work helps accelerate a culture of workplace health and well-being through a collaborative effort with multidepartment partnerships across the organization. Our well-being model includes 6 key areas of focus:

- Physical health and safety
- Mental health and wellness
- Healthy relationships
- Community involvement
- Career wellness
- Financial wellness

These elements of well-being are interrelated, so the programs and activities we offer to our workforce touch on all 6 areas to provide holistic support.



Kaiser Permanente continues to be a leader in workforce well-being practices, demonstrating our commitment and best-in-class strategies to improving health and overall well-being – and meeting high standards and achieving award recognition from the American Heart Association for a culture of well-being and the Business Group on Health for excellence in health and well-being, mental health, and health equity.

Programs and activities

We continued Rise&Renew in 2023. It's an organization-wide initiative to support the mental health and well-being of our workforce and offers resources that address burnout and the impacts of the COVID-19 pandemic. The program supports leaders, managers, physicians, and employees through training and activities that educate about the key drivers of burnout, help to facilitate new work norms, and provide monthly team activities that support employees on a variety of well-being topics.

We continue to remain committed to eliminating the stigma of mental health conditions in the workplace. We introduced an online training to give all employees access to information about mental health conditions and how to care for their mental health, reduce stigma in the workplace, foster a supportive environment, and find available resources. More than 75,000 employees completed the online mental health training by the end of 2023. We also have an employee and physician assistance program that offers confidential assessments, short-term counseling, and referrals by licensed, trained clinicians for all Kaiser Permanente physicians, employees, and their dependent family members.

Our national Mental Health Advocate Network connects and empowers employees who are interested in spreading mental health and wellness education within their local departments and areas.

Advocates have access to tools, resources, and activities they can share with their teams to create supportive, stigma-free workplace environments and normalize conversations about mental health. The advocate role is voluntary, and we continue to see a steady rise in participation. At year-end 2023, 625 advocates were actively engaged in efforts across Kaiser Permanente.

In response to lifestyle changes caused by the pandemic, we placed renewed focus on physical health. Go KP campaigns promote walking and outdoor activities as ways to increase fitness, support mental health, and build connections with co-workers by participating on teams. In 2023, 17,400 employees and physicians participated in physical activity campaigns.



Leader and manager development and training

Our Thrive Series and Getting Better Together leadership development and training for senior leaders, managers, and front-line staff help to foster well-being in the workplace along with offering an evidence-based playbook with guidance on actions to take.

Unit-based teams health and safety champions

The Unit-Based Teams Health and Safety Champion program, created by the Labor Management Partnership, embeds health and well-being activities into the workplace through a network of 2,859 health and safety champions. The champions lead well-being projects across the organization. In 2023, health and safety champions initiated 2,746 projects – 1,363 focused on workplace safety and 1,383 focused on a healthy workforce.

National well-being policies

Kaiser Permanente believes in making the healthy choice the easy choice and has implemented several workforce well-being policies to support our employees. These include a no-smoking policy that applies to all our campuses, a healthy catered food policy for company-sponsored meetings and events, a lactation support policy for new mothers returning to work, and a healthy workplace activities policy that encourages physical activity and mental wellness during the workday.

We strive to foster a workplace environment that supports health and well-being, including psychological safety, and enables our workforce to thrive. These programs also equip our workforce to embed inclusive and equitable practices into how we identify, recruit, develop, mentor, assess, and retain diverse talent.

Employee engagement

Our mission to improve health requires the full engagement of our people. By sharing their voices about their work experiences, employees can drive changes that makes Kaiser Permanente an even better place to work. People Pulse, our employee engagement survey, helps us understand our internal strengths and opportunities for improvement and guides actions so employees can continue to contribute to achieving our mission.

We have significantly expanded our capacity to measure the well-being of our employee population through our Employee Well-Being Questionnaire. This questionnaire asks a set of validated questions on well-being status and burnout. In 2023, we sent the questionnaire to our entire eligible employee population, and over 38,000 employees responded. We use the survey results to track the subjective well-being status of our employee population over time and benchmark against external measures. The results ultimately

guide the overall direction of our well-being efforts and help identify areas in need of improvement.

We've identified a link between high scores on our People Pulse Culture of Health Index and better performance on certain employee and patient outcomes.

Kaiser Permanente research has found that feeling valued is a key driver to retaining our employees and reducing burnout and disengagement – thus breaking the cycle of burnout. Departments in which employees feel valued and are engaged have up to 69% fewer workplace injuries, 66% fewer lost workdays, 86% fewer patient falls, and 10% higher overall hospital ratings.

Workplace safety

We prioritize the health and safety of our workforce, and we have a comprehensive approach to managing workplace safety across all administrative and clinical settings. We believe that an injury-free workplace is an essential ingredient of high-quality, affordable patient care. We have a goal to eliminate all causes of work-related injuries and illnesses and create a workplace free from harm.

Through the Labor Management Partnership with the Coalition of Kaiser Permanente Unions and the Alliance of Healthcare Unions, we established and maintain a strong workplace safety program and strategy, with a structure based on 4 key pillars: leadership and employee engagement, safety management systems, risk reduction, and performance management.

The workplace safety program is led by Kaiser Permanente and labor leaders at the national, regional, and medical center levels, and it's highly visible. Reports are provided regularly to the Kaiser Foundation Health Plan and Hospitals Boards of Directors. We set goals and benchmark our performance against Occupational Safety and Health Administration recordable injury data published by the U.S. Bureau of Labor Statistics, incorporating the Total Health Care and Social Assistance industry codes in the North American Industry Classification System. Each quarter, the Workplace Safety Scorecard provides a broad audience at Kaiser Permanente with a summary of progress toward goals and targets, areas of highest risk, and mitigation strategies.

We maintain policies that promote consistent practices, in compliance with federal, state, and local laws and regulations to support a culture of health and safety and to protect the environment. This includes policies to provide clear roles, responsibilities, and requirements for staff and managers who work in departments that provide clinical care and transport patients and members.

We take preventive measures to provide a safe environment for everyone on our premises and in our working environments and expressly prohibit acts or threats of violence or intimidation that involve or affect work or that occur on Kaiser Permanente premises.

