

# Kaiser permanente botches its kidney transplant center project essay sample

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Kaiser Permanente Botches Its Kidney Transplant Center Project Kaiser Permanente is one of the country's foremost health maintenance organizations (HMOs), also referred to as integrated managed care organizations. HMOs provide health care that is fulfilled by hospitals, doctors, and other providers with which the HMO has a contract. While Kaiser is a non-profit organization, the company earned \$ 34. 4 billion in revenues in 2007. Kaiser has approximately 170, 000 employees, over 13, 000 doctors, and serves 8. 7 million members in nine states. The company is headquartered in Oakland, CA. Kaiser is known for pioneering electronic medical records and currently boasts the world's largest electronic medical record storage system. The company also consistently ranks among the top HMOs in customer satisfaction. However, a 2004 attempt by Kaiser to handle kidney transplants on its own by setting up a transplant center was a public relations and information technology disaster. The company forced its members to transfer to its kidney transplant program without having adequately prepared to treat those patients.

In 2004, Kaiser implemented a kidney transplant program in Northern California under which transplants would be performed in-house at a transplant center owned and managed by Kaiser. Previously, the HMO had contracted with nearby university-affiliated California hospitals, such as UC San Francisco and UC Davis. The fledgling transplant center was shut down just two years later because of a litany of mistakes pertaining to paperwork, technology, and procedural planning. Through the duration of the doomed project, twice as many people died waiting for a transplant as received successful transplants. Patients now receive care from local hospitals once

again. Kaiser did very little correctly in its attempt to create its own kidney transplant program. The company lost track of records when transferring them to the new transplant center. More than 1, 000 of the 1, 500 patient records had incomplete or incorrect data, such as erroneous social security numbers and missing test results. Despite Kaiser's longtime experience with electronic medical records, the new center's records were stored primarily on paper. Kaiser had no comprehensive transplant patient master list or database. Many other transplant programs have multiple IT professionals assigned to maintain the complicated databases required for a transplant program. Kaiser attempted to run such a program without similar resources.

Kaiser employees dedicated to processing information on prospective transplant recipients were overworked, logging 10- to 16- hour days as they tried to keep up with the avalanche of information. The company did not accurately anticipate the personnel requirements of their under-taking. These were by no means the company's only mistakes, however. There were no specific procedures for transferring data on the initial patients to the United Network for Organ Sharing (UNOS), which oversees national transplant waiting lists. There were no systematic processes for tracking or responding to patient complaints or requests. The Kaiser staff lacked guidance and training regarding their job requirements and uniformly lacked prior experience with transplant programs. And there was no executive governance to identify and correct any of these procedural problems that arose almost immediately after the beginning of the project. Kaiser had seemingly made no attempt to identify and define the processes required to

ensure a smooth transition from external transplant programs to an in-house program.

Kaiser also failed to give patients credit for time spent on waiting lists at other hospitals, sometimes dropping patients who had waited the longest down to the bottom of the list. Unlike other companies, IT mismanagement in health care companies can cost individuals their lives, and in Kaiser's case many plaintiffs seeking damages against the company believe the errors surrounding the Kaiser Transplant Center have done just that. At the outset of the transition, Kaiser mailed potential kidney recipients consent forms but did not offer specific directions about what to do with the forms. Many patients failed to respond to the letter, unsure of how to handle it, and others returned the forms to the wrong entity. Other patients were unable to correct inaccurate information, and as a result, UNOS was not able to approve those patients for inclusion on Kaiser's repopulated kidney wait list. Despite all of the IT mishaps, the medical aspect of the transplant program was quite successful. All 56 transplant recipients in the first full year of business were still living one year later, which is considered to be strong evidence of high quality.

But as the organizational woes continued to mount, Kaiser was forced to shut the program down in 2006, absorbing heavy losses and incurring what figures to be considerable legal expenses. Kaiser paid a \$ 2 million fine to be levied by the California Department of Managed Health Care (DMHC) for the various state and federal regulations it failed to adhere to in its attempt to set up a transplant program. Kaiser was also forced to make a \$ 3 million

charitable donation. Many families of people who died waiting for kidneys from Kaiser are suing the company for medical negligence and wrongful death. Other patients, such as Bernard Burks, are going after Kaiser themselves for the same reasons. In March 2008, Burks won the right to have his case heard by a jury in a public courtroom, rather than a private judge or lawyer in arbitration. Most patient disputes with Kaiser are traditionally settled behind closed doors, presumably to minimize the damage to the company's reputation and increase the likelihood of winning their cases. Burks was the first of over 100 patients on Kaiser's kidney transplant waiting list to win the right to a jury trial.