Over 90 employee safety training modules covering a broad range of topics – from blood-borne pathogens to ergonomics to fire safety – are maintained in our online learning system, KP Learn. Regulatory-required training is monitored for compliance. Additional, nonregulatory-required employee safety training modules specific to employees' roles, responsibilities, and interests are available and accessible to all our employees. Our online resource application, SafetyNet, provides centrally accessible information about employee safety programs, resources, and contact information.

Other employee benefits

Our employees work hard every day to support our mission. In return, we offer market-leading compensation and benefits, comprehensive health coverage with little to no cost share, retirement programs, and robust time-off policies designed to help our employees and their families stay healthy, meet their financial goals, and generally thrive in and beyond work. We offer financial assistance for higher education to employees through several programs that offer scholarships, and we offer a tuition reimbursement program that provides up to \$3,000 a year.



Access to economic opportunity: Our anchor strategy

As one of the nation's leading health care providers and integrated nonprofit health plans, we employ over 235,000 people, purchase tens of billions of goods and services annually, and have billions of dollars in assets under our management, including our more than 618 medical offices, 40 hospitals, and our administrative buildings.

We recognize that we have tremendous economic power and can influence local economies, and we strive to contribute to inclusive economic opportunities in the communities we serve. We believe that this approach provides mutual, sustainable benefit to our business, employees, business partners, and communities.

We consider Kaiser Permanente to be an anchor institution in all the communities where we provide coverage and care. Per the National Academy of Medicine: “Anchor institutions are large, usually nonprofit organizations tethered to their communities, like universities, medical centers, or local government entities. They have significant economic and social impact on their communities, and they also have an economic self-interest in making sure these communities are healthy and safe.”

Anchor institutions are place-based, mission-driven entities that leverage their economic power and their human and intellectual resources to improve the long-term health and social welfare of their communities.

We understand that income-earning and wealth-building opportunities are foundational to healthy communities, supporting access to health care and education, housing stability, and food security.

Underrepresented communities, including low-income communities and communities of color, face disproportionate barriers to economic opportunities, impeding good health and intergenerational economic mobility. In line with our foundational institutional commitment to racial equity, our anchor strategy seeks to benefit people of color, people with disabilities, people who identify as LGBTQ+, veterans, and other groups that have faced sustained structural economic disadvantages in America.

Our anchor strategy encompasses commitments to:

- Responsible sourcing and supplier diversity
- Responsible and mission-aligned investing
- Responsible and inclusive hiring, development, and advancement
- Facilities planning, design, and construction

Our approach recognizes that real-world, systemic change is best catalyzed and reinforced through partnership. Our industry leadership has allowed us to cultivate strong, long-lasting relationships with partner organizations. For example, in 2016 we helped found the Healthcare Anchor Network, a national collaboration of more than 70 leading health care systems, to build more inclusive and sustainable local economies.

In collaboration with the Healthcare Anchor Network, Kaiser Permanente took a leading role at the 2023 convening in Los Angeles reaffirming our dedication to advancing a shared mission: harnessing health care institutions as anchors for community well-being. The focal point of this convening was to unite health care leaders committed to using business operations for community economic development. Demonstrating our unwavering commitment, we not only co-sponsored the event but also played a pivotal role in key sessions and site visits. These included a supplier diversity panel and site visits to the Kaiser Permanente Watts Medical Offices and Counseling and Learning Center in Los Angeles and the SDS Supportive Housing projects that we support through our Thriving Communities Fund. Through these initiatives, we underscore our commitment to fostering healthier, thriving communities and exemplify our role as a catalyst for positive change.

We also participated in Healthcare Anchor Network's Policy Day 2023 to advocate for affordable housing and workforce development policies and programs with health systems across the United States, representing almost 900 hospitals in 46 states and Washington, D.C.

Responsible and inclusive hiring, development, and advancement in our communities

The many programs and initiatives at Kaiser Permanente to recruit, hire, develop, and advance our employees are also an element of our anchor strategy. In addition to the comprehensive work already described, we undertake additional initiatives designed to develop talent in the communities we serve.

We believe that building and supporting a more stable, diverse public health and clinical workforce is a critical part of how we can create economic opportunities for communities of color and be better prepared to meet the needs of our communities.

We are working to empower people from all backgrounds to achieve academically and gain the skills needed to improve their access to quality, well-paying jobs.

In 2018, we launched a formal strategy called High-Impact Hiring, a talent-sourcing and workforce planning strategy to create career pathways for our most vulnerable unemployed and underemployed community members. High-Impact Hiring strategies seek to increase diversity, support local employment, and improve community health.

In 2023, our Talent Strategy and Acquisition teams engaged over 2,400 candidates from schools, colleges, and universities and community-based workforce development programs to support people with disabilities, people who identify as LGBTQ+, people of

color, women, and veterans to pursue career pathways in health care and explore careers at Kaiser Permanente.

We welcomed 1,026 nonclinical interns, with 283 of them hosted by University Relations.

Of the conversion-eligible interns hosted by University Relations, 14% were hired into full-time employee roles.

In 2023, our National Patient Care Services and Talent Strategy and Acquisition teams partnered to launch an organization-wide nurse residency program and hired over 800 new registered nurses. This program was designed to support newly licensed nurses as they embark on their professional journeys with Kaiser Permanente. This program focuses on engaging with colleges and universities within Kaiser Permanente service areas and beyond.

Our [National Health Equity Scholars program](#) awarded 420 scholarships to low-income students of color.

Kaiser Permanente is a mission-driven organization dedicated to improving lives, and we recognize that U.S. military members are uniquely qualified to enhance our team. We actively recruit veterans and military members transitioning to civilian life.

We are recognized as a [Top Military Friendly Employer](#). In 2023, our [Veterans](#) Talent Strategy team strengthened relationships with Hiring Our Heroes and the Department of Defense's SkillBridge Program and continued using our Military Officer Transition Program.



In 2020, Kaiser Permanente supported the founding of [Futuro Health](#), a nonprofit organization that uses an education-to-work model to support candidates through career exploration and coaching, education financing, and targeted education-to-work pathways to help students obtain their allied health credential or license. So far, 14,635 people have been served by all of Futuro Health’s training opportunities since the program launched in 2020. A total of 8,415 students have graduated or earned a health care credential since the start of the program, with 7,409 students earning a credential in 2023. About 91% of graduates were people of color, 52% were bilingual, and 78% identified as female. In 2023, Futuro Health exceeded its enrollment goal and committed \$13.3 million in scholarships to support Futuro Health scholars and their aspirations to pursue in-demand health care credentials.

Responsible procurement and supplier diversity

Health care organizations purchase a wide range of supplies and services, such as uniforms, furniture, housekeeping equipment and supplies, linen services, waste disposal services, and translation services.

At Kaiser Permanente, we use our purchasing power to promote economic opportunities for local, small, and diverse-owned businesses. In this way, we support healthy, diverse, equitable, and sustainable economies. Our annual procurement spending generates substantive economic impact in local communities by supporting jobs, generating indirect income, and contributing to federal, state, and local taxes. We estimate that the \$22 billion we spent in procurement in 2023 supported 176,497 jobs and generated \$11.8 billion in income for people in our communities, and \$3.4 billion in federal, state, and local taxes.

The economic impact of our procurement spending

Our 2023 procurement dollars drove economic impact by supporting jobs, generating indirect income, and contributing to federal, state, and local taxes.



Note: Impact was calculated using estimates from the IMPLAN Economic Analysis tool and our 2023 procurement, aggregated by state.

In 2014, Kaiser Permanente joined the [Billion Dollar Roundtable](#), a network of companies that each annually spend at least \$1 billion with diverse suppliers. Each year, we increase our spending with businesses owned by people of color, women, veterans, people with disabilities, and people who identify as LGBTQ+. In 2023, we reached \$ 3.2 billion in spending with these suppliers.

Kaiser Permanente is also a signatory to the [Impact Purchasing Commitment](#), along with other members of the [Healthcare Anchor Network](#) that have committed to improving supplier diversity, environmentally sustainable sourcing, and procurement-driven job creation. The signatories of the commitment pledge to collectively increase purchasing by at least \$1 billion by 2025 with businesses owned by people of color or women and local, employee-owned businesses.

In 2023, the National Minority Supplier Development Council named Kaiser Permanente as one of [The Forefront 50](#), which recognizes corporations that are leveling the playing field.

In addition to influencing purchasing decisions, we offer direct support to our suppliers. In response to the COVID-19 pandemic, we created an online [Supplier Restoration & Resilience Toolkit](#) for developing business continuity plans to recover and rebuild after major disruptions. We also launched the Thriving Leaders Program to help our diverse suppliers strengthen their mental well-being and support their emotional resilience through facilitated group workshops and peer support circles.

At Kaiser Permanente, we know that health, economic opportunities, and wealth are linked, and small businesses create vital jobs and thriving local economies. We are helping suppliers convert their businesses to employee ownership, through partnerships with Project Equity and the Obran Cooperative. [Employee-owned](#) companies increase opportunities for employees to build wealth and are often more resilient than other [businesses](#).

Apollo Home Healthcare

Tejas and Trupti Kotecha transformed Apollo Home Healthcare from a small operation to a thriving enterprise in just 4 years, growing from 1 clinician and 10 patients to over 150 employees serving 800 patients. After years of hard work, they decided to prioritize family time and sought a solution that would ensure the well-being of their employees and patients.

In 2022, the Kotechas found the solution in Kaiser Permanente's Business Resiliency Through Employee Ownership program, a joint initiative of Kaiser Permanente's Impact Purchasing and Community Health departments. Transitioning Apollo to employee ownership through Obran Cooperative marked a significant step forward and extended ownership across the entirety of Apollo's workforce, including its California-based clinical employees and other international employees. This innovative approach not only ensured continuity and stability but also fostered a sense of solidarity and shared purpose among employees that transcended geographical boundaries.



The transition to employee ownership empowered Apollo’s workforce, domestic and abroad, turning them into worker-owners and granting them a share in the new cooperative’s profits. In addition, new benefits were immediately extended to all members. These included a 1% wage increase and access to health care, including Kaiser Permanente health plans for all domestic workers.



“I feel incredibly blessed and proud of what we have built with Apollo,” reflected Trupti Kotecha, senior vice president of growth and former owner of Apollo Home Healthcare. “When I started thinking about selling, my biggest priority was that all our clinicians and offshore India team member’s jobs were safe, and they’d have a place in the new company. It feels great to know I can take a step back to spend more time with my family and share ownership with the people who continue to make Apollo a success.”

Following the transition, Obran has built upon Apollo’s dedication to quality care, ensuring excellent clinical coverage in Alameda and Contra Costa counties in Northern California. Leadership decentralization has empowered the care management team and enhanced the performance management system, contributing to a high Medicare quality star rating. Moving ahead, the employee-owned enterprise aims to strengthen its partnership with Kaiser Permanente and other Bay Area health care institutions, furthering its mission to deliver exceptional in-home care to consumers.

Responsible and mission-aligned investment

Kaiser Permanente invests in a combination of equity, fixed income, alternative, and cash investments designed to deliver long-term returns that satisfy or exceed plan liabilities to participants and beneficiaries.

Our investment practices, which take a mission-driven approach, include:

- **Exclusionary screening:** Protecting communities by avoiding investments that undermine our mission, such as tobacco and firearms manufacturers
- **Environmental, social, and governance integration:** Reinforcing our mission while aligning to the marketplace by integrating environmental, social, and governance criteria across our portfolio, including more than 10 years of renewable energy investment
- **Impact investing:** Taking a targeted approach to achieving financial returns and social and environmental impact in our communities through our Thriving Communities Fund

We believe that equity, inclusion, and diversity, as attributes in how investment teams are managed, increase our capability to improve long-term returns. By integrating these approaches in the full process of managing investments, our investment program is informed by a wide range of perspectives, ideas, and opinions, ultimately producing better investment outcomes. We expect all our managers to develop and promote talented women, people of color, veterans, people who identify as LGBTQ+, and people with disabilities as investment management professionals.

Further, we expect that our investment managers will pursue and encourage equity, inclusion, and diversity in their leadership ranks.

After establishing the Thriving Communities Fund in 2018, we doubled its allocation to \$400 million in 2021. Our impact investing portfolio seeks to support Kaiser Permanente communities by addressing key social determinants of health in those communities to improve health equity, quality of life, and health outcomes, while also achieving financial returns that recycle back into the fund for continued impact investment. In particular, the fund focuses on affordable housing and advancing economic opportunity. It is led through a partnership of our Community Health and Treasury teams to ensure investing alignment with our national housing and economic development strategies. The Thriving Communities Fund's impact investing strategy seeks to promote sustainable, systemic change for our communities' most underserved populations.

As of 2023, the fund had deployed over \$270 million, with nearly \$250 million invested in affordable housing projects – producing and preserving nearly 12,000 units of affordable and permanent supportive housing. And \$24 million had been invested in small businesses, entrepreneurs of color, and neighborhood corridors in communities of color, helping create and sustain over 2,000 high-quality jobs.



Highlighted investment:

Dolores Huerta Apartments, 5215 South Figueroa Street, Los Angeles

- The Dolores Huerta Apartments were completed in April 2023, with a \$6.6 million investment from the SDS Supportive Housing Fund, for which the Thriving Communities Fund was a key first anchor institutional investor at \$50 million, allowing the fund to scale efforts and raise capital above \$150 million.
- The development includes 40 units (studios and one-bedrooms) of permanent supportive housing developed in partnership with the city of Los Angeles.
- The Homeless Outreach Program Integrated Care System will provide case management and counseling services to tenants, and a case manager will live on-site.
- The SDS Supportive Housing Fund is a first-of-its kind private equity funding model to provide capital for permanent supportive housing development, allowing for quicker financing and faster and lower-cost construction than traditionally funded public housing developments.

Facilities planning, design, and construction

Since 2017, we've thought about planning and building facilities in a new way. We spend close to \$2.5 billion annually on constructing, renovating, and maintaining facilities, so the opportunity to do this in a way that confers value in our communities is tremendous.

By working with communities in deeper ways to understand need, connect people who face barriers to employment to jobs in construction and health care, address neighborhood blight through land redevelopment, and increase access to meeting spaces and Wi-Fi, we can meaningfully improve communities.

When building new facilities, we follow a set of requirements intended to engage local communities and maximize economic benefits extended to them from our facility development.

For example:

- We use diverse purchasing requirements determined by project size and applied to general contractors and their vendors.
- Through data analysis (including Community Health Needs Assessments, Neighborhood Deprivation Index, and Kaiser Permanente aggregated member health data) and community engagement, we identify community needs and opportunities and determine what the building can contribute.
- We use sustainable building materials.
- Many of our major construction projects are achieving LEED, or Leadership in Energy and Environmental Design, Gold or Platinum certification.
- We engage local artists for facility decoration.



San Marcos Medical Center

Recipient of the LEED Platinum Award, achieved by only 3 hospitals in California

Reducing our Environmental Impact in San Marcos

- Building design and mechanical equipment choices yield an annual energy savings equivalent to powering 3,500 homes.
- Native plants and an efficient drip irrigation system help save 400,000 gallons of water per month—the equivalent of what is used monthly by 1,000 homes.
- An Erosion and Sedimentation Control Plan was implemented during construction to prevent soil loss and reduce air pollution.
- Over 90% of all furniture and medical furnishings contain pre- and post-consumer recycled content.
- Flooring, insulation, furniture, and composite wood products made of low-emissions products improve indoor air quality.



Promotes community vitality

Enhancing the San Marcos Community

- At its opening, the San Marcos Medical Center creates about 1,000 jobs, helping boost the economic vitality of northern San Diego County.
- During its construction, over \$100 million in goods and services were purchased from local and diverse construction trades and businesses—25% of the total construction costs.
- The medical center is located within walking distance of many businesses, offering access to goods and services for our members, visitors, and staff.
- Landscaping is comprised of local materials. Rocks found on-site are used as accent features in planting beds and landscape walls.
- 18 artists have installations the medical center; their works inspired by the hillside and ocean vistas of northern San Diego County.



As of 2023, Kaiser Permanente had 78 LEED-certified facilities. Our renewable energy program has installed more than 60 megawatts of solar generation at 110 hospitals and medical buildings throughout California. And we are contracting the energy output of off-site wind and solar projects. All of these initiatives are a large part of our overall sustainability strategy, described in the [Thriving Planet](#) section.

We are committed to supplier diversity and to supporting the growth of construction businesses owned by underrepresented people. In 2023, we spent \$293.9 million in tier 1 and \$156 million in tier 2 spending with diverse suppliers for design and construction services. We also hosted multiple informational events to build the capacity of construction firms owned by underrepresented people to work directly with Kaiser Permanente or subcontract on our projects.

Kaiser Permanente sponsored the Building for Growth 18-week cohort in 2023, a free 'mini-MBA' for diverse vendors on how to manage, build, network, and finance their businesses. Graduates were invited to qualify for addition to our master vendor list and compete for projects with National Facilities Services in 2024.

We are also working with our union and general contractor partners to promote careers in the construction and building industries. We had 135 apprentices working for Kaiser Permanente as of year-end 2023 in California. We also worked with CIEF, the Construction Industry Education Foundation, to give 4,000 young people from low-income backgrounds exposure to the construction and building trades. Their experiences included Trades Day fairs, which allowed them to explore construction career opportunities, and a CIEF Design-Build Competition, a 2-day competition for high school students and people on probation.

We donated \$15,000 to CIEF to support Trades Day fairs and Design-Build Competitions in California and facilitate mentorships.

Kaiser Permanente connects young people to in-demand jobs via partnerships: [Solid foundation: How construction careers support health.](#)

Creating and preserving trust through an ethical culture

Now more than ever, people care not only about what companies do, but also about why and how they do it. Organizations that lead with ethics do well by doing good. The people of Kaiser Permanente, from leadership to patient-facing health care workers, are dedicated to holding themselves and others accountable for doing the right thing. Our ethics and compliance program creates and protects the trust that our customers, employees, partner organizations, government, and communities place in Kaiser Permanente. We strongly believe it also enables Kaiser Permanente to have a greater impact in the communities we serve.

Code of conduct

Kaiser Permanente maintains a code of conduct that provides guidance on the expectation that employees, physicians, dentists, contractors, and agents of our organization conduct themselves ethically and honestly. It emphasizes that compliance is everyone's responsibility and directs them to resources to help resolve questions regarding appropriate conduct in the workplace. The code is provided upon hire, presented annually as a part of Ethics and Compliance Training, and made available to all employees on the Kaiser Permanente intranet.

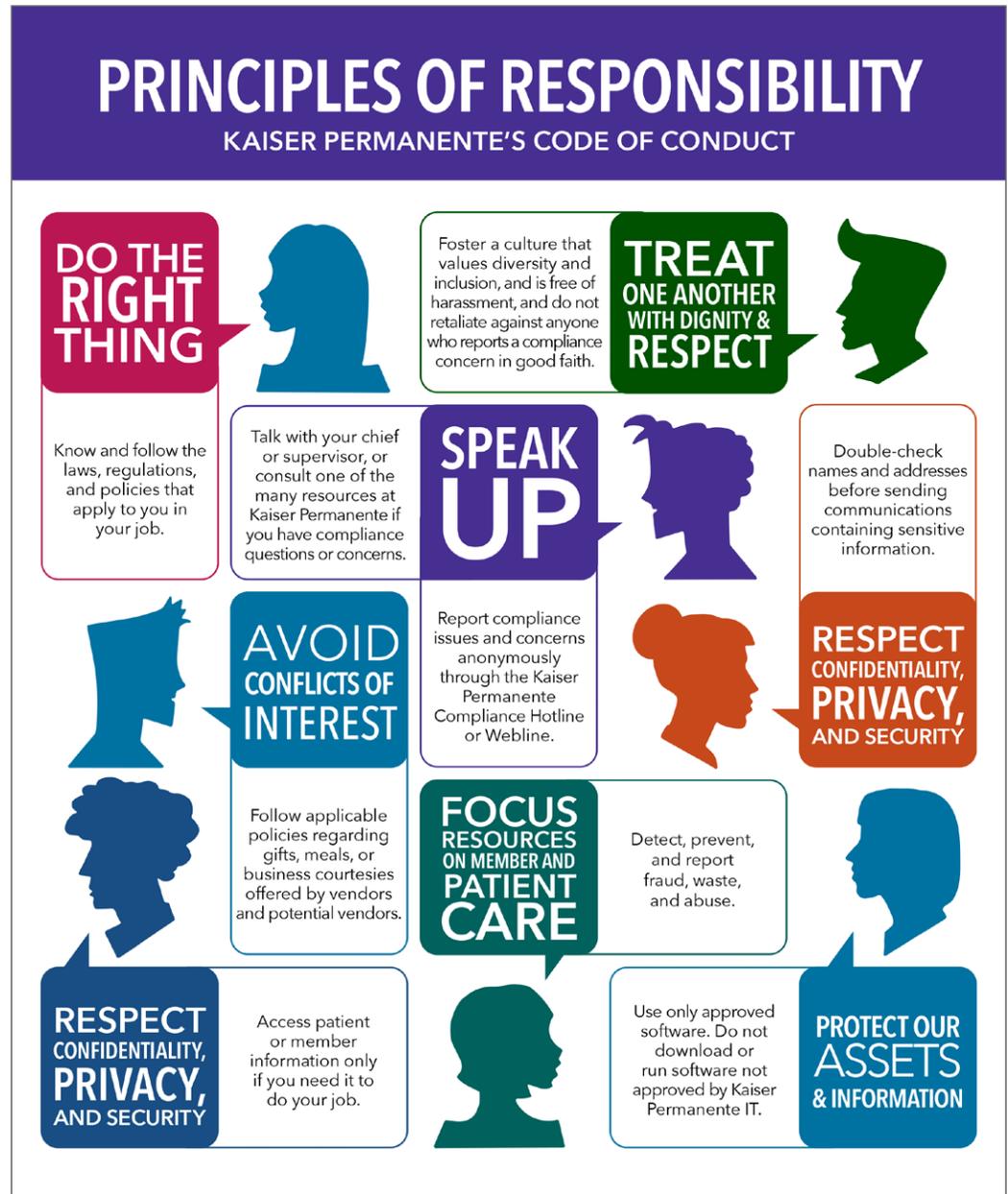
The Kaiser Foundation Health Plan and Hospitals Boards of Directors have adopted the code of conduct and are accountable for adhering to it. The code centers on the organization's mission, includes the foundation of the organizational values and expectations, and serves as a framework to help exercise good judgment and make ethical decisions. Periodically we review the code, and any necessary enhancements are recommended to the board-designated committee for adoption.

Our core values and guiding principles include:

- **Doing the right thing** by integrating ethics and compliance into the work we do every day
- **Preserving the trust** of our members, patients, and customers by keeping our data confidential, private, and secure
- **Striving to make Kaiser Permanente the best place to work** by respecting one another and being recognized for our equity, diversity, and inclusion
- **Making objective and fair decisions** by understanding and acting with integrity without conflict
- **Knowing how to get help** by providing a number of avenues to report concerns and promoting a psychologically safe speak-up culture

The ethics and compliance program

Our ethics and compliance program is designed to provide awareness and to monitor and promote an ethical environment in compliance with laws and regulations. Kaiser Permanente maintains the program by leveraging guidance from the U.S. Department of Health and Human Services Office of Inspector General, the Centers for Medicare & Medicaid Services, and the U.S. Sentencing Commission’s federal sentencing guidelines, and applicable state guidance. The program is structured in the context of the 7 fundamental elements of an effective compliance program, as outlined by the HHS Office of Inspector General, and intended to provide added assurance that Kaiser Permanente:



- Satisfies conditions of participation in health care programs funded by state and federal governments, the terms of its contractual arrangements, and applicable requirements associated with CMS models
- Detects and prevents fraud, waste, and abuse, or other forms of misconduct by our employees, contractors, and agents who work on our behalf
- Develops procedures that allow prompt, thorough investigation of alleged misconduct by the organization and timely, appropriate corrective action

To support the effectiveness of the ethics and compliance program, the Kaiser Foundation Health Plan and Hospitals Boards of Directors set forth a charter establishing a governance and structure designed to facilitate oversight by the boards while maintaining sufficient independence from business operations. The organization designates a chief compliance and privacy officer and an Executive Compliance Committee responsible for implementing and monitoring the program. The activities of the Ethics and Compliance program are structured to support the independent governance and overall effectiveness of the program across the organization. It consists of functional, regional, and market compliance teams.

Scope and responsibilities of the ethics and compliance program

Kaiser Permanente seeks to comply with all applicable federal and state laws and organizational policies, including in 8 key areas:

- Fraud, waste, and abuse
- Privacy and security of protected health information
- Member, patient, and student rights

- Regulatory requirements impacting care delivery
- Regulatory requirements impacting human subject research
- Regulatory requirements impacting the operation of our health plan products, particularly government programs
- Documentation, coding, charging, and billing
- Adherence to the organization’s compliance policies and code of conduct

Organization-wide policies, procedures, and workflows

We develop and maintain national, regional, facility, and department policies and procedures to support business and care delivery operations. The policy and procedure repository is accessible to all employees, physicians, dentists, and contractors. Policy development is monitored to validate approval of policies and procedures, prevent conflicting policy requirements, avoid redundancy, and comply with licensing and accreditation requirements.

We also develop policies that establish compliance expectations and accountabilities across the organization. Centered by our code of conduct, these ethics and compliance policies address expectations around topics including nonretaliation; conflicts of interest; business record retention; compliance training; reporting to regulators; privacy and security; and fraud, waste, and abuse.

Ethics and compliance training and education

Kaiser Permanente requires both general and specialized ethics and compliance training. As a condition of employment, employees take ethics and compliance training upon hire and annually thereafter. They are requested to review and attest to the code of conduct and encouraged to share ideas or matters of concern with their supervisor or compliance officer, or through the Ethics and Compliance Hotline. Targeted training is also provided for employees, and for contractors and agents, as determined by job function. The training focuses on laws, regulations, and ethics and compliance policies and procedures directly relevant to their responsibilities.



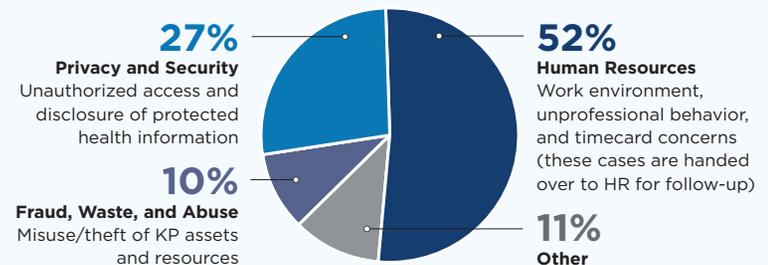
Effective lines of communication

We are committed to fostering a culture where everyone is free to speak up. Our goal is that all employees, whether seeking answers to questions or reporting potential instances of noncompliance, know who to turn to for a meaningful response and are able to do so without fear of retribution. In addition, we have adopted appropriate policies that support a safe, nonthreatening environment. As part of our commitment to ethical behavior, employees are required to report any actual or suspected violations of law or ethical standards so that they can be appropriately investigated and addressed. Employees can raise concerns in several ways, including by contacting their supervisor or a human resources, legal, or ethics and compliance representative; calling our toll-free, 24-hour, anonymous hotline; or submitting a concern online.

Ethics and Compliance year in review 2023 investigations



Top investigation categories



We provide our customers and members with information and descriptions of policies and practices to secure protected health information and other personally identifiable information. Learn more about how we [protect our members' privacy](#).

Vendor code of conduct

Vendors play an integral role in our organization's goal to comply with all applicable laws, regulations, and internal policies. At Kaiser Permanente, we strive to demonstrate high ethical standards in our business practices and have created a vendor code of conduct outlining the minimum standards they are expected to follow.

Conducting internal monitoring and independent auditing

We measure our effectiveness and adherence to applicable policies and regulatory requirements through internal monitoring and independent auditing. The ethics and compliance function monitors or partners with departments throughout the organization to monitor activities and processes so that compliance with various requirements and standards may be assessed. Monitored activities and processes include but are not limited to the following:



- **Fraud, waste, and abuse.** We perform data mining to identify anomalies that may indicate an opportunity to recover funds, avoid inappropriate payments, or detect the diversion of funds or assets, for example, for controlled substances. Compliance

and operations teams regularly partner to develop and refine studies targeted to risk areas. Investigators regularly receive data mining reports to evaluate potential concerns.

- **Conflicts of interest.** Our employees and board members have a duty to disclose potential conflicts via the annual disclosure process and as they arise. To meet the expectations of regulators and the obligation of the Kaiser Foundation Health Plan and Hospitals Boards of Directors to monitor conflicts of interests, Kaiser Permanente administers an annual questionnaire to members of the boards of directors, officers, and employees, including researchers, in positions with greater potential for conflict between personal interests and the best interests of Kaiser Permanente.
- **Federal and state health care programs exclusion list.** Kaiser Permanente screens people and entities that it engages with both initially and, at a minimum, on a monthly basis, against federal and state exclusion lists, and only engages with people and entities that are not identified on state and federal exclusion lists unless an approved exception exists.
- **Independent auditing of the ethics and compliance program.** The effectiveness of Kaiser Permanente's ethics and compliance program is evaluated annually by the Internal Audit Services Department or another independent third party. Compliance risk areas are periodically audited by our Internal Audit Services department or other appropriate internal or as necessary, external audit resources. Compliance-related audit results are reported to senior leadership and the appropriate boards of directors committee, as applicable.

Responding promptly to detected offenses and developing corrective action

Kaiser Permanente has established comprehensive internal investigation and corrective action protocols that enable the timely, complete, and objective investigations of reported noncompliance. The effort is designed to ensure that corrective action and preventive measures are identified, documented, and implemented as appropriate upon conclusion of an internal investigation.



Kaiser Permanente communicates compliance-related issues and activities to internal and external stakeholders, as appropriate, to promote transparency, meet regulatory requirements, and establish and maintain a sustainable ethical and compliant culture within Kaiser Permanente. At least

annually, the boards of directors are provided a report outlining significant compliance and ethics activities for the year. Various regional, facility, business unit, and applicable functional teams submit routine reports of ethics and compliance-related issues within the scope of their associated jurisdiction.

Kaiser Permanente regularly interacts with external agencies through required reports to regulators, self-disclosure reporting, coordination of audits, or referrals to law enforcement. Kaiser Permanente's ethics and compliance policy outlines accountability to disclose issues of noncompliance or detected fraud to federal and state agencies. Overpayments received under state and federal health care programs are reconciled and repaid timely in accordance with applicable regulations. Kaiser Permanente reports information related to data breaches, including personally identifiable information or protected health information to regulatory agencies in compliance with law and regulation.

Organizational governance

Kaiser Foundation Health Plan, Inc., and Kaiser Foundation Hospitals are nonprofit, public benefit, tax-exempt organizations described in Section 501(c)(3) of the Internal Revenue Code. They are organized for public and charitable purposes and not for the private gain of any person, and they operate to improve the health of the communities they serve.

The boards maintain and enhance the success of Health Plan and Hospitals' activities, including carrying out the charitable mission of the organizations and ensuring they fulfill their charitable purpose to operate in a manner that benefits the community. Strong corporate governance serves as the foundation for the organizations to fulfill their purposes and mission.

Throughout Kaiser Permanente's history, our mission and values have led us to embrace diversity and pursue equity for our members and patients, our employees and physicians, and the communities we serve. We strive to have leadership and a workforce that reflects the rich diversity of our members and communities, understands their needs and preferences, and delivers culturally responsive and competent care and services. As of December 31, 2023, 36% of the members of the boards were female, and 43% were racially or ethnically diverse. Further, 13 of 14 directors are nonmanagement and independent.

Appendix:

Sustainability Accounting Standards Board (SASB) Metrics for Managed Care and Health Care Delivery

Managed Care

Overview/summary of our approach to the managed care SASB

metrics: The managed care metrics within the SASB, or Sustainability Accounting Standards Board, are focused more on how claims-based organizations operate versus Kaiser Permanente's delivery system administration. As such, we have conducted internal reviews to discern which metrics we might report out on based on a few main considerations: We have tried to align generally with key metrics our competitors have reported on, as well as identify and respond to those where we believe Kaiser Permanente has a strong story to tell. The responses to some metrics present an opportunity to showcase Kaiser Permanente's commitment to providing high-quality care, serving as good stewards of our resources. Other metrics and responses may not necessarily have a strong story but rather serve a more neutral role in that they are an attempt to align our responses with those that our competitors have responded to as well. For reference, we have included links to [Centene's](#) and [UnitedHealth Group's](#) reports as well.

Data Security

Customer Privacy & Technology Standards

- **HC-MC-230a.1 Description of policies and practices to secure customers' protected health information (PHI) records and other personally identifiable information (PII)**

We take every precaution possible to secure member information wherever it's stored, accessed, or transmitted. For kp.org and my.kp.org, we have advanced security systems in place to protect against the loss, misuse, or alteration of information and are fully compliant with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and

which strictly adhere to all state and federal privacy and security regulations. Members log on to their accounts using their own personal username and password.

Digital traffic, including email and file transfers within our firewalls and with vendors and employer groups, are protected by an array of technical controls systems and Web 2.0 Security pro-tocols, including:

- Access control lists at network, storage device, data-base, and file levels
- Antivirus, phishing, and malware applications
- File encryption
- File integrity monitoring
- IBM WebSphere security
- Imperva Web Application Firewall
- Individual user accounts (user IDs)
- Logging and auditing
- Open SSH
- Secure Socket Layer v3.0 and Transport Layer Security
- User access restricted to the minimum necessary information to perform job functions

There's no limit to the number of user or concurrent sessions for kp.org. We have more than 6 million users, and we plan for availability, monitoring, and server capability to meet this need and the growing possible membership. We have 2 data centers (one in Irvine, California, and one in Napa, California) that have failover capabilities – immediately available standby web servers – so that our availability to all membership in all regions is estimated at or above 98.5%.

Our code of conduct

Every person and organization that works for or on behalf of Kaiser Permanente must follow our code of conduct. This code guides our daily work and helps us meet Kaiser Permanente's high ethical standards, which include complying with:

- Federal, state, and local laws and regulations
- HIPAA's privacy and security rules
- Federal health care program requirements
- Licensing requirements
- Accreditation standards
- Requirements of CMS
- Other federal and state contracts

Kaiser Permanente conducted the appropriate assessments of its technical, physical, and administrative safeguards, as required by the Security Rule, and then adopted and implemented the required technical, physical, and administrative security safeguards to protect the PHI that it obtains and maintains. We have adopted information security policies across our organization. Information regarding the internal policies and results regarding internal or external audits are confidential and proprietary. Kaiser Permanente issues the Service Organization Control 2 Type II Report (SOC-2 Report), as defined by the Statement on Standards for Attestation Engagements No. 16 to customers requiring assurance over relevant information technology, security, and business controls.

Access to Coverage

• **HC-MC-240a.1 Medical Loss Ratio (MLR)**

The Affordable Care Act (ACA) established MLR thresholds of 85% for the large group market and 80% for the small group, individual and student health markets. MLRs are calculated using an average of 3 years of data.

Kaiser Permanente exceeded the law's thresholds for medical spending in all required lines of business and in all our markets for 2022. Therefore, ACA rebates are not required in 2023.

Kaiser Foundation Health Plan 2022 MLRs ranged from 88.5% to 117.5%

Additional details can be found on the CMS website: <https://www.cms.gov/ccio/mlr>

Plan Performance

• **HC-MC-250a.1 Average Medicare Advantage plan rating for each of the following plan types: (1) HMO, (2) local PPO, (3) regional PPO, (4) PFFS, and (5) SNP**

Year after year, Kaiser Permanente ranks among the top Medicare health plans in the country according to CMS' star quality ratings. The ratings demonstrate that Kaiser Permanente's performance remained consistent year over year across most individual measures; however, declines in certain measures resulted in our ratings declining overall. We are actively working to address the issues that affected our performance in the 2024 Medicare Star Quality Ratings. Kaiser Permanente is committed to providing high-quality, seamless care and outstanding service to more than 1.8 million Medicare Advantage members.

Notably, Kaiser Permanente continues to excel on many third-party quality and safety assessments, including the [2023 National Committee for Quality Assurance](#) annual report, which rated all Kaiser Permanente Medicare plans highest or tied for highest in their respective geographic markets for overall care and service.

Region	Kaiser Permanente’s 2024 overall Medicare ratings
California	4 Stars
Colorado	4.5 Stars
Georgia	3.5 Stars
Hawaii	4 Stars
Mid-Atlantic States (D.C., Md., Va.)	3.5 Stars
Northwest (Ore., Southwest Wash.)	3.5 Stars
Washington	3.5 Stars

- **HC-MC-250a.2 Enrollee retention rate by plan type, including: (1) HMO, (2) local PPO, (3) regional PPO, (4) PFFS, and (5) SNP**

How we define enrollee retention rate: We compared who was enrolled in a Kaiser Permanente plan at end of December 2022 to who was still enrolled in a Kaiser Permanente plan in December 2023.

- 87.5% retention across lines of business, products, and regions

Improved Outcomes

- **HC-MC-260a.1 Percentage of enrollees in wellness programs by type: (1) diet and nutrition, (2) exercise, (3) stress management, (4) mental health, (5) smoking or alcohol cessation, or (6) other**

All Kaiser Permanente members have access to a variety of wellness programs. Some programs are integrated into the care delivery system, such as wellness coaching and health education on a variety of health and well-being topics, while others are offered online on kp.org or telephonically. Everything offered on kp.org, telephonically, and in care delivery is available to all Kaiser Permanente members. We don’t track engagement rates by topic; however, we do track engagement rates with our online platforms. As of 2021, 90% of eligible Kaiser Permanente members were registered on kp.org. For 2022 detailed engagement metrics, please reference the table below:

Category	Metric	Volume
kp.org	Appointments scheduled	11.2M
	Lab tests viewed	104.2M
	Prescriptions filled online	49.8M
	Members with digital access	85.7%
Email	Email exchanges	41M
Phone and video	Phone and video visits	21.7M
	% of all care interactions	30.4%
E-visits	# of e-visits	4.5M
Clinical chat	# of clinical chats	0.6M

- **HC-MC-260a.2 Total coverage for pre-ventive health services with no cost sharing for the enrol-ees, total coverage for preventive health services requiring cost-sharing by the enrollee, percentage of enrollees receiving initial preventive physical examinations or annual wellness visits**

All Kaiser Permanente’s plans are compliant with the federal Af-fordable Care Act. All the plans that we design for portfolios and the plans that we customize for employers include preventive benefits at \$0 cost-share for the members. We have an immaterial number of grandfathered plans remaining that are not required to adhere to the ACA rules for preventive services.

- **HC-MC-260a.3 Number of customers receiving care from accountable care organizations or enrolled in Patient-Centered Medical Home programs**

All Kaiser Permanente regions have received PCMH, or Patient-Centered Medical Home, recognition from NCQA, the National Committee on Quality Assurance. Level 3 is the highest recogni-tion, and all Kaiser Permanente regions have received Level 3 recognition specifically. All our customers and members receive care from our PCMH-recognized system.

The PCMH recognition from NCQA is given to health care organi-zations that provide high-quality primary care while managing the overall health of their patients. The program focuses on a set of standards that govern the organization of care around pa-tients, working in teams, coordinating care that supports access, involving patients in their care plans, and tracking care over time.

Kaiser Permanente created a fully integrated care delivery system long before the model was named patient-centered medical home. The principles of NCQA’s PCMH designation reflect how we already provide care to our members. It’s an integrated ap-proach that allows us to:

- Enhance access and continuity
- Identify and manage patient populations
- Plan and manage care
- Provide self-care support and community resources
- Track and coordinate care
- Measure and improve performance

Integrating physicians and rewarding them for controlling costs and improving quality is an important part of our integrated health delivery system. Our health plan, hospitals, and medical groups function as one organization – with an aligned purpose, goals, and performance expectations. Our unique integrated system ensures that not only the providers but our entire system functions at optimal efficiency to manage costs.

The benefits to our integrated approach are essential to higher quality care, better outcomes, and sustainable, affordable health care for our members.

Activity Metric

- **HC-MC-000.A Number of enrollees by plan type**

The majority of our plans are HMOs, so we have chosen to disclose this data by line of business rather than plan type.

Enrollment for all HMO plans as of December 2023:

Category	% of total	# of members
Commercial	43%	5,286,208
Public sector	22%	2,764,368
Medicare	15%	1,889,215
Individual	9%	1,046,066
Medicaid	11%	1,318,210
Total		12,304,067

Health care delivery

- SASB HC-DY-130a.1: Energy Management Total energy consumed: 9,971,644 Gigajoules. Percentage grid electricity: 39%. Percentage renewable energy: 42%.
- SASB HC-DY-150a.1: Waste Management Total amount of medical waste, 29,294 tons: 25% incinerated in 2023. 75% autoclaved and then landfilled.
- SASB HC-DY-450a.1: Climate change directly impacts the populations in all geographical areas that KP serves. While all regions in which KP operates are at risk of illnesses and loss of life due to extreme temperatures, the specific risk exposures may vary. Kaiser Permanente carefully monitors studies and reports issued by government agencies and other organizations that speak to climate change-related risks and uses these reports and findings to assess impact on our business.

Kaiser Permanente has a robust business continuity program that ensures continued operations in the event of natural or manmade disasters. The Healthcare Continuity Management (HCM) team provides updates on resilience including emergency management and business continuity efforts across regions and business units. The HCM maintains vigilance by tracking and responding to all threats to the organization, including multiple earthquakes, wildfires, severe weather events, civil unrest, and labor-related issues. Concurrently, HCM also provided support to the National Command Center (NCC), Regional Command Centers (RCCs), and Local Command Centers (LCCs) throughout the year. Kaiser Permanente also maintains crisis planning and response teams for all crisis events, including any climate-related crises.

Kaiser Permanente communicates in a variety of ways with health plan members (policyholders) regarding environmental contributors to disease as part of our efforts to promote healthy environments. Kaiser Permanente also conducts and publishes Community Health Needs Assessments (CHNA's) across the communities we serve. These publicly available assessments help Kaiser Permanente identify, prioritize, and address community health needs including poor health outcomes that are correlated with climate change. In June 2022, Kaiser Permanente aligned with the White House Climate Pledge, which includes a commitment to develop and release a climate resilience plan.